



## Legislation Text

**File #:** 20-826, **Version:** 1

Consider receiving a verbal update on the development of the Solano360 - Solano County Fairgrounds project; receive a presentation from the Solano360 Implementation Committee's recommended development team, Industrial Realty Group/Jones Land LaSalle; confirm selection of Industrial Realty Group/Jones Lang LaSalle as the preferred development team for the Solano360 project; authorize staff to negotiate an Exclusive Right to Negotiate Agreement with Industrial Realty Group/Jones Land LaSalle and delegate authority to the County Administrator to execute the agreement

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The County Administrator's Office and Department of General Services recommends that the Board of Supervisors:

1. Receive a verbal update on development of the Solano360 - Solano County Fairgrounds project;
2. Receive a presentation from Industrial Realty Group/Jones Lang LaSalle, the Solano County/City of Vallejo Solano-360 Implementation Committee - recommended development team;
3. Confirm selection of Industrial Realty Group/Jones Lang LaSalle as the preferred development team for the Solano360 project;
4. Authorize staff to negotiate an Exclusive Right to Negotiate Agreement with Industrial Realty Group/Jones Lang LaSalle; and
5. Delegate authority to the County Administrator to execute the agreement.

### **SUMMARY/DISCUSSION:**

#### Solano360 Development Update

Staff has been actively pursuing development opportunities for the Solano County Fairgrounds site in Vallejo as part of the Solano360 Specific Plan.

On October 10, 2019, the Solano360 Implementation Committee directed staff to issue a Request for Qualifications (RFQ) solicitation jointly with the City of Vallejo. The RFQ was issued on November 15, 2019 and the County received 4 submittal packages on January 9, 2020. A workgroup comprised of City of Vallejo, County and Solano Economic Development Corporation (SEDC) representatives reviewed and rated the Statements of Qualifications and on June 22, 2020, the Solano360 Implementation Committee approved staff's recommendation to issue a Limited Distribution Request for Proposals (RFP) from the top 2 scoring teams; Industrial Realty Group LLC /Jones Lang LaSalle Inc. (IRG/JLL) and Lewis Planned Communities. The RFP was issued on June 23, 2020 and 2 submissions were received by the County by 4:00pm (PDT) on September 16, 2020.

The City/County/SEDC workgroup reviewed and evaluated the proposals and recommended that the Solano360 Implementation Committee select one preferred team to move forward with an Exclusive Right to Negotiate (ERN) Agreement on October 22, 2020. The Implementation Committee, comprised of Solano County Board of Supervisors Chairwoman Erin Hannigan, Supervisor Jim Spering and Vallejo City Councilmembers Pippen Dew and Hermie Sunga, selected IRG/JLL as the preferred development team for the Solano360 development and recommended that the Board of Supervisors enter into an ERN)Agreement with IRG/JLL.

Information related to the RFQ/RFP process can be found at the Solano County website at this address:

[<https://www.solanocounty.com/solano360/rfq.asp>](https://www.solanocounty.com/solano360/rfq.asp)

Staff anticipates the ERN process will first reach agreement on basic terms to be defined in a Term Sheet, prior to negotiating and preparing more comprehensive and formal ground leases, development agreements and financing agreements, and initiating additional environmental review, if any. The Term Sheet will define at a minimum:

- Allowed uses;
- Site development parameters;
- Incorporation of any anchor users identified through this solicitation;
- Responsibilities for infrastructure investment;
- Schedule of performance and phasing;
- Process for further environmental review, if any; and
- Business terms and conditions for lease

Following successful negotiations and development of a Term Sheet, County staff and the developer will negotiate and draft the formal agreements to develop the Site, for consideration of approval by the Board. Staff anticipates returning to the Board by the end of September 2021 to approve these agreements.

Staff recommends the selection of Industrial Realty Group/Jones Lang LaSalle as the preferred development team for the Solano360 Solano County Fairgrounds project, and that the Board authorize staff to negotiate an Exclusive Right to Negotiate Agreement and authorize the County Administrator to enter an Exclusive Right to Negotiate Agreement with IRG/JLL.

#### **FINANCIAL IMPACT:**

The Board has previously approved up to \$8.4 million loan from the County's General Fund to the Solano 360 Project. IRG/JLL will be required to compensate the County for the cost of any additional studies or further environmental review associated with IRG/JLL's proposal.

#### **ALTERNATIVES:**

The Board could choose to not receive the presentation nor authorize the execution of an ERN; however, this is not recommended because IRG/JLL was determined to be the most qualified development team for the Solano360 project. The ERN will provide certainty to the development team while the actual terms for the development of the property are negotiated.

#### **OTHER AGENCY INVOLVEMENT:**

The Solano360 Implementation Committee, comprised of two Solano County Board members and two Vallejo City Council members, has met several times since to provide direction on selection of the development team for the Solano360 Project. Staffs from the City of Vallejo, the Solano County Fair, County Administrator's Office General Services, and County Counsel have worked collaboratively throughout the process.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION