



Contra
Costa
County

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: June 26, 2018

Subject: CC Airports - Authorize to Select Master Developer & Negotiate Ground Lease & Development
Terms-Approx. 4.6 Acres, County-Owned land @ CCR Pacheco (IV)

RECOMMENDATION(S):

AUTHORIZE the Director of Airports, or designee, to select a master developer and negotiate a ground lease and development terms between the County, as Landlord, and one of two parties in priority ranking order that submitted a proposal to develop approximately 4.6 acres of land on the northwest corner of Marsh Drive and Solano Avenue at the Buchanan Field Airport (Pacheco area, District IV).

FISCAL IMPACT:

There is no negative impact on the General Fund. The Airport Enterprise Fund would realize lease and other revenues. The County General Fund would realize sales tax and other revenues if a lease is successfully negotiated.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/26/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 26, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stacey M. Boyd, Deputy

Contact: Beth Lee, (925)
681-4200

cc:

BACKGROUND:

The development site is approximately 4.6 acres of land owned by the County and located on the northwest corner of Marsh Drive and Solano Avenue on the north side of Buchanan Field Airport. The parcel is designated for non-aviation use on the Buchanan Field Master Plan. The parcel is under the jurisdiction of the Buchanan Field Airport and is partially (approximately 20%) within the unincorporated County and the balance (approximately 80%) is within the City of Concord. As such, on July 20, 2016, the Board of Supervisors approved an agreement between Contra Costa County and the City of Concord regarding the entitlement process for development of this parcel and the apportionment of tax revenues.

On December 6, 2016, the Board of Supervisors authorized Airports Staff to negotiate lease terms with another entity. Unfortunately, the other entity was unable to proceed with its proposed development and they withdrew its development interest on March 9, 2018.

On March 13, 2018, the Contra Costa County Public Works – Airports Division proactively solicited and advertised for development interest in the 4.6-acre site. The competitive solicitation process was consistent with the Federal Aviation Administration Airports District Office's guidance for airport property use. The Airports Division received seven (7) letters of interest from private parties to develop the subject site.

On April 16, 2018, Airports Division staff distributed a Request for Proposals to select a master developer to the seven interested parties. The proposals and a \$25,000 development deposit were due on May 25, 2018. The Airports Division received two complete proposals, one from Montecito Commercial Group, LLC and a joint proposal from StoragePRO, Inc. and the Deutscher Properties Corporation.

Consistent with the master developer selection process for projects that have a competitive interest, which was approved by the Board of Supervisors on May 23, 2006, a selection committee was convened to review and rank the proposals. The selection committee was comprised of Airports Division staff, a member of the Aviation Advisory Committee, and a City of Concord staff member. The selection committee reviewed the two excellent and worthy proposals. The proposal ranking outcome was determined by the following factors:

- Project land use, site plan and conceptual design
- Developer's financial strength, financial plan, and proposed business terms
- Developer's qualifications, track record, and experience
- Compliance with governing plans and policies
- Proposed development schedule

Applying the above factors, the proposal submitted by StoragePRO, Inc. and Deutscher Properties Corporation was top ranked by the selection committee. The Montecito Commercial Group, LLC was ranked a close second.

Development of this 4.6-acre vacant parcel for commercial use would expand economic development activity at Buchanan Field Airport and lead to increased revenues for the Airport Enterprise Fund. This development will also facilitate the growth and development as identified in the adopted Buchanan Field Airport Master Plan. A business proposal must be consistent with the Airport Master Plan and General Plan for consideration.

Unless and until a final lease agreement is fully executed by all parties, this Board Order, any draft lease agreement, other communications or conduct of the parties shall have absolutely no legal effect, may not be used to impose any legally binding obligation on the County and may not be used as evidence of any oral or implied agreement between the parties or as evidence of the terms and conditions of any implied agreement.

CONSEQUENCE OF NEGATIVE ACTION:

Delay in initiating the developer selection process will result in a delay of developing vacant land at Buchanan Field Airport and may negatively impact the Airport Enterprise Fund and County General Fund.