



June 19, 2019

Michael Delk
Interim Assistant City Manager
City of Clearwater
One Clearwater Tower, 6th Floor
600 Cleveland St.
Clearwater, FL 33756

Re: Redevelopment of City-Owned Sites

Dear Michael:

It was a pleasure reconnecting with you the other week to discuss the City of Clearwater's efforts to advance *Imagine Clearwater* and the redevelopment of key City-owned sites along the Bluff. Under the *Imagine Clearwater* master plan, this new development was intended to bring a vibrant "frame" to the park, complementing the new open space with new residential and retail activity, and unlocking revenue to support the operations of the park. With the transformation of Coachman Park into an expanded signature space, these investments will rebrand downtown, increase visitation, improve connectivity and accessibility, and catalyze adjacent development activity.

As we understand it, the City is currently seeking advisory services to inform the disposition and redevelopment of three City-owned sites. In our experience, we find that successful solicitation processes are driven by a clear understanding and communication of the core policy objectives to be achieved, a careful review of the implications of those requirements on redevelopment potential and land valuation, and deliberate steps to ensure a robust set of developer responses from a regional audience that achieve the stated policy objectives.

HR&A proposes to work with the City of Clearwater to:

1. **Position three key sites for successful long-term redevelopment**, all located within the *Imagine Clearwater* study area at or near the intersection of Osceola Avenue and Cleveland Street:
 - The current site of the Harborview Center, at the northwest corner of Osceola Avenue and Cleveland Street;
 - The site currently occupied by City Hall; and
 - The site at the southwest corner of Osceola Avenue and Pierce Street.
2. **Promote active uses** on these sites that improve Downtown Clearwater's vitality; produce revenues that can be used to fund the operations and maintenance of the new Coachman Park and other Downtown improvements; and meet the City's high-quality design standards for development in Downtown Clearwater. Based on our prior work, this suggests a focus on the delivery of new multi-family residential and ground-floor retail space along the Bluff.
3. **A successful disposition strategy** for the sites that maximizes the City's leverage and minimizes risk, through a solicitation process that is:
 - Informed by an **understanding of market demand and revenue potential** for potential development uses, as well as the impact of various development requirements on overall development feasibility and land value;

- Aided by **targeted developer outreach**, to inform the structuring of the RFP, actively market the sites to regional developers, and gauge appetite; and
- Thoughtfully and deliberately paired with a strategy for the public **referendum/referenda** that will be required for the disposition.

SCOPE OF WORK

HR&A anticipates that meeting the City's objectives will require two phases of work:

- **Phase 1:** A high-level market scan to understand recent real estate activity, particularly absorption of multifamily residential and associated ground-floor retail development; developer engagement to inform the City's market understanding and begin to raise awareness about the opportunity; and the development of a compelling solicitation document for the current site of the Harborview Center.
- **Phase 2:** Support in the launch and management of the solicitation; the evaluation of responses and support in negotiations with one or more developers; and the development of materials supporting the referendum/referenda.

As part of this assignment, we assume that we will collaborate with an architectural firm, whose main task would be the development of massings of building forms to allow for the testing of various redevelopment scenarios, potentially including the delineation of a building envelope, design guidelines, and illustrative renderings to support the solicitation and/or referendum/referenda. Per our conversation, this firm will be selected in consultation with the City, and we have not designated a detailed design scope or budget here within our proposal.

Phase 1: Market Reconnaissance and Solicitation Drafting

Task 1. Project Reconnaissance & Kickoff

- 1.1 **Project Reconnaissance:** Upon receiving notice to proceed, HR&A will arrange a call with the City team to discuss its objectives and desired outcomes for the redevelopment of the Bluff sites. We will also begin to conduct initial project reconnaissance, including reviewing publicly-available property information on the three City sites, past and present development proposals for these sites and other adjacent sites, and any relevant City-led plans or recent regulatory actions that might impact the proposed development. During this period, HR&A will prepare a data request to obtain additional relevant information held by the City and not previously shared during the *Imagine Clearwater* master planning process, which may include previous appraisals and studies prepared regarding the sites, information around program and financial assumptions, including construction budgets, particularly related to infrastructure costs, and further detailed program information. We would also kick off work with the City's architect.

Deliverable: HR&A will provide a data request within one work week of project commencement.

Task 2. Market Scan & Feasibility Analysis

To underpin our analysis, HR&A will evaluate the market potential and feasibility for development on the three City sites. We will build on the previous market study completed by HR&A for *Imagine Clearwater* in order to maximize efficiency.

- 2.1 Market Scan and Data Update: HR&A will update our understanding of market conditions for uses identified as priorities by the City, namely multifamily residential and retail, gathering data for the most recent market metrics and trends in the metropolitan area and any potential impacts of the investments made to-date in Downtown Clearwater and relevant comparable markets on real estate values. We will utilize our team's past analysis of the local market as a foundation for this analysis, but will also collect more recent data to inform assumptions on revenues and costs (both one-time and ongoing) related to the development of the three sites. We will rely on data provided by third-party sources such as ESRI Business Analyst (drawing from Census data) for demographic data, Zillow (or equivalent) for residential data, and CoStar for retail data, among others. We will supplement this data with information provided by the City, as well as primary data from market reports and outreach to local brokers and developers, as needed.
- 2.2 Developer and Stakeholder Engagement Trip: HR&A will work with the City team to begin engaging a shortlist of local and regional developers with experience in delivering high-quality mixed-use projects. We will develop a list of promising firms and travel to Clearwater to meet with representatives to gather market information to supplement the data collected through Task 2.1, gauge interest in the three City sites, outline core considerations that inform project opportunity and risk, and begin to raise awareness of future solicitation(s). During this trip, we will also meet with additional stakeholders and the client team in Clearwater and will share the outcome of our outreach meetings during a wrap-up discussion with the City and key stakeholders, if desired.
- 2.3 Architect Engagement: HR&A will share the results of the market scan with the architectural team to inform their development of basic site massings and development scenarios for the City sites. HR&A will work with the team to refine these diagrams for inclusion in the final solicitation.
- 2.4 Webinar: Development Scenarios: HR&A will conduct a webinar to brief the City client team on our market scan and developer engagement meetings, and recommend a series of scenarios and key variables to be studied under the Task 2.5 financial feasibility analysis.
- 2.5 Financial Feasibility Model and Gap Analysis: Based on the financial assumptions developed during our market scan, we will build a multi-year cash flow model to evaluate the financial feasibility of development on the three City sites and test the effect of key variables on feasibility and project value. Several scenarios will be evaluated based on density of development and the horizontal costs that the developer must bear to deliver a physically-feasible project.¹ HR&A will work with the City team to determine the most critical variables to test within the model.

HR&A's will create a dynamic pro forma to test key variables and demonstrate the project's redevelopment feasibility (or financial gap). Key variables may include those items described above, as well as the type and number of residential units, type and square footage of any ground-floor commercial uses, cost assumptions, phasing, assumed profit margin, or others. The pro forma will project the value of land under different redevelopment scenarios, an objective metric against

¹ The City may elect to hire a cost estimator to provide locally-sourced horizontal cost assumptions, particularly if the City team wishes to test specific development typologies not commonly found in Clearwater but desirable at these highly valuable sites – e.g., subterranean structured parking.

which the City can later evaluate development proposals and proposed transaction terms. For budgeting purposes, we presume running no more than two scenarios per development site, if needed.

- 2.6 Webinar: Findings Presentation: HR&A will conduct a work session via web conference with the City to present the financial model's draft outputs and answer any questions as we move forward to Task 3.

Deliverable: Presentation summarizing findings from Task 2 analyses.

Task 3. RFP Document Development

Building off of the financial feasibility model and gap analysis developed in Task 2.4, which will be broadly applicable to all three City sites, in Task 3 HR&A will support the creation of a single Request for Proposals ("RFP") for development on the Harborview Center site, identified by the City team as a vital "first move" within the group of three sites. The City may choose to adapt this document for subsequent site disposition solicitations for the other three bluff sites

- 3.1 Referendum strategy: HR&A understands that any disposition of City property – and particularly of sites along the Osceola Avenue bluff – requires constituent approval via a voter referendum process. As part of developing a strategy for the disposition of the City's three Bluff sites, HR&A will facilitate a discussion with the City team on referendum/referenda strategy, in terms of timing with the disposition process and determination of whether the next referendum should address one or multiple sites.
- 3.2 Distribution list: Building on the list of regional developers targeted for outreach in Task 2, HR&A will work with the City team to develop a targeted distribution list for circulating the solicitation document.
- 3.3 Drafting key elements of the RFP documents: HR&A will support development of the key business terms and related content for an RFP. We will develop an outline of these sections for review with City staff, develop an initial draft of key RFP content, including the solicitation's goals, requested scope, terms, and evaluation criteria, and provide this to the City to be supplemented by the City's required forms, documents, and language. HR&A will coordinate with City staff to revise and refine this content as needed prior to release.

If exhibits are needed to define the opportunity or provide existing condition information to potential respondents, HR&A will advise on the most compelling and clear presentation of these materials, aimed at eliciting a strong response from the market, and coordinate with the City and other consultants to produce exhibits for inclusion in the RFP. As mentioned previously, we assume that the City's architect will develop illustrative massings for the sites that are in line with the City's objectives, identify comparable developments to be presented to prospective developers, outline core design guidelines and, as deemed necessary, provide illustrative renderings.

- 3.4 RFP approval support: As needed, HR&A will support the City in preparing for review by key City staff. HR&A will review consolidated comments from the City team and commit to making up to two rounds of RFP language revisions.

Deliverables By the end of Task 3, HR&A will deliver RFP scope language, evaluation criteria, and solicitation process information for inclusion in a solicitation document for release to the public upon completion of this task.

Task 4. Pre-Response Submission Support

To support City staff's preparation for receipt of responses, HR&A will conduct the following tasks.

- 4.1 Support preparation for a pre-bid conference: HR&A will develop presentation materials related to the goal, scope, and business term elements of the RFP for the City's use in a pre-bid conference call. We recommend encouraging all interested respondents to join, to allow for questions and discussion of the RFP's key terms and to provide the City with an early sense of market interest. HR&A assumes that the City will deliver the presentation, and we will plan to participate via conference call.
- 4.2 Respond to questions and prepare RFP amendments: HR&A will manage receipt of questions regarding the RFP and work to draft or obtain the appropriate responses. HR&A will draft a set of aggregated questions and responses, or as needed create "batches" of questions and responses, to be reviewed by City staff prior to release to respondents and posting publicly by the City. If questions indicate a need to issue any amendments to the RFP, HR&A will draft and publish these amendments, for up to two rounds of Q&A and/or amendments to be prepared and posted.

Deliverables: Presentation materials for the pre-bid conference; question and answer documents and/or addenda to the RFP for the City's review and release.

Phase 2: Evaluation of Solicitation Responses and Negotiation Support

Task 5. Proposal Evaluation

As the City receives RFP responses, HR&A will support the evaluation of submitted proposals. Anticipated tasks may include:

- 5.1 Conduct respondent due diligence: HR&A will review information provided by respondents and conduct additional background research as needed to understand critical information such as developer credentials, prior projects, financial wherewithal and outcomes of participation in similar projects. Where key information is missing or unavailable from responses and desktop research, HR&A will draft questions to respondents on key points of clarification.
- 5.2 Initial response evaluation: To support the evaluation committee's review, HR&A will provide an objective assessment of respondents' proposed agreement terms and elements, evaluating how completely respondents fulfill the criteria set forth by the City.
- 5.3 Facilitate City evaluation process: HR&A will facilitate the City's comprehensive evaluation of proposals, including an initial draft of a scoring matrix, and leading discussions with the City's selection committee to rank proposals. HR&A will rely on City staff for scheduling and other logistical support during this process.
- 5.4 Respondent interviews: As needed, HR&A will work with City staff to prepare for and conduct interviews with shortlisted respondents. We anticipate that this will include managing development of key questions and facilitating gathering of information during and following the interview process.

- 5.5 City leadership review: Upon completion of the initial evaluation process, HR&A will support City staff in preparing a staff report and/or presentation to leadership to summarize responses, evaluations, and to request authorization to proceed into the negotiation phase, described in Task 6, with one or more respondents.

Deliverables: An evaluation framework for the City's evaluation committee; a presentation summarizing our initial evaluation of responses, accompanied by key questions for respondents; agendas and questions for respondent interviews, if needed.

Task 6. Preferred Proposer Negotiations & Transaction Support

HR&A will be available to support the City's negotiation of terms with the preferred developer for a deal structure that is mutually beneficial to the City and the developer. Subtasks may include:

- 6.1 Supporting term sheet drafting and negotiations: HR&A will support drafting and negotiations of an initial term sheet between the City and one or more preferred respondents. This process will refine the offers provided by developers, provide the City with a final point of leverage in negotiations, and seek to solidify the key terms to be included in an agreement with the preferred partner.
- 6.2 Supporting agreement drafting and negotiations: Based on the term sheet developed in the task above, HR&A will work with the City's transaction counsel to develop a final form of agreement between the City and the preferred development partner. HR&A will review and comment on key business terms within this agreement, but will rely primarily on transaction counsel for agreement drafting.
- 6.3 Presenting negotiated deal terms to City leadership for approval: As required, HR&A will prepare a presentation synthesizing key deal terms with the preferred development partner for City leadership approval. As with any task involving City leadership, the length of time needed to complete this task will be dependent on the scheduling of meetings as well as any presentation or meeting requirements regarding the approval of such an agreement.

Deliverables: Final term sheet for an operating agreement, and support to finalize the agreement.

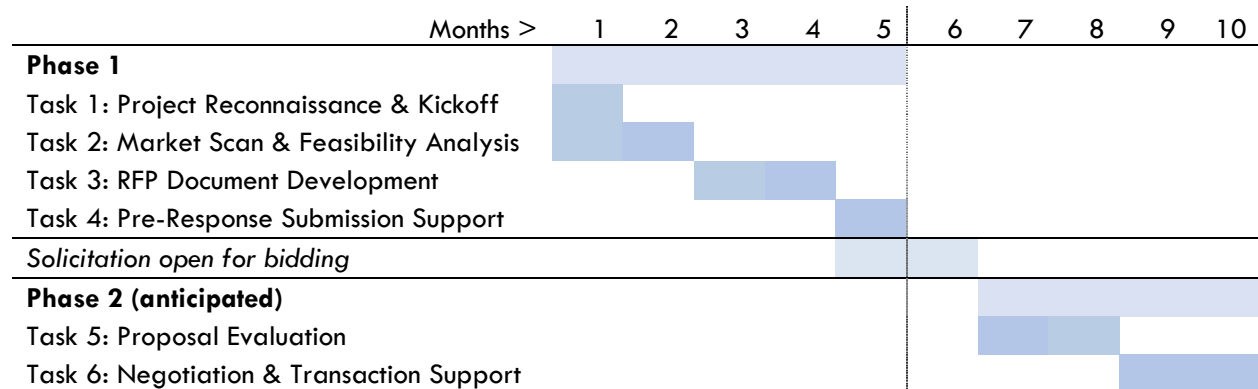
TEAM

Cary Hirschstein, Partner in HR&A's New York office who directed HR&A's previous assignment for the City of Clearwater, will serve as Partner-in-Charge and provide overall direction and quality control for this assignment. Cary will be supported by **Alex Stokes**, an HR&A Principal who previously worked on the *Imagine Clearwater* plan, in addition to qualified professionals from HR&A's team of more than 100 staff.

Please find additional information on the firm's qualifications in the appendix to this letter.

TIMELINE & BUDGET

Timeline



Budget

Phase 1	HR&A proposes completing Tasks 1 through 4, as described above, for a fixed fee of \$100,000, as shown in the table below, plus expenses incurred at cost. We will work closely with the City team and any other consultants to most efficiently execute the work and anticipate a schedule of 5 months for the Phase 1 work; any extension of schedule beyond an additional month may result in fees to the City on a time and materials basis.
Phase 2	Given the variability in this phase of work due to the number of proposals and extent of the review, selection, and negotiations process, HR&A proposes to invoice the City team on a time and materials basis, based on HR&A's 2019 discounted public sector rates, listed below.

Task	Fee
Phase 1	
Task 1: Project Reconnaissance & Kickoff	\$7,500
Task 2: Market Scan & Feasibility Analysis	\$50,000
Task 3: RFP Document Development	\$35,000
Task 4: Pre-Response Submission Support	\$7,500
Subtotal	\$100,000
Phase 2	
Task 5: Proposal Evaluation	time & materials
Task 6: Negotiation & Transaction Support	time & materials

Any additional work provided by HR&A beyond the services costed above will be billed based on HR&A's hourly non-profit and public sector rates, which are discounted from our private sector billing rates and are shown below.

HR&A Advisors, Inc.
Discounted Public/Non-Profit Hourly Rates for
2019

Chair/Vice-Chair	\$525
Partner/Senior Advisor	\$420
Principal	\$370
Director/Senior Project Director	\$315
Senior Analyst	\$235
Analyst	\$185
Research Analyst	\$145
Admin	\$100

These rates are guaranteed through December 31, 2019

HR&A will invoice on a monthly basis, based on percentage completion of work for Tasks 1 through 4, and actual time and expenses incurred for Tasks 5 and 6, with payment due in 45 days.

* * * *

Thank you for the opportunity to submit this proposal and contribute to this important component of *Imagine Clearwater* and the reinvigoration of downtown. Please feel free to call or email me at 212.977.2704 or cary@hraadvisors.com with any questions you may have.

Sincerely,



Cary Hirschstein
Partner
HR&A Advisors, Inc.

Encl. HR&A firm profile, qualifications, and resumes



“

We founded this firm to continue the reinvention of the American city into vibrant urban centers that offer jobs and sustain a high quality of life for diverse communities

”

John H. Alschuler, Chairman



HR&A Advisors, Inc. (HR&A) is an industry-leading real estate, economic development and public policy consulting firm.

We have provided strategic advisory services for some of the most complex mixed-use, neighborhood, downtown, campus, and regional development projects across North America and abroad for over forty years. We understand the importance of linking accretive private investment with public resources to support investors and communities' responsibilities and aspirations.

We have offices in New York, Los Angeles, Dallas, Raleigh, and Washington DC, a presence that allows us to serve clients all over the world.

From Southern California to Brooklyn, and London to Hong Kong, we have guided hundreds of clients in transforming real estate and economic development concepts, and public infrastructure, first into actionable plans then into job-producing, community-strengthening assets. We have served a range of clients – real estate owners and investors, hospitals and universities, cultural institutions, community development organizations and governments – since 1976.

REGIONAL EXPERIENCE



Imagine Clearwater Waterfront Master Plan, Clearwater, FL

On behalf of the City of Clearwater, HR&A led a team to develop an action-oriented, community-led master plan to activate 66-acres of downtown waterfront. HR&A developed a vision to transform Clearwater's downtown park into an expanded signature space as a way to rebrand downtown, increase visitation, improve connectivity and accessibility, and catalyze adjacent residential development. This plan included a phased redevelopment strategy for potential catalyst sites, a vision and framework for public and private investment, and an action-oriented implementation plan. Throughout the master planning process, HR&A worked with the City to conduct a comprehensive public engagement strategy that included seven community workshops, with over 700 community members participating.

Since the City Council approved master plan, the City – in partnership with key stakeholders who participated in the master planning process – is making the vision laid out in Imagine Clearwater a reality. This has included voter approval of modifications to the city charter to allow for implementation of the master plan, and the City's pursuit of a detailed design and engineering scheme for the redevelopment, due to be completed by the mid- to late 2020s.

PROJECT EXPERIENCE



Sarasota Bayfront, Sarasota, FL

Beginning in 2014, HR&A assisted a coalition of community leaders, Bayfront 20:20, in advocating for the redevelopment of a 75-acre waterfront cultural district in Downtown Sarasota. The district consists of several prominent cultural and education facilities along with adjacent vacant and underdeveloped parcels. HR&A organized and oversaw a wide-reaching community outreach process that led to the creation of six implementation principles to guide future bayfront redevelopment efforts. These principles were first adopted by the coalition, which ultimately included over 50 civic and community groups, and subsequently by City leadership.

In a later phase of work, HR&A supported the newly-constituted Sarasota Bayfront Planning Organization (SBPO) in selecting a design firm to lead a master plan for the bayfront via an open selection process that attracted responses from two dozen top design firms from around the world. Once the SBPO selected Sasaki as lead master planner, HR&A continued to support the bayfront redevelopment process by overseeing implementation planning for the district, with a particular focus on crafting a phased funding strategy for capital and operating costs that drew on diverse funding mechanisms including value capture, special assessments, upfront public support, and contributed private funds. HR&A also supported the master planning team in establishing a governance structure aligned with planned funding sources and developing interim and long-term programming strategies for the site. The master plan was unanimously approved by the Sarasota City Commission in September 2018 and HR&A is currently supporting the implementation of the plan's first phase, including the creation of a new tax increment financing district to fund a portion of project costs.

PROJECT EXPERIENCE



USF Research Foundation Demand Study, Tampa, FL

The University of South Florida, the nation's tenth-largest public university in 2018, is one of Florida's top research universities, and the USF Research Foundation (USFRF) is at the heart of its research and innovation activities. As a national leader in technology transfer, USF is a pivotal force in Tampa's rapidly evolving start-up and biotech ecosystems, but the recent rise of more dense urban tech hubs or "innovation districts" has put pressures on USFRF to provide an environment that can better harness the growth of Tampa's booming life sciences and tech sectors. As USFRF began the approval and financing process for a new infill development opportunity on its Research Park campus, it engaged HR&A to determine the tenant demand needed to support this facility.

Through an analysis of the Tampa Bay lab and office space market, regional growth in aligned industries, and on-campus interviews with academic stakeholders, HR&A determined that robust demand exists for additional research space on campus. HR&A also advised the Research Foundation that enough internal demand exists to allow USFRF to be selective in leasing out space. This selectivity would allow for a tenant mix that can be curated to maximize collaboration between different users, increasing the Research Park's effectiveness as an innovation district. Backed by an understanding of the financial implications of a range of tenancing programs, USFRF is prepared to pursue a mixture of tenants that best suits its institutional and economic development goals.

Encouraged by the strength of the Tampa life sciences community and opportunities to achieve an institutional vision, USFRF is currently pursuing funding and approval for a new research building. The Demand Study will support and inform decisions by the USF Board of Governors as it considers the growth of the USF Research Park.

PROJECT EXPERIENCE

Northwest Manatee County Master Plan, Palmetto, FL

HR&A, as part of a team led by Stantec, is developing recommendations for Manatee County, Florida as it seeks to make 30,000 acres of bayfront land a focus of regional economic development by encouraging the growth of new businesses and uses adjacent to Port Manatee, an 1,100-acre seaport that anchors the district. The Northwest County area is largely composed of industrial, agricultural, and vacant land, and is located in close proximity to major regional population centers, including Tampa, St. Petersburg, Bradenton and Sarasota. HR&A is conducting a market analysis of the area to project employment growth and associated development. This analysis will help identify potential drivers of economic growth in the Northwest County area, including Port expansion, increased industrial output, and growth in other local sectors. HR&A will develop a set of growth scenarios based on these drivers for various development uses, which will inform recommendations on investments and programmatic interventions designed to catalyze this growth. HR&A's analysis will inform a gap analysis to be performed by Stantec between the area's existing infrastructure capacity and that needed to meet growth projections.

Developer Solicitation Advisory to the Florida State Fair, Tampa, FL

On behalf of the Florida State Fair Authority, HR&A provided advisory services in relation to redevelopment of a portion of the Florida State Fairgrounds, a 355-acre site in Tampa, Florida. The Authority sought to solicit valuable development that would be synergistic with fair activities. During the first phase of work, HR&A developed a process memo outlining steps and considerations for the solicitation process, including market considerations to frame potential developer interest, current and future Fairground operational requirements, structure and method for solicitation and outreach, and evaluation criteria for the developer shortlist. The process memo identified data points and decision-making milestones to guide the Authority through a formal developer solicitation process.

HR&A subsequently drafted an Invitation to Participate outlining several potential development scenarios for the Fairgrounds site. Following the release of the Invitation to Participate in November 2013, HR&A supported the Fair Authority in the developer selection process. In January 2014, the Authority Board identified a designated developer and authorized commencement of negotiations with the developer for a multi-phased development on a portion of the Fairgrounds. HR&A then supported the Authority's negotiating committee in negotiations and clarifications with the designated developer. In late 2014, the Authority chose to discontinue negotiations to reserve land for other future use.

Orlando Sports and Entertainment District, Orlando, FL

HR&A was engaged by a confidential client to provide market advisory services for a proposed mixed-use development in Orlando, Florida near the Amway Center, home of the NBA's Orlando Magic. The proposed development consists of residential, office, retail, hotel, and entertainment uses that will form an integrated sports, shopping, and entertainment district, contributing to the ongoing revitalization of Church Street in Downtown Orlando. HR&A performed a retail market analysis, which included an evaluation of the competitive retail environment in Orlando, an assessment of the retail sales potentially achievable at the site, and case studies of precedent urban sports/entertainment districts and public plazas. HR&A's analysis included a merchandising plan for retail, restaurant and entertainment tenants.

PROJECT EXPERIENCE



Riverfront Investment Strategy, Jacksonville, FL

HR&A advised the Jacksonville Downtown Investment Authority on a vision and implementation framework to revitalize the downtown waterfront. Since 2000, the area has seen over \$3 billion in investment in infrastructure, housing, and commercial uses. Still, downtown Jacksonville lags peer cities and additional investment is needed to realize the City's vision of it being the metro's epicenter. Following an analysis of demographic and market conditions and key stakeholder outreach, HR&A developed an actionable investment strategy for the downtown waterfront that is rooted in tenets of placemaking and activation, grounded in market conditions, and accompanied by a practical strategy for implementation to support downtown development. The strategy emphasizes site-specific opportunities along the riverfront while also identifying strategies for supporting sites upland and creating connections among key activity centers throughout downtown and on both banks of the St. Johns River. The strategy is serving as a framing document for the Downtown Investment Authority as it transitions leadership and leads the revitalization of downtown in the short and long-term.

DEVELOPER SELECTION AND NEGOTIATION SUPPORT



Land Strategy & Developer Solicitation, Mecklenburg County, NC

On behalf of Mecklenburg County, North Carolina, HR&A investigated how the County can leverage land it owns in Uptown Charlotte to advance its financial, public policy, and economic development goals. HR&A conducted a highest and best use study for four underutilized County-owned sites, each with its own particular development opportunities and constraints. HR&A first conducted a scan of market conditions for relevant asset classes in Uptown Charlotte, and investigated relevant economic development tools that could enhance feasibility. We translated our findings into alternative redevelopment programs for each site that respect physical, regulatory, and market constraints. HR&A subsequently evaluated the residual land value and fiscal impacts associated with each program and recommended specific regulatory or financial assistance necessary to stimulate redevelopment of the sites. HR&A's work provided Mecklenburg County with a land disposition strategy for the sites that reflect market conditions, the County's goals, and desired timing, and contributes to Uptown Charlotte's emergence as one of the nation's leading urban centers.

In a second phase of work, HR&A is currently supporting the County's disposition of two sites within Charlotte's Second Ward. The selected master developer will be responsible for the delivery of a significant new mixed-use program as well as public benefits, including open space, affordable housing, and new infrastructure, across the 16-acre sites. HR&A managed the RFQ and RFP process, both initiating a call for responses and evaluating submissions. A term sheet between the County and BK Partners was executed in August 2017 and the parties subsequently began negotiations for a Master Redevelopment Agreement.



Implementation of the Concord Naval Weapons Station Re-Use Plan, Concord, CA

Since 2013, HR&A has been assisting the City of Concord, CA's Local Reuse Authority ("LRA") with a series of tasks required to implement the City's adopted reuse plan for the 5,000-acre inland area of the former Concord Naval Weapons Station. The reuse plan envisions development of about 12,200 residential units, 6.1 million square feet of commercial uses, 103 acres for community facilities, and 3,500 acres devoted to parks and open space.

HR&A first managed a three-stage RFQ/RFP competitive process to help the LRA select a master developer. The RFQ (drafted by HR&A) received eight high-quality Statements of Qualifications from candidate master developers. Following a review process managed by HR&A, the City Council selected four companies to participate in the RFP process (also drafted by HR&A). HR&A then assisted an LRA technical team to complete detailed evaluations of three submitted proposals, resulting in City Council selection of two firms to participate in negotiations. HR&A assisted the LRA team to conduct simultaneous term sheet negotiations with two of the nation's most prominent master developers, leading to the selection of an affiliate of Lennar Corporation.

HR&A continues to assist the LRA to negotiate a Development and Disposition Agreement with Lennar Concord, LLC, the terms of a land transfer payment with the U.S. Navy, and the economics sections of an Economic Development Conveyance application to the U.S. Navy.

Broadway Corridor Framework Plan and Developer Solicitation, Portland, OR

On behalf of Prosper Portland, HR&A advised on a strategic vision, development concept, and developer solicitation for the Broadway Corridor in Portland, Oregon. The corridor is located at the intersection of the Pearl District, Union Station, and Old Town/Chinatown and is dominated by a 14-acre USPS facility. HR&A served as a resource for Prosper Portland and its design team as they considered market and implementation issues affecting the USPS site. HR&A also participated in intensive workshops, evaluated the financial feasibility of preliminary development concepts, and assisted the team in identifying a strategy for mitigating potential funding gaps in the preferred concept plan. In a subsequent phase, HR&A facilitated a workshop to educate stakeholders on the challenges and potential of public-private partnerships to prepare them for the selection of a preferred developer. HR&A also advised on the structure of a developer RFQ and marketed the opportunity to potential respondents. In April 2018, Prosper Portland designated Continuum Partners as the master developer and HR&A continues to advise the agency in ongoing master planning and negotiations.

Foundry Building Redevelopment Strategy, Cambridge, MA

On behalf of the Cambridge Redevelopment Authority (CRA), HR&A developed potential re-use scenarios for the Foundry Building in Cambridge, Massachusetts. HR&A worked with the CRA to examine existing building conditions and

PROJECT EXPERIENCE

reuse possibilities, and conducted focused outreach to brokers and real estate experts to understand typical deal terms in the local market. After conducting market due diligence, HR&A worked in coordination with CRA to define up to three programmatic alternatives. HR&A produced a stabilized-year financial model demonstrating the financial returns of undertaking the redevelopment alternatives for a private sector partner. For alternatives with a funding gap, HR&A identified possible public-private development structures and tools to mitigate the gap.

HR&A subsequently supported the authority in a two-step procurement process to secure a development partner for the Foundry Building. HR&A helped draft a Request for Qualifications (RFQ) to solicit interest from qualified developers. HR&A then helped the authority craft a Request for Proposals (RFP) for the redevelopment of the Foundry, and assisted evaluations of responses. The goal of the project is to implement a financially-sustainable redevelopment program that will enable Cambridge residents to have better access to opportunities in the City's thriving knowledge economy.



Fulton Transit Center Public-Private Development Advisory, New York, NY

HR&A served as strategic advisor to the Metropolitan Transportation Authority for the commercial development, operations, and management of the Fulton Center, a \$1.4 billion transit hub that connects six subway stations in Lower Manhattan. The firm first worked with MTA Real Estate and MTA Capital Construction to develop a retail vision for the Center, assess the likely costs of ongoing operations, and determine the preferred public-private partnership model for the Center. This assignment included a re-characterization of certain public and private spaces designed for the facility to create the greatest flexibility for commercial uses and most vibrant public realm. It also included recommendations on the use of an extensive digital media platform to both generate revenue for the facility and create a dynamic user experience.

HR&A continued to work with the MTA to manage the development of a Request for Proposals for the Master Lease of a significant portion of this most prominent gateway to Lower Manhattan. HR&A worked with the MTA to manage the solicitation process, including marketing the Request for Proposals, engaging developers, structuring the pre-proposal conference and site tours, and answering prospective Master Lessee's questions. HR&A actively supported the MTA through the proposal review and selection process, as well as negotiations with preferred bidders. In December 2013, Westfield was designated as the master lessee of Fulton Center. The Center opened in November 2014.



Master Development Selection for WestEdge Charleston, Charleston, SC

HR&A assisted the Horizon Project Foundation, a partnership of the Medical University of South Carolina (MUSC) Foundation and the City of Charleston, SC, in selecting a master developer to partner with the Foundation in building the first phase of WestEdge, formerly known as the Horizon District. WestEdge will be a 48-acre, mixed-use district adjacent to MUSC containing research and technology, institutional and commercial office space, retail, multifamily residential and hotel uses. HR&A assisted the Foundation's evaluation of developer responses and crafted preliminary transaction terms to meet development goals and infrastructure needs. HR&A continued to support HPF through the negotiation and contracting phases as it worked with its selected partner Gateway Development to determine how best to finance infrastructure and move development forward. Since 2014, the Foundation has worked with Gateway to design and build site infrastructure as well as three new buildings - 10 WestEdge, the Caroline, and 22 WestEdge - including a mix of nearly one million square feet of residential, retail and innovation office uses.

Transbay Transit Center Master Lessee Procurement Management, San Francisco, CA

On behalf of the Transbay Joint Powers Authority, HR&A supported the Authority with the recruitment and selection of a long-term master lessee. The master lessee would oversee retail tenancing, facility management, and open space and event programming. The Transbay Transit Center is a new intermodal transit hub serving local and regional bus and train networks and an anchor of San Francisco's newest office and residential district. The facility features two stories of retail space, over 270 digital screens, and a 5.4-acre rooftop park. HR&A guided the Authority in the business plan for facility operations that will serve as the basis of an agreement with a master lessee. HR&A drafted and published a Request for Proposals for a master retail lessee, which received favorable responses from the development management community. HR&A worked with the Authority to review developer responses and select a master lessee, and supported the Authority through developer negotiations.

SOLICITATION RESPONSE SUPPORT



Willets Point Redevelopment Proposal Management, Queens, NY

HR&A assisted the Macerich Company and AvalonBay Communities in leading the preparation of a proposal in response to the New York City Economic Development Corporation's (NYCEDC) Request for Proposals to redevelop the Willets Point District in Queens, New York. The 62-acre site is located adjacent to the new Citi Field stadium for the New York Mets and is less than a mile from the downtown Flushing commercial district. The first phase, comprised of 13 acres, will include up to 680,000 square feet of retail space, 400 units of mixed-income housing, 387 hotel rooms, 2-acres of open space, and accessory parking. When fully built out, the District will include nearly nine million square feet of development including retail, housing, hotel and convention center facilities, community facilities, and open space.

HR&A assisted Macerich and AvalonBay in managing the project team through analysis and development of all aspects of the proposal, including the program, master plan, building and public realm design, sustainability strategy, transportation plan, infrastructure plan, financial analysis, and deal structure. HR&A also led the analysis of public financing options and economic and fiscal benefits of the proposed development. HR&A assumed responsibility for the final product delivered to NYCEDC, working closely with the design team to draft, design, and package the final proposal. The proposal was one of the two top submissions received, and HR&A led Macerich's negotiations team with NYCEDC over a series of months.

Master Development Feasibility Study, Wassaic, NY

On behalf of the Wassaic Community Development Partners, HR&A provided strategic advisory services and a financial feasibility analysis for a proposed redevelopment of the former Wassaic Development Center, a Taconic DDSO site scheduled to be sold by Empire State Development. The site is 330 acres, contains 50 buildings and is adjacent to a 207-acre neighboring site owned by the client. HR&A developed a high-level financial model and a set of recommendations for potential deal terms that WCDP could ask for from ESD to make a regional attraction financially viable.

Seward Park Urban Renewal Area Development Advisory, New York, NY

HR&A served as strategic advisor for a team of for-profit and non-profit developers responding to the New York City Economic Development Corporation (NYCEDC) and Department of Housing Preservation & Development's (HPD) Seward Park Urban Renewal Area (SPURA) RFP for 1.6M SF of mixed-use development on 9 City-owned sites on the Lower East Side, including 1,000 new housing units and approximately 600,000 SF of commercial space. HR&A helped to shape the development program, design, and financial offer in order to create a competitive proposal that balances public benefits with developer return requirements. The program integrated local community organizations and innovative new economic development drivers while maximizing land value to the City of New York.



CARY HIRSCHSTEIN

PARTNER

EDUCATION

New York University
Robert F. Wagner Graduate School of
Public Service
Master of Urban Planning
2004

Cornell University
Bachelor of Science
Human Development
Cognitive Studies Concentration
2000

WORK EXPERIENCE

HR&A Advisors, Inc.
Partner
2014 – Present

Principal
2010 – 2014

Director
2007 – 2010

Senior Analyst
2004 – 2007

New York University
Institute for Civil Infrastructure Systems
Graduate Research
Assistant
2002 – 2004

Flatiron Real Estate Advisors, LLC
Acquisitions Consultant
2003

Jenzabar, Inc.
Project Manager, Business Development
2000 – 2001

AFFILIATIONS

International Economic Development
Council (IEDC)

Urban Land Institute (ULI):
NEXT New York

Park Slope Food Coop:
Real Estate Committee

Since joining HR&A in 2004, Cary Hirschstein has specialized in the management of large-scale urban development, real estate advisory services to nonprofit institutions, and the structuring of effective policies and programs supporting economic development, environmental sustainability and resiliency. As project leader for some of the firm's most complex pre-development work, Cary directs large multidisciplinary teams through technical review, conceptual planning, negotiations and pre-approvals processes. He also serves as a trusted development advisor to a diverse range of nonprofit institutional clients. In addition, Cary advises clients on the economics of sustainability, including a focus on policy and program design for improving the energy efficiency of existing buildings.

Clearwater Waterfront Master Plan, Clearwater, FL

Developed a master plan and implementation strategy for 50 acres of downtown waterfront property, centered around a signature public open space in Clearwater, Florida. Identified opportunities for catalytic investment in coordination with a re-envisioning for the area's open space and circulation networks. Led a comprehensive community engagement process, and provided a roadmap for City implementation.

Major League Soccer Stadium District, Miami, FL

Advised David Beckham on predevelopment planning for a new, urban Major League Soccer stadium in Miami. Selected and managed a planning team of designers, engineers, and public engagement professionals to secure a waterfront location owned by the Miami port authority, PortMiami. The development program was anchored by the 20,000-seat stadium and supported by a network of open spaces and parks, including a linear park, pedestrian promenade, and central civic space. Led negotiations with Miami-Dade County to create a land valuation strategy for creation of the stadium district and park amenities.

Willeys Point Redevelopment, Queens, NY

On behalf of Macerich and AvalonBay Communities, led the development of a proposal to the City of New York for the redevelopment of the Willeys Point District in Queens, with a first phase of retail and residential development totaling more than 1.2 million square feet and representing \$1 billion in investment.

NRG Real Estate Portfolio Disposition Strategy, CA and VA

Supported the development of a real estate disposition strategy for a portfolio of decommissioned power plants owned by NRG Energy in California and Virginia. Assessed demand for local residential, retail, office, and hotel uses and identified financially feasible redevelopment and reuse scenarios. Estimated land values for a variety of disposition strategies and developed a holistic disposition strategy to align with the company's organizational priorities.

Riverfront Investment Strategy, Jacksonville, FL

Advised the Jacksonville Downtown Investment Authority on a vision and implementation framework to revitalize the City's downtown waterfront. The strategy emphasizes site-specific opportunities along the riverfront while also identifying strategies for supporting sites upland and creating connections among key activity centers throughout downtown and on both banks of the St. Johns River. The strategy is serving as a framing document for the Downtown Investment Authority as it transitions leadership and leads the revitalization of downtown in the short and long-term.



ALEX STOKES
PRINCIPAL

EDUCATION

Université Paris-Dauphine
Masters in Real Estate
2007 – 2008

Harvard University
Bachelor of Arts
History
2003 – 2007

WORK EXPERIENCE

HR&A Advisors, Inc.
Principal, Financial Analysis & Transactions
2014 – 2016

HR&A Advisors, Inc.
Director
2014 – 2016

HR&A Advisors, Inc.
Senior Financial Analyst
2014

HR&A Advisors, Inc.
Senior Analyst
2012 – 2014

HR&A Advisors, Inc.
Analyst
2010 – 2012

Caine Mitter & Associates Incorporated
Financial Advisor to Affordable Housing
Agencies
2008 – 2010

AWARDS

Williams-Lodge Fellowship
Harvard, for post-graduate study at the
University of Paris

Harvard Center for European
Studies Research Fellowship

Williams Scholarship

AFFILIATIONS

University of Pennsylvania
School of Design
Lecturer
2015 – Present

Alex advises public and private-sector clients on strategies to leverage real estate assets for economic development and urban revitalization. He has conducted numerous real estate market and financial feasibility analyses and has developed financial models to determine real estate valuation and construction feasibility. Prior to joining HR&A, Alex served as a financial advisor to state and local housing finance agencies.

Clearwater Waterfront Master Plan

Developed a master plan and implementation strategy for 50 acres of downtown waterfront property, centered around a signature public open space in Clearwater, Florida. Identified opportunities for catalytic investment in coordination with a re-envisioning for the area's open space and circulation networks. Led a comprehensive community engagement process, and provided a roadmap for City implementation.

Sarasota Bayfront Redevelopment Planning

Beginning in 2014, assisted a coalition of community leaders, Bayfront 20:20, in advocating for the redevelopment of a 75-acre waterfront cultural district in Downtown Sarasota. Organized and oversaw a wide-reaching community outreach process that led to the creation of six implementation principles to guide future bayfront redevelopment efforts. In a later phase of work, supported the newly-constituted Sarasota Bayfront Planning Organization (SBPO) in selecting a design firm to lead a master plan for the bayfront. Continued to support the bayfront redevelopment process by overseeing implementation planning for the district, with a particular focus on crafting a phased funding strategy for capital and operating. The master plan was unanimously approved by the Sarasota City Commission in September 2018 and its first phase is being implemented.

Redevelopment Strategy for the Foundry Building in Cambridge, Massachusetts

Evaluated the reuse potential of the Foundry Building in Cambridge, Massachusetts for the Cambridge Redevelopment Authority (CRA). Assessed market potential for a range of potential uses and interviewed industry experts to understand typical deal terms in the local market. Worked with the CRA to define five programmatic alternatives incorporating uses compatible with the CRA's development goals, and produced a financial model to demonstrate the financial returns of undertaking the redevelopment alternatives for a private sector partner. Supported the CRA in drafting a developer solicitation and evaluated developer responses.

Master Developer Selection for WestEdge, Charleston, SC

Supported the selection of a master development partner to build the first phase of the WestEdge for the Horizon Project Foundation, a partnership of the Medical University of South Carolina Foundation and the City of Charleston. WestEdge is a forty-eight-acre, mixed-use district, adjacent to the university, with research and technology, institutional, commercial, retail, multifamily residential, and hotel uses. Assisted the foundation's evaluation of developer responses, and crafted preliminary transaction terms to meet development goals and infrastructure needs. Continued to support Foundation through the negotiation and contracting phases. The first phase of the new "WestEdge" District -- including 350 residential units -- broke ground in 2016; the first phase of commercial development is expected to commence in 2017.