

DRAFT

RESOLUTION 20xx-xxx

RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH RI PROPERTIES, INC. DBA RETAIL INSITE FOR COMMERCIAL REAL ESTATE BROKER SERVICES FOR THE SEAPORT VILLAGE SPECIALTY RETAIL CENTER FROM JULY 18, 2018, TO JUNE 30, 2021, IN AN AMOUNT NOT TO EXCEED \$200,000 AND WAIVING BPC POLICY NO. 114. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I; and

WHEREAS, the Board of Port Commissioners (BPC or Board) adopted BPC Policy No. 110 to establish a policy governing the processing and administration of public projects, consulting and service agreements, the purchasing of supplies, materials and equipment, and grants; and

WHEREAS, the BPC adopted BPC Policy No. 114 to establish a policy governing the payment of commissions to real estate brokers for securing leases on designated tideland parcels;

WHEREAS, at the January 9, 2018 Board meeting, the BPC directed staff to retain a commercial real estate broker to list and market any vacancies at Seaport Village Specialty Retail Center (Seaport Village), following the expiration of Terramar Retail Center, LLC's lease for Seaport Village on September 30, 2018; and

WHEREAS, on May 21, 2018, staff issued a Request for Proposals (RFP 18-23ME: Commercial Real Estate Broker for Seaport Village Specialty Retail Center) (RFP) for the agreement to list and market retail space on the District's behalf for Seaport Village beginning July 18, 2018; and

WHEREAS, Seaport Village consists of approximately 90,000 square feet of specialty retail, restaurants, outdoor entertainment, and parking on an approximately 14-acre bayfront site located at 849 West Harbor Drive in San Diego, CA; and

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WHEREAS, the RFP was downloaded 30 times and, on June 18, 2018, the District received seven proposals, five of which were deemed complete and on time, as required by the RFP through Planetbids; and

WHEREAS, the Real Estate Department put together a selection review panel to conduct interviews on June 21, 2018, followed by a decision analysis based on the evaluation criteria in the RFP; and

WHEREAS, the selection review panel identified RI Properties, Inc. dba Retail Insite (Retail Insite) as the top proposer, and staff recommends that the Board select Retail Insite and conclude the RFP process; and

WHEREAS, Retail Insite received the highest possible score in each of the evaluation criteria categories and the highest overall score; and

WHEREAS, staff believes that Retail Insite has the strongest specialty retail leasing experience, that Retail Insite's proposal is consistent with the District's vision and goals as outlined in the RFP, and will result in the best strategic approach to leasing the existing and future vacancies at Seaport Village; and

WHEREAS, the Board's current Policy 114 is inconsistent with the commission structure negotiated through the RFP process, and staff recommends that the Policy be waived in order to match prevailing practices in the commercial real estate industry; and

WHEREAS, if the Board selects Retail Insite as the successful proposer, this would conclude the RFP process; however, it is recommended that in making such a selection, the District reserve all its rights under the RFP and as permitted under law; and

WHEREAS, funds for FY 2019 expenditures are budgeted for in the Real Estate Department budget; funds required for future fiscal years will be budgeted for in the appropriate fiscal years and cost account, subject to Board approval upon adoption of each fiscal year's budget.

NOW THEREFORE, BE IT RESOLVED by the Board of Port Commissioners (BPC) of the San Diego Unified Port District, does hereby wave BPC Policy No. 114, Payment of Commissions for the Leasing of Tidelands and the Executive Director or her designated representative is hereby authorized to execute an agreement with RI Properties, Inc. dba Retail Insite to list and market retail space on the District's behalf for Seaport Village beginning July 18, 2018, through Jun 30, 2021, in an amount not to exceed \$200,000.

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APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the
San Diego Unified Port District, this 17th day of July 2018, by the following vote: