

MOUNTAIN VIEW SCHOOL DISTRICT

ADDENDUM NO. 1

**REQUEST FOR QUALIFICATIONS FOR
BROKER/REAL ESTATE AGENT SERVICES FOR
THE EXCHANGE OF DISTRICT REAL PROPERTY**

Dated: November 9, 2022

To: All Prospective Proposers (*via electronic mail only*)

With this Addendum No. 1, the Mountain View School District (“District”) provides the following information related to the “Request for Qualifications for Broker/Real Estate Agent Services for the Exchange of District Real Property” issued on October 31, 2022 (“RFQ”):

I. RFQ QUESTIONS

The District received the following questions pursuant to Sections X & XI of the RFQ, and hereby responds to each as follows:

Question #1:

“We are not sure what flexibility the school district has in obtaining exchange properties. Does the district have the flexibility of obtaining leased commercial property as opposed to sites that are required for educational use?”

District Response to Question #1:

The District has the ability to own most types of properties, including property outside of its boundaries, and is interested in acquiring one or more income-producing properties from any private company or person.

The District’s Governing Board has not yet formally determined any specific preferences, nor any limitations, regarding what type of property the District may ultimately wish to acquire. However, it is anticipated that the Governing Board will provide direction, in consultation with the selected Proposer(s) regarding such properties and recommendations of preferred types. For purposes of RFQ Proposals, Proposers should assume office and industrial properties are acceptable, that the Governing Board may also be willing to entertain retail and multi-family dwelling properties, and that the Governing Board could also be willing to entertain unimproved (or under-improved) land provided an adequate rationale exists for such properties. Any Proposer should feel free to provide their reasoning for the addition or exclusion of any particular type of property to be acquired, and the District welcomes the Proposers’ thoughts, recommendations, and reasoning regarding the benefits (or lack thereof) of diversifying what property(ies) the District ultimately acquires (i.e., the advantages or disadvantages to acquiring more than one property with the value received for the District’s Madrid Property).

The District’s Governing Board has also not yet formally determined any specific geographic region, nor any limitations thereto, regarding where any property(ies) to be acquired must be located. However, it is anticipated that the Governing Board will provide direction, in consultation with the selected Proposer(s) regarding such areas. For purposes of RFQ Proposals, Proposers should assume Southern California, with an emphasis on Orange, Los Angeles, and perhaps (but not limited to) Riverside and San Bernardino Counties. Any Proposer should feel free to provide their thoughts, recommendations, and reasoning for the addition or exclusion of any particular geographic region, or city, county, or otherwise.

Question #2:

“Has the District approached either the City of Industry or El Monte about a proposed zone change to industrial? If so, did either municipality mention any timeline for the process, approvals, etc.?”

District Response to Question #2:

The District may have had preliminary discussions with the cities mentioned above, and will discuss such issues with the selected Proposer. For the purposes of this RFQ process only, Proposers should assume a zone change to industrial would be attainable prior to closings, either by the District or by one of the owners of the property to be acquired by the District in the exchange process. Furthermore, the District may close on the Madrid Property disposition in exchange for Exchange Funds to be held in trust by the District, and later used by the District to acquire one or more property(ies) to effectuate the exchange process.

As to timing, again, the District will discuss such issues with the selected Proposer; however, for the purposes of this RFQ process only, Proposers should assume that such a zone change would happen in a “normal” timeframe, and otherwise welcomes the Proposers’ thoughts, recommendations, and reasoning regarding what the District could reasonably expect for such a zone change, what issues and options may expedite or delay the typical time frame for such a zone change, and the Proposers’ experience with such transactions.

Question #3:

“Would there be any resistance to one large warehouse/distribution building of approximately 400,000 SF? This would be the highest and best use for the site. Can the District’s use of the office building be terminated within twelve months of the Buyer’s acquisition of the property?”

District Response to Question #3:

The District assumes this question and assertion relates to Question #2 above (*i.e.*, whether or not the city(ies) in question may have some resistance to one large building as noted). The District is not aware of any “resistance” by the city(ies) to the notion of such development, and welcomes the Proposers’ thoughts, recommendations, and reasoning regarding discussions with the city(ies), what to expect, and how best to move forward.

Question #4:

“Can the District’s use of the office building be terminated within twelve months of the Buyer’s acquisition of the property?”

District Response to Question #4:

Yes. The District contemplates an exchange of its Madrid Property for one or more income-producing properties. Furthermore, the District is interested in knowing from any entity or person interested in the Madrid Property what flexibility such entity or person may have regarding assisting the District with relocation of its uses of the Madrid Property (including the office building), and what options and

time frames for such relocation would be realistic. The District anticipates much or all of the planning for such relocation will occur during escrow, and assumes it would be able to vacate the Madrid Property entirely (including the office building) within twelve months of its disposition (if not sooner). The District welcomes the Proposers' thoughts, recommendations, and reasoning regarding such relocation and realistic time frames.

Question #5:

“How long does the District anticipate remaining in its current headquarters building?”

District Response to Question #5:

See District Response to Question #4 above.

Question #6:

“And a related question; Does the District intend to lease back the headquarters building for a period of time post-closing?”

District Response to Question #6:

See District Response to Question #4 above. As noted, at this point in time, it is assumed that the District will plan for its relocation during the escrow period, and assumes it would be able to vacate the Madrid Property entirely (including the office building) within twelve months of its disposition (if not sooner). However, additionally, please note that it is entirely possible that the District would be ready to fully vacate the Madrid Property at the time of its escrow closing. Otherwise, yes, it would be interested in discussing with the entity or person acquiring the Madrid Property the notion of leasing-back the office building for a period of time, either at a cost to the District, or as part of the overall exchange transaction, whichever may be applicable.

Question #7:

“If my firm is invited to an interview, how much time will we be allotted to make our presentation and respond to your questions?”

District Response to Question #7:

The District and its Interview Committee has not yet determined a final schedule for interviews. It also remains to be seen how many interviews will be ultimately be conducted by the Interview Committee. The District and its Interview Committee's best estimate at the time of this response is that each Proposer (be it an individual or “team” being interviewed) will have a total of approximately thirty minutes, at a minimum, to make their presentation and respond to questions.

Question #8:

“Has the District made the definitive decision to sell the Madrid property or is it still in the information gathering stage?”

District Response to Question #8:

The District's Governing Board has contemplated this transaction for a long while, in conjunction with a process followed to seek recommendations about various school closures. The District has considered various options regarding the Property and its use or disposition, for example, its continued use (as-is or in a different capacity), and the possible sale, lease (as-is or after development by way of a ground lease), or exchange. The District currently anticipates that the Governing Board will formally consider whether or not to exchange the Property for one or more income-producing properties soon.

Question #9:

“Is the District seeking a quick sale or, if the most qualified buyer is a developer, will the District allow the buyer time to entitle the property prior to closing?”

District Response to Question #9:

The District is not necessarily interested in “selling” the Madrid Property at all. As noted above, the District currently anticipates that the Governing Board will formally consider whether or not to exchange the Property for one or more income-producing properties soon. That said, the District is interested in obtaining the greatest return for the Madrid Property, and therefore assumes it will need to wait the requisite amount of time necessary for the person or entity looking to acquire the Madrid Property to seek entitlements. Again, the District welcomes the Proposers' thoughts, recommendations, and reasoning regarding what the District could reasonably expect for such entitlements, what issues and options may expedite or delay the typical time frame for such entitlements, and the Proposers' experience with such transactions; however, the District is also interested to hear from any Proposer how a “quick” exchange of the Property would realistically effect the value it receives for the Madrid Property (*i.e.*, just how much less it would likely receive for the Madrid Property should time to seek zoning and entitlements not be afforded to any person or entity interested in acquiring the Madrid Property).

II. DEADLINES

Again, please note that the **Proposal Deadline is 2:00 P.M. (Pacific Standard Time) on Friday, November 11, 2022.** All Proposals must be received by this Proposal Deadline.

Unless explicitly stated herein, all other terms, conditions, and requirements of the RFQ are in full force and effect and shall remain unchanged. In case of conflict between the RFQ and this Addendum No. 1, this Addendum No. 1 shall govern.

The District reserves the right to issue additional addenda pursuant to the process set forth in the RFQ as deemed necessary by the District. However, unless and until any such subsequent addenda are issued, the RFQ and this Addendum No. 1 shall constitute the entire and complete RFQ.

The District thanks you for your interest, and looks forward to receiving submissions.