

REQUEST FOR PROPOSALS

300 PIEDMONT AVE., SAN BRUNO, CA

PRESENTED FOR
SAN MATEO UNION HIGH
SCHOOL DISTRICT

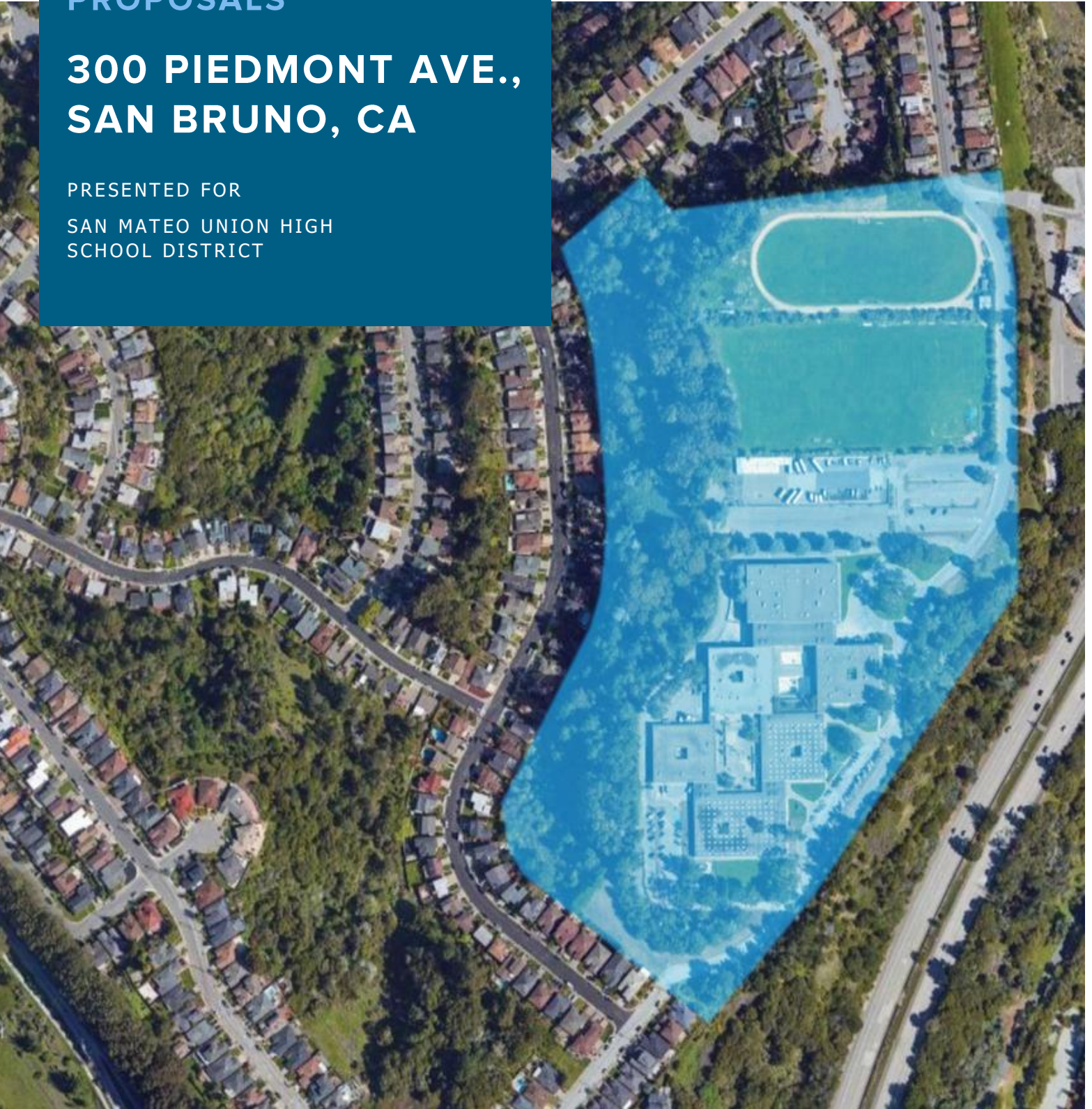


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EXECUTIVE SUMMARY

BACKGROUND AND CONTEXT

The San Mateo Union High School District (the “District”) owns certain real property known as Crestmoor High School (“Crestmoor”), located at 300 Piedmont Avenue, San Bruno, CA 94401, APN 019-170-020 (the “Property”). An aerial view of the Property is included in Exhibit A. The District is currently seeking proposals from qualified proposers to purchase and develop the Crestmoor site.

Beginning September 1962, the Property was home to Crestmoor High School that subsequently closed its doors in 1980 due to declining student enrollment. Since its closing, the Property has housed the District’s continuation school, Peninsula High School, and a variety of private enterprises. In Spring 2013, Peninsula High School was converted to an alternative high school, Peninsula Alternative High School. The District allows the City of San Bruno to manage the rental of the two athletic fields on the campus. San Bruno AYSO and San Bruno Lowen 83 currently rent the athletic fields from the City.

In May 2010, a 7-11 committee determined the Crestmoor site could be considered surplus to the District’s needs if an alternate location was found for Peninsula Alternative High School. In December 2017, the District’s Board of Trustees approved the construction of a site in Burlingame to create a new Peninsula Alternative High School. Peninsula Alternative High School is scheduled to open Fall 2020 on the new Burlingame site. The Board voted to declare Crestmoor surplus in March 2019 and directed staff to pursue the sale of Crestmoor in August 2019.

The District applied for and received a waiver from the State Board of Education allowing the District flexibility in the bidding and sale of the Property. As a result, notwithstanding Education Code sections 17455, et. seq., the District is able to use a request for proposal process, and is not bound to select the successful proposal solely on the basis of price.

On October 24, 2019, the Board of Trustees adopted Resolution NO. 19/20-05 to offer the Property for sale. In compliance with those statutory requirements, the District has offered the Property for sale to a number of designated agencies. The period in which agencies and other entities with statutorily preferential rights for the Property has closed and the District now intends to extend its offer of the Property for sale to the public at large.

OBJECTIVES

The District’s objectives are as follows:

- Sell the Property in order to generate resources that can be used within legal parameters;
- Determine that the contemplated use for the Property aligns with the District’s goal of being sensitive to community and neighborhood needs and concerns while also supporting the District’s goal of enhancing its long-term fiscal sustainability;

DCG STRATEGIES | EXECUTIVE SUMMARY

- Obtain assurance that the Buyer of the Property has the financial capacity and proven experience to bring the proposed project (as defined in the Buyer’s proposal response) to completion as efficiently and as prudently possible, and;
- Confirm that the Buyer of the Property is supportive of the District’s intent to limit impacts on surrounding neighbors, and has a demonstrated history of working collaboratively with neighborhood leaders, community members, local jurisdictions, and school district staff in which they have completed projects in the past. This will include a commitment to work collaboratively with the San Mateo Union High School District. Community input from the August 4, 2020 community meeting is located in Exhibit B.

SITE DESCRIPTION

PROPERTY CLASS:

School

LOCATION:

300 Piedmont Avenue,
San Bruno, CA

OWNER:

San Mateo Union High School District

ASSESSOR’S PARCEL NUMBER:

091-170-020

TOTAL PROPERTY SIZE:

40.41 Acres

ZONING:

R-1 Single Family Residential

GENERAL PLAN:

Low Density Residential



PROPERTY OVERVIEW

PROPERTY DESCRIPTION

The Property is one irregularly-shaped parcel comprising approximately 40 acres. It is bound by residential subdivisions to the north, west and southwest; a church near the northeast property corner, and a slope down to Interstate Highway 280 on the east. Most of the greater surrounding area is residential, with San Mateo County Junipero Serra Park to the southeast and San Andreas Lake/Reservoir and open undeveloped land owned by the San Francisco Public Utilities Commission to the southwest. The Property has vehicular access from Courtland Drive.

ONSITE STRUCTURES

There are existing school buildings, a parking lot, and fields totaling approximately 28 acres.



ZONING

The Property is currently zoned Single Family Residential, R-1. According to the San Bruno Municipal Code, the purpose of the R-1 district is, “to encourage the development of low-density residential uses. This type of density is usually associated with single-family structures. However, uses related to single-family residences, such as schools, churches, and child care centers may be permitted in the R-1 district by use permit or by planned unit permit under Chapter 12.116. Innovation in development of clustered housing, open space, and other amenities which make for a more desirable living environment.”



Zoning Districts

R-1, Single Family Residential	C-M, Community Commercial, Combining Industrial
R-2, Low Density Residential	C-B-D, Central Business District
R-3, Medium Density Residential	A-R, Administrative and Research
R-4, High Density Residential	M-1, Industrial
C, General Commercial	O, Open Space
C-O, Community Office	P-D, Planned Development
C-N, Neighborhood Commercial	U, Unclassified

UTILITIES

All utilities appear to be available onsite. Gas and electric are provided by PG&E. The City of San Bruno Water and Sewer Department provide sanitary and water. Public safety is provided by the County of San Mateo. It is the Buyer's responsibility to confirm that utilities are sufficient for their intended use.

ENVIRONMENTAL CONSTRAINTS

A Phase 1 Report was completed on the Property. Findings from the Phase 1 did not require a Phase 2 analysis, but recommended the removal of 2 hydraulic lifts.

GEOTECHNICAL STUDY

The District engaged a geotechnical consultant to study the Property.

OPPORTUNITIES & CONSTRAINTS

The desired plan for the Property is the demolition of the current building improvements in order to develop residential housing.

Potential opportunities of the Property include but are not limited to (1) proximity to Interstate Highway 280 (2) proximity to amenities such as schools, recreation facilities, and retail, (3) proximity to San Francisco International Airport and (4) convenient access to major commute arterials and public transit.

Potential constraints include but are not limited to (1) potential concerns of the surrounding residents, (2) slope around the perimeter of Property will create a more challenging site development process and (3) potential traffic impacts will need to be analyzed in an EIR.



DEVELOPMENT OVERVIEW

A low-density residential development proposal is not expected to require an amendment to the General Plan. The General Plan specifications for the Property are as follows:

"Allows 2.1 – 8.0 units per acre. Single-family detached housing is permitted. Religious facilities, large daycares, large senior care facilities and similar uses are conditionally allowed. Single-family attached housing (i.e., duplexes and townhomes) may be permitted in instances where clustering results in additional open space, provided that each dwelling unit has ground-floor living area and private open space."

TRANSACTION STRUCTURE

Respondents should verify the potential viability of the proposed project with the City of San Bruno prior to making a proposal for the Property. A sample Letter of Intent may include, but certainly is not limited to, the terms and conditions below.

LETTER OF INTENT

The following terms and conditions are proposed for this purchase:

- 1. Purchase Price:** \$_____, payable in full in cash at Closing, less deposits, as described below.
- 2. Close of Escrow:** Shall occur on the earlier of (1) City Approval, or (2) _____ (number of months from the Effective Date of the Agreement).
- 3. Initial Deposit:** Buyer will make an initial deposit of \$_____ at the time a definitive Purchase and Sale Agreement is agreed and executed, which will be immediately released to the District, and is non-refundable under any and all circumstances, but applicable to the Purchase Price.
- 4. Additional Deposits:** Buyer will make a series of additional deposits which will be released to the District as nonrefundable, but applicable to the Purchase Price, unless the District is unable to deliver good title to the Property. Each deposit shall be subject to the Buyer's unilateral decision to proceed with the transaction. That is, if the Buyer decides to withdraw from the transaction before making any one of the deposits, then that deposit, and any future deposits, will not be made, although those deposits already released to the District shall remain nonrefundable. The proposed deposit structure is as follows:

(describe amount and timing of deposits).
- 5. Withdrawal:** Buyer may, at any time prior to entry into a binding Purchase and Sale Agreement and in the Buyer's sole discretion, with or without stated cause, withdraw from this transaction, and thereafter have no obligations of any kind whatsoever to the District. Deposits made by Buyer prior to any such withdrawal will be retained by the District, as liquidated damages and not as a forfeiture, and Buyer will have no claim on them whatsoever, except as otherwise set forth in the Purchase and Sale Agreement.
- 6. Inspections:** Buyer shall be provided with the opportunity to enter the Property and conduct whatever physical inspections Buyer deems necessary and desirable subject to reasonable notice and noninterference with current users of the site. Buyer shall have the right to review any and all documentation, title reports, surveys, toxic and soil studies, and all other correspondence and documents relating to the Property, and the District shall promptly deliver to Buyer copies of all such documents in its possession, custody, or control, subject to entry into a Purchase and Sale Agreement. District staff and agents will cooperate fully with Buyer in providing such information as Buyer may reasonably require, regarding the history, use, and condition of the Property.
- 7. Government Approvals:** Buyer shall be seeking various government approvals as may be required for development of the Property in the manner Buyer intends, including a tentative subdivision map and other City permits. The District will cooperate with and assist Buyer as reasonably necessary in

submitting applications for such approvals, including signing appropriate documents that may be required by government officials. If Buyer is unable to obtain such approvals in what the parties agree to be a timely and reasonable manner, in Buyer's sole discretion, Buyer may withdraw from this transaction, pursuant to Section 5 above.

8. Other Provisions:

8.1 Buyer will request (in a binding Purchase and Sale Agreement) standard representations and warranties as are customary for transactions of this type, including with respect to authority, brokers, completeness of due diligence materials, absence of litigation, absence of hazardous materials or hazardous site conditions, absence of violations of law, and vacancy of all structures on the premises at Close of Escrow.

8.2 Following completion of all conditions set forth in a binding Purchase and Sale Agreement, the District shall convey the Property to Buyer at Close of Escrow in substantially the same condition as at the present time, except as regards the condition of the improvements thereon (which Buyer shall be responsible for removing), and shall have cured any violation of applicable laws, regulations and codes, and shall have removed all monetary liens or other encumbrances to title that would prevent or impair good title from being passed to Buyer.

8.3 Buyer understands that the District has retained DCG Strategies as its real estate agent in connection with this transaction, and that the District will be solely responsible for any compensation due to DCG Strategies based on its arrangements with the firm. Any compensation due to other real estate agents or brokers engaged or retained by Buyer in connection with this transaction will be the sole responsibility of the Buyer.

9. Definitive Purchase and Sale Agreement: As expeditiously as possible, Buyer intends to negotiate with the District and agree to a definitive and binding Purchase and Sale Agreement, but until that has been done, either party may withdraw from this transaction without further obligation of any kind to the other.

10. Approval Required by District Authorities: Buyer understands and acknowledges that the District's execution of the Purchase and Sale Agreement must be conditioned on approval of its Board of Trustees.

DISCLAIMER

While the information contained herein has been provided in good faith and in an effort to provide prospective purchasers with relevant property data, it is not binding on the District and should not be considered a substitute for thorough due diligence investigation by prospective purchasers.

The District and DCG Strategies have not made any investigation, and make no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the property's development potential, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos (or any other hazardous materials or substances), the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant.

The information contained herein has been obtained from sources we believe to be reliable; however, the District and DCG Strategies have not verified, and will not verify, any of the information contained herein, nor has the District and DCG Strategies conducted any conclusive investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided.

All potential buyers must take appropriate measures to verify all of the information set forth herein.

PROPOSAL REQUIREMENTS & REVIEW PROCESS

PROPOSER'S RESPONSIBILITIES

The selected proposer will be responsible for payment of all costs and expenses in connection with the project including, but not limited to: any costs associated with preparing their proposal and supporting material; costs associated with securing necessary entitlements and environmental documentation and approval; demolition, ground clearing, site preparation, and construction of new buildings; maintenance; underground utilities; insurance and taxes; permits and inspection fees; costs and mitigation fees associated with the development including school impact fees; and architectural, environmental, engineering, and other related work. Proposer will be responsible for all brokerage commissions and fees to be paid to any real estate representative on the proposer's behalf, if any. The District will not pay any broker's fees or finder's fees, other than to their representative, DCG Strategies.

The selected proposer will be required to:

- Select the necessary multi-disciplinary team;
- Obtain all necessary entitlements and permits;
- Undertake the CEQA submittal process;
- Coordinate, manage, and facilitate the review of the project by City of San Bruno; and
- Manage the work effort of the entire entitlement team, the architect, land planner, civil and other engineers, etc.

All proposals will have four (4) required sections and in the order as set forth below. Please label each section and number all pages.

SECTION 1 - LETTER OF INTENT

SECTION 2 - DEVELOPMENT PROGRAM

SECTION 3 - PROJECT TIMETABLE AND CRITICAL ENTITLEMENT ISSUES

SECTION 4 - ENTITLEMENT COST ESTIMATE

SECTION 1 – LETTER OF INTENT

This section should include the proposal contact and responsible party information. Identify the lead proposing entity, and list the key team members (as identified in the Statement of Qualifications). Set forth the scale of the development program, purchase price, deposits, close of escrow, and summarize the critical elements of expected project timeline. Any other critical information can be summarized in this section.

SECTION 2 – DEVELOPMENT PROGRAM

This section should include a narrative description of the architectural and land planning theme for the project. Identify the planned improvements including the number of buildings by use, the estimated square footage devoted to each building and use, the approximate building footprints, the proposed unit mix with average unit sizes, amenities, parking, and public uses, if any. Include a preliminary site plan. While a detailed completed site plan, prototype housing and elevations are not required at this time (although strongly encouraged), a preliminary site plan is necessary to properly evaluate each proposal.

SECTION 3 – PROJECT TIMETABLE AND CRITICAL ENTITLEMENT ISSUES

This section should include a general development timetable showing the various planning and entitlement steps, duration, estimated starting period, deposit amounts and release dates, and any phasing contemplated. As to acquiring the entitlements necessary for execution of the proposed development plan, please provide a narrative description of the issues the proposer has identified as critical. Also, please be sure that the timetable of approximate dates for obtaining these entitlements is realistic – in requesting both the narrative and timetable, the goal of the Seller is to assess the proposer's understanding of the entitlement process rather than solicit an unrealistically aggressive schedule for this process (although a realistic ability to expedite the process is seen as favorable).

SECTION 4 – ENTITLEMENT COST ESTIMATE

Please include an estimate and breakdown of anticipated entitlement costs and the process by which the purchase price was derived.

SUBMISSION FORMAT, SCHEDULE, AND EVALUATION PROCESS

The proposer shall submit one electronic copy of their complete Proposal Package (PDF format is acceptable) via email to BOTH Jamil Muchell and Lauren Jennings at jmuchell@dcgstrategies.com and ljennings@dcgstrategies.com. Submission of hard copies are optional: one (1) original and five (5) hard copies of a Proposal Package in 8.5" x 11" format, with one (1) copy unbound for ease of reproduction. The inclusion of large-scale drawings and exhibits is discouraged; if included, these shall be limited to no more than three (3) such pages in 11" x 17" format. Proposals should be organized according to the previous section, and should include at least the requested information.

All proposals must be received at or before **4:00 p.m. on Tuesday, September 8, 2020**, via email. The optional hard copies should be sent to the offices of DCG Strategies located at 7600 Dublin Boulevard, Suite 275, Dublin, CA. All sealed proposals will be time and date stamped by Sumari Barnes at the DCG offices, or her designee. Proposal receipt time is determined by the official clock of Sumari Barnes, which is visible in DCG offices. Any proposals submitted after the deadline will not be considered.

The Seller's contacts for all matters regarding the property are:

Jamil Muchell
DCG Strategies
7600 Dublin Blvd., Suite 275
Dublin, CA 94568
(925) 464-1979
jmuchell@dcgstrategies.com

Lauren Jennings
DCG Strategies
7600 Dublin Blvd., Suite 275
Dublin, CA 94568
(925) 237-9218
ljennings@dcgstrategies.com

DCG STRATEGIES | PROPOSAL REQUIREMENTS

All correspondence regarding the RFP process **must be in writing or by email** to Jamil and Lauren.

The District shall review the proposals, request written clarification from proposers if necessary, and may, at its sole discretion, select one or more proposers as finalists. The review process may include requests for clarifications and one or more presentations by the proposers. At the conclusion of the review process, the Board plans to select one proposer with whom to enter into a Purchase and Sale Agreement. The District reserves the right to terminate this process at any point prior to the selection of a proposer, and solicitation of proposals in no way obligates the District to proceed with any agreement or development.

EVALUATION COMMITTEE

The District shall have the right, but not the obligation, to have the evaluation of the proposal responses conducted by an “Evaluation Committee” selected by the District. The Evaluation Committee may include District staff members, members of the District Board of Education, representatives of other public agencies and departments, land use experts, community members, and/or non-District personnel who may have demonstrated expertise.

The Evaluation Committee will rank and recommend proposals to the Superintendent who will, in turn, make recommendations to the District Board of Education. Neither the Superintendent nor the District Board of Education is bound by the recommendations of the Evaluation Committee. The District Board of Education has the ultimate authority and responsibility for the selection of a proposer, if any, for a proposed project.

EVALUATION CRITERIA

The District’s evaluation criteria include, but are not limited to:

- District objectives as detailed herein
- Proposer experience and reputation
- Purchase price
- Impact on District’s ability to enhance long-term fiscal sustainability
- Entitlement risk
- Project quality
- Design and construction capability and sensitivity to surrounding neighborhood
- Project management capability, with a special emphasis on positive community engagement
- Experience in public/private projects
- Experience with the City of San Bruno
- Experience with other relevant projects

EVALUATION PROCESS

The initial review will compare all proposals for compliance with the submission requirements. Any proposals with significant omissions may be rejected and the proposers will be notified of their failure to comply with the requirements of the RFP process. The District reserves the right to request that proposers bring their submissions into compliance within a very short time period after notification.

DCG STRATEGIES | PROPOSAL REQUIREMENTS

A detailed, point-by-point comparison will be made of all complete proposals for District confidential review. Requests for clarification may be sent to a certain proposer. Proposers may be asked to attend a preliminary interview.

Based on the evaluation criteria, the proposals will be rated and, at the District's sole discretion, sent for review by the Evaluation Committee. The Evaluation Committee may elect to choose several finalists who will be asked to an interview. The Evaluation Committee will recommend the selected proposer to the Superintendent, who will in turn make recommendations to the District Board of Education. If the District elects not to utilize an Evaluation Committee, the Superintendent will make his recommendations to the District Board of Education. One or more of the finalists may be requested to present their development proposals to the District Board of Education.

At the pre-determined District Board of Education meeting, all proposals which have been received will be examined and declared by the Board. One or more of the finalists may also be requested to present their development proposals at this meeting.

The final selection of the successful proposer will be made at a scheduled Board meeting not more than sixty (60) days following the District Board of Education meeting where the proposals are examined and declared by the Board.

RIGHT TO REJECT

At any phase, the District reserves the right to terminate, suspend, or modify the proposal process, reject any or all submittals, and waive any minor irregularities in the proposal process.

EXHIBIT A:

PROPERTY AERIAL



EXHIBIT B:

COMMUNITY INPUT

ITEMS OF NOTE FOR CONSIDERATION FOR DEVELOPMENT PROPOSALS

The below items were questions and comments of importance to the community and the District as discussed in the August 4, 2020 community meeting. Any proposal should incorporate and address the below items.

Soccer Fields: The City of San Bruno currently leases and operates soccer fields at Crestmoor from the District. The selected developer will need to be part of the collaboration to determine the final disposition of the fields.

Madison Avenue Hillside: The District received questions regarding potential hillside issues. Local residents are concerned regarding the hillside and as part of this process, the developer should pay attention to any hillside issues that will impact residential development at Crestmoor and the surrounding area.