Covina-Valley Unified School District

Community Meeting
June 13, 2018
Properties for Exchange

- **Griswold Site**
  Approximately 9.6 acres of property located at 16209 E. San Bernardino Rd., Covina

- **Pioneer Site**
  Approximately 8.82 acres of property located at 1651 E. Rowland Ave., West Covina

- **Vincent Children’s Center Site**
  Approximately 8.07 acres of property located at 1024 W. Workman Ave., West Covina
Process

• Input was received from the community and the Board of Education on the proposals received in September 2017

• It was determined that proposals received did not comply with what the community and Board of Education preferred

• March 2018, new proposals were created with the input from the community and Board of Education as requirements in the RFP
Process

• March 19, 2018 - April 20, 2018: Period to submit new RFP’s for all three sites

• March 19, 2018: Advertised on Loop.net, District website, and Re/Max websites

• April 23, 2018: District administration, district realtor, and District’s legal counsel opened and reviewed submitted proposals and prepared a summary to be given to the Board

• June 13, 2018: Community Meeting
NOTES FROM THIS MEETING TO BE SHARED IN OPEN SESSION AT THE BOARD MEETING JUNE 18.
Proposal Exchange Guidelines

• 75-year deed restriction

• Limiting project density to twenty-five residential units per acre

• Height of buildings to three stories above grade

• Restricting the opening of any cul-de-sac unless required by the City
Proposals Received

- Six Proposals Received
  - Providence Group, LLC
  - Lewis Land Developers, LLC
  - Meritage Homes
  - Warmington Residential
  - JB Development
  - Charles Company
Proposal Details

• Due diligence periods ranged from 60 to 150 days

• Initial deposits ranged from $100,000 to $500,000

• Pioneer Site value ranged from approximately $8.8 million to a little over $21 million

• Griswold Site value ranged from approximately $9.6 million to $20 million

• VCC Site value ranged from approximately $7.9 million to a little over $20 million

• Close of escrow ranged from 90 days to 18 months, with options for extensions
## Comparison of Proposals

<table>
<thead>
<tr>
<th></th>
<th>Providence Group, LLC</th>
<th>Lewis Land Developers, LLC</th>
<th>Meritage Homes</th>
<th>Warmington Residential</th>
<th>Charles Company</th>
<th>JB Development</th>
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</thead>
<tbody>
<tr>
<td><strong>Properties</strong></td>
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<tr>
<td><strong>Feasibility and Due Diligence Period Terms</strong></td>
<td><strong>Pioneer:</strong> 60 days or 150 days</td>
<td><strong>Pioneer:</strong> 60 days Feasibility, 18 months due diligence.</td>
<td><strong>Pioneer:</strong> 105 days; 18 months due diligence.</td>
<td><strong>Pioneer:</strong> 60 days</td>
<td><strong>VCC:</strong> 150 days</td>
<td><strong>Pioneer:</strong> not provided</td>
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<td><strong>Griswold:</strong> 60 days</td>
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<td>Non-Refundable Good Faith Deposit</td>
<td>Providence Group, LLC</td>
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<td><strong>Pioneer</strong></td>
<td>$440,000 refundable deposit until end of due diligence period (DDP) and additional 5% non-refundable deposit at end of DDP</td>
<td>$500,000 deposit, that becomes non-refundable as follows: $100K day one, $50K every 90 days until end of DDP.</td>
<td>$100,000 refundable deposit until end of DDP, $25,000 non-refundable deposit every 90 days until end of DDP</td>
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<td><strong>VCC</strong></td>
<td>$395,000 refundable deposit until end of DDP and additional non-refundable deposit 5% at end of DDP</td>
<td>$500,000 deposit, that becomes non-refundable as follows: $100K day one, $50K every 90 days until end of DDP.</td>
<td>$100,000 refundable deposit until end of DDP, $25,000 non-refundable deposit every 90 days until closing</td>
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<td><strong>Griswold</strong></td>
<td>$480,000 refundable deposit until end of DDP and additional non-refundable deposit 5% at end of DDP</td>
<td>$500,000 deposit, that becomes non-refundable as follows: $100K day one, $50K every 90 days until end of DDP.</td>
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**Providence Group, LLC**

- Pioneer: 5% ($440,000) refundable deposit until end of due diligence period (DDP) and additional 5% non-refundable deposit at end of DDP
- VCC: 5% ($395,000) refundable deposit until end of DDP and additional non-refundable deposit 5% at end of DDP
- Griswold: 5% ($480,000) refundable deposit until end of DDP and additional non-refundable deposit 5% at end of DDP

**Lewis Land Developers, LLC**

- Pioneer: $100,000 refundable, at opening, plus $400K additional deposits at various milestones until end of DDP
- VCC: $100,000 refundable at opening, plus $400K additional deposits at various milestones until end of DDP
- Griswold: $100,000 refundable, at opening, plus $400K additional deposits at various milestones until end of DDP

**Meritage Homes**

- Pioneer: $100,000 refundable, at opening, plus $400K additional deposits at various milestones until end of DDP
- VCC: $100,000 refundable, at opening, plus $400K additional deposits at various milestones until end of DDP
- Griswold: $100,000 refundable, at opening, plus $400K additional deposits at various milestones until end of DDP

**Warmington Residential**

- Pioneer: $100,000 refundable deposit until end of DDP, $25,000 non-refundable deposit every 90 days until end of DDP
- VCC: $100,000 refundable deposit until end of DDP, $25,000 at end of DDP, $25,000 non-refundable deposit every 90 days until closing
- Griswold: $100,000 refundable deposit until end of DDP, $25,000 non-refundable deposit every 90 days until closing

**Charles Company**

- Pioneer: Not provided
- VCC: Not provided
- Griswold: Not provided

**JB Development**

- Pioneer: Not provided
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<td><strong>90 (Minimum Value NNN/Year, National Tenant, NNN Lease 10+ Years, Min 5 Cap</strong></td>
<td><strong>Pioneer-</strong> $8,800,000 all cash or exchange for NNN Tenant of 10+ years</td>
<td><strong>Pioneer-</strong> $21,150,000 all cash or promissory note</td>
<td><strong>Pioneer-</strong> $14,500,000 all cash</td>
<td><strong>VCC-</strong> $8,800,000</td>
<td><strong>Pioneer-</strong> Lark Ellen Villas, 23-unit condo in Covina, net worth of $12,000,000-$12,500,000.</td>
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<td><strong>VCC-</strong> $7,900,000 all cash or exchange for NNN Tenant of 10+ years</td>
<td><strong>VCC-</strong> $20,000,500 all cash or promissory note</td>
<td><strong>VCC-</strong> $18,030,000</td>
<td><strong>VCC-</strong> $10,000,000</td>
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<td><strong>Griswold-</strong> $9,600,000 all cash or exchange for NNN Tenant of 10+ years</td>
<td><strong>Griswold-</strong> $12,020,200 all cash or promissory note</td>
<td><strong>Griswold-</strong> $17,050,000</td>
<td><strong>Griswold-</strong> $10,000,000</td>
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Next Steps

• June 22, 2018: Contracts will be on the agenda for the Board of Education to take action

• Once the Board approves an exchange, the next steps commence at the city level including:
  - Inspections
  - Entitlements
  - CEQA
  - Construction