

Poway Unified School District: Potential Lease, Sale or Exchange of Black Mountain Ranch Southern Property (Santaluz) **November 14, 2019**



Presented by:

Andreas C. Chialtas
AALRR

Dr. Barry Blade,
Property Consulting
for Schools



Past PUSD Board Direction (8/8/19)

- 1) Work with CDE Waiver office to ensure waiver is considered by CDE Board at next meeting (November 6, 2019)
- 2) Prepare RFP seeking proposals from parties interested in leasing, purchasing, or exchanging Property

CDE Board Meeting Update

- 1) Agenda to Include CDE Staff Recommendation
- 2) Usually, CDE Board Accepts Recommendation

Summary of RFP Package

- 1) Introduction and Background
- 2) Summary of Property
- 3) General Qualifications of Respondent
- 4) Lease Requirements
- 5) Purchase Requirements
- 6) Exchange Requirements
- 7) Proposal Process

Introduction and Background

- 1) District Authorized to Seek Lease, Purchase or Exchange Proposals
- 2) RFP Process Allows Flexibility to Consider Factors In Addition to Price
- 3) Respondents Can Submit Multiple Proposals

Summary of Property

- 1) Description of Characteristics
 - 27.22 acres of vacant land
- 2) Proposition A Requirements
 - May require developers to seek voter approval
 - Respondents must determine specific requirements depending on development
- 3) Right of First Refusal
 - Prior owners must receive notice and 30 days to respond

General Qualifications of Respondent

- 1) Help Determine if Respondent is “Viable”
 - Financial Qualifications
 - Bankruptcy?
 - Pending Litigation?
 - Credit Rating
- 2) Deposit
 - \$20,000
 - Returned to all proposers except selected proposer in order to pay for District negotiation and document drafting costs

Proposal Lease “Requirements”

- 1) Proposed Rent Payments (and escalations)
- 2) Deposit Structure
- 3) Lease Term (extension options)
- 4) Proposed Development
- 5) How Returned to District (with structures?)
- 6) Due Diligence / Option Period
- 7) Requirements for Proposed Development
 - Government Approvals
 - Physical Changes & Effect on Neighboring Community

Proposal Purchase “Requirements”

- 1) Purchase Price
- 2) Due Diligence / Closing Periods
- 3) Deposit Structure
- 4) Proposed Use
- 5) Requirements for Proposed Development
 - Government Approvals
 - Physical Changes & Effect on Neighboring Community

Proposal Exchange “Requirements”

- 1) Cannot Exchange with Public Agencies
- 2) Identify Offered Properties or Process to Identify
- 3) Establish Value is Relatively Comparable to District Property Value
- 4) Otherwise Similar Requirements as Purchase

RFP Timeline

- 1) Questions Deadline: 1/13/20
- 2) District Posts Answers: 1/20/20
- 3) Proposals Due: 2/3/20
- 4) District Staff Negotiate with Top Proposals
- 5) Present Rankings to Board: 3/12/20
- 6) Board Identifies Selected Proposal:
3/12/20
- 7) District Negotiates Agreement with Finalist
- 8) Submit Terms to Prior Owners
- 9) Execute Final Agreement

Next Steps

- 1) Authorize Release of RFP
 - Assuming CDE Approval & Confirmation
 - Post on District Website
 - Send to List of Developers
- 2) Receive and Answer Questions
- 3) Receive Proposals
- 4) Identify Top Proposals and Present to Board

Questions

