

COVINA-VALLEY UNIFIED SCHOOL DISTRICT

**REQUEST FOR PROPOSALS
FOR THE EXCHANGE OF REAL PROPERTY
BUSINESS CENTER SITE**

(Approximately .72 acres of property located at 342 South 4th Ave., Covina, CA)

Dated: September 18, 2017

I. INTRODUCTION AND BACKGROUND

The Covina-Valley Unified School District is seeking proposals (“Proposals”) from qualified parties (“Respondents”) to exchange approximately .72 acres of property located at 342 South 4th Ave., Covina, CA, known generally as the District’s former Business Center site (“Property”), as more particularly identified below and in the legal description and map depiction attached hereto as Exhibits “A” and “B,” respectively.

The District is seeking Proposals from qualified parties regarding the exchange of property(ies) owned by persons or private business firms for the Property. The anticipated exchange of Property would occur in accordance with Education Code section 17536 *et seq.* These sections provide that a school district’s board may exchange any of its real property for the real property of another person or private business firm. Said exchange may be upon the terms and conditions agreed to by the parties and need not comply with other Education Code provisions governing the disposal of surplus property. Thus, while the District is not required to follow a specific selection process to find a person or private business firm interested in exchange, it has done so here to seek the broadest potential pool of exchange properties and interested parties.

Before ordering the exchange of real property the governing board of a school district must adopt, by a two-thirds vote of its members, a resolution declaring its intention to exchange the property. The resolution must describe the properties to be exchanged, including identifying information and the terms and conditions upon which they will be exchanged.

Respondents (“Respondents”) are encouraged to submit an exchange Proposal in accordance with the requirements set forth herein. The District will review all submitted Proposals in accordance with the Proposal Process discussed below. If the District is able to reach an agreement with any of the Respondents, the specific terms and legal considerations of the exchange agreement will be documented in a formal exchange agreement to be entered into by the District and the successful Respondent.

The District is interested in receiving Proposals from Respondents desiring to exchange the Property for property(ies) owned by persons or private business firms. The District will also entertain Proposals that incorporate the District’s Pioneer School site and/or Griswold School site, as described in the respective RFPs released simultaneously with this RFP.

II. THE PROPERTY

The Property is approximately .72 acres of property located at 342 South 4th Ave., Covina, CA, known generally as the District’s former Business Center site.

III. PROPOSAL REQUIREMENTS

The District invites qualified Respondents to submit Proposals in response to this RFP. Proposals shall comply with the requirements set forth herein. Respondents must provide the following basic information:

1. Introduction Letter and Executive Summary
2. Table of Contents

3. Name and Contact Information of Respondent
4. Financial Information:
 - a. Report from any financial credit rating service; and
 - b. Any other financial statements and/or other documents that would indicate acceptable financial standing and the ability to fund the proposed project
5. Provide information required in the Proposed Exchange Guidelines provided in Section IV below and any additional information or description that will evidence Respondent's ability to perform its proposed project
6. References

IV. PROPOSED EXCHANGE GUIDELINES

The purpose of this RFP is to give Respondents the flexibility to submit Proposals that will meet their specific needs. However, the following guidelines are provided to summarize the terms that that District would like to see within an exchange agreement. Respondents will be required to enter into an exchange agreement drafted by the District, which will include the terms discussed herein and in Respondent's Proposal. The District may consider all Proposals submitted pursuant to this RFP and, at its sole discretion, may enter into direct negotiations with any Respondent during which the terms and conditions of the exchange agreement may be negotiated to determine if the Parties can reach a mutually acceptable exchange agreement. However, the following guidelines are provided to indicate the terms that the District is likely to accept and/or require.

- The District will entertain exchange Proposals from private persons or private business firms only.
- The Proposal may include a combination of a single property or multiple properties. The Proposal may also include the District's Pioneer School site and/or Griswold School site as part of the exchange.
- The District suggests that an exchange for an income producing property(ies) be valued at a minimum of One Million Five Hundred Thousand Dollars (\$1,500,000). Income producing properties must be occupied by a National tenant with a NNN lease of 10+ years at a minimum appraised value of 5 Cap. Respondent should include a description of the current lessee(s) and deal points of current leases at the proposed exchange property(ies).
- Proposals should include a proposed timeline for escrow/exchange, including any environmental compliance, entitlements, tract map approval, general plan amendment (if necessary).
- During escrow the Respondent shall, if requested, provide the following documentation regarding the proposed exchange property(ies):
 - a. Preliminary Title Report(s)
 - b. Appraisal(s)

- c. All existing leases, easements or granting of property interests affecting the property(ies)
- d. Current rent roll(s)
- e. Current income and expense budget(s)
- f. Operating statements for the last three years
- g. Property tax bill(s)
- h. Site plan(s)
- i. Parking plan(s)
- j. Service agreement(s)
- k. Roof report(s)
- l. Materials addressing land use, utilities, environmental concerns, and any other documents available to the Respondent regarding the use of the proposed property

V. PROPOSAL PROCESS

1. The District will begin accepting Proposals upon date of issuance of this RFP, and will continue to accept Proposals until **October 19, 2017 at 4:00 p.m.** It is anticipated that the District's Board will meet in November for the purpose of considering all Proposals submitted for the exchange of the Property and that subsequent District Board meetings will include such considerations.
2. Respondents must submit one (1) signed and unbound original Proposal along with five (5) copies and one (1) electronic copy of the Proposal on a thumb drive. Respondents submitting fewer than the required number of copies of the Proposal may be considered non-responsive.
3. All Proposals should be verified before submission. Adjustments may not be permitted after submission to the District. The District will not be held responsible for any errors or omissions on the part of the Respondent in the preparation of their Proposal. The District reserves the right to reject any and all Proposals, or to waive any irregularities or information in the Proposals.
4. Proposals may be mailed or delivered to the address listed at the end of this RFP. All Proposals shall be sealed and clearly marked: "Business Center Exchange Proposal." Respondents shall be solely responsible for ensuring its Proposal arrives to the District by the deadline set forth above. The District shall not be responsible for any issues with mail delivery or circulation.
5. Telephone or electronic submittals will not be accepted.
6. Any costs incurred by the Respondents in the preparation of any information or material submitted in response to this RFP shall be the sole responsibility of the Respondent.
7. The District reserves the right to reject any and/or all Proposals, or to refuse to negotiate or withhold the award of any contract, for any reason. The District may also waive or decline to waive irregularities in any Proposal.
8. The District may begin negotiations with selected Respondents at the District's discretion. If negotiations are successful, the District's Board may invite one or more Respondents to present its/their Proposal(s) to the Board.

9. Upon selection of a Respondent, the District shall provide an exchange agreement, for negotiation by the Parties.

10. All Proposals submitted in response to the RFP become the property of the District and a public record and as such, might be subject to public view.

VI. RECEIPT OF PROPOSALS; CONTACT INFORMATION

Respondents are not to contact District officials including Board members, the Superintendent or any other employee or representative of the District, other than those persons listed below. Contacting District officials, employees and/or representatives, other than those persons listed below, may result in the disqualification of the Respondent.

All inquiries or questions for additional information should be directed in writing to Sam S. Manoukian, RE/MAX OPTIMA-Director of Commercial Division, at remaxglendale@msn.com or 333 E. Glenoaks Blvd. Suite 100, Glendale, CA 91207. Replies will be issued by written notice and mailed or emailed to all parties recorded by District as having received the RFP documents. Questions received less than five (5) days prior to the RFP due date will not be answered. Only questions answered by formal written notice will be binding.

Please note that the District will allow for site visits of the Property to interested parties upon appointment only. Interested parties should contact Sam Manoukian at the contact information noted immediately above. Under no circumstances shall any interested party conduct any structural inspection or testing on the Property or take any action that will disturb the physical state of the Property during such site visits. Nothing in this RFP shall be construed as guaranteeing any party the right to site visit or requiring the District to provide site visits to any party. Any party who is unable to participate in a site visit for any reason shall not be granted any special consideration.

On or before 4:00 p.m. on October 19, 2017, by the clock in the District's Business Services office, one (1) signed and unbound original Proposal along with five (5) copies and one (1) electronic copy of the Proposal on a thumb drive shall be submitted to:

Robert McEntire
Chief Business Officer
Covina-Valley Unified School District
519 E. Badillo Street
Covina, CA 91723
P(626) 974-7000x800121

**EXHIBIT A
LEGAL DESCRIPTION**

LOTS 11, 12, AND 13 IN BLOCK 20 OF THE CITY OF COVINA AS PER MAP RECORDED IN BOOK 9, PAGE 3, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

BIDDER TO CONFIRM LEGAL DESCRIPTION

EXHIBIT B MAP DEPICTION

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