

REQUEST FOR PROPOSALS  
TO LEASE PROPERTY:  
750 FARGO AVENUE  
SAN LEANDRO, CA



SAN LORENZO UNIFIED SCHOOL DISTRICT

15510 USHER STREET, SAN LORENZO, CA 94580



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# Request for Proposals to Lease Property

## I. INTRODUCTION

This Request for Proposal (RFP) presents a unique leasing opportunity to **lease** a portion of the property (approximately 9,516 SF available) owned by the San Lorenzo Unified School District (District) located at 750 Fargo Avenue, San Leandro, CA 94579. **The Property is not for sale.**

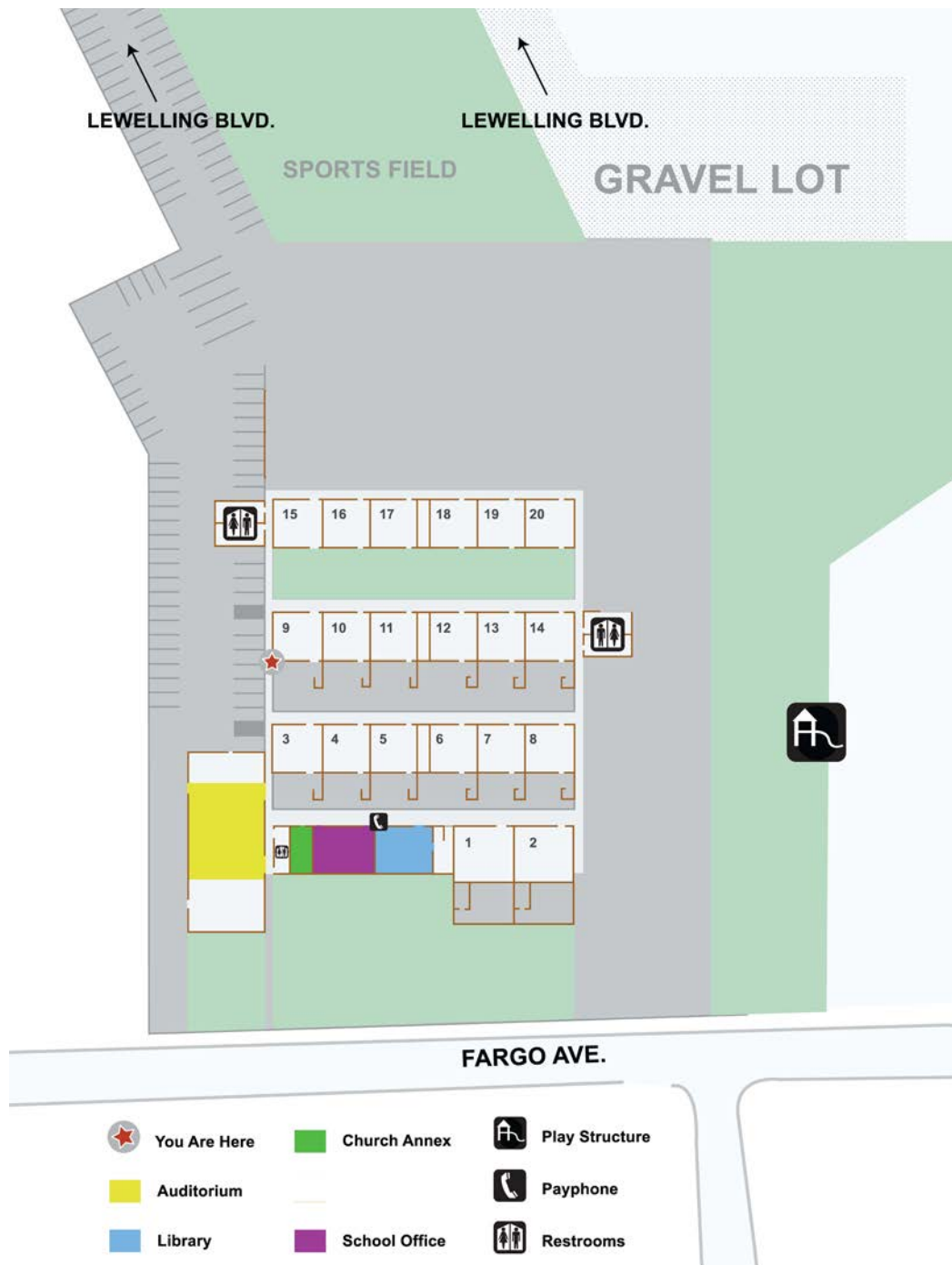




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## II. PROPERTY OVERVIEW

9,516 SF is available for lease on a 10.2 acre property and some of the shared space may be available as well. The remaining areas of the property (23,413 SF) will be occupied by a preschool through first grade and a District alternative education opportunity.



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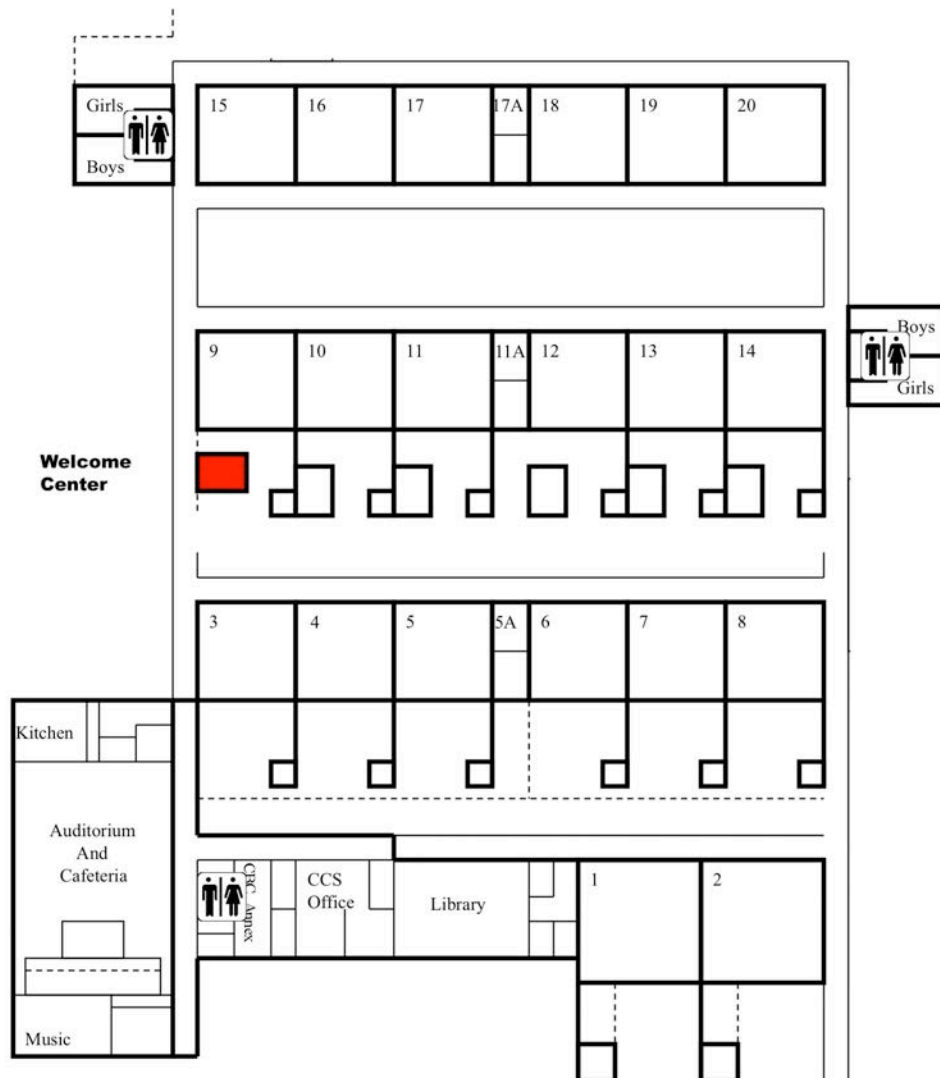


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## III. BACKGROUND

Bay Area Chinese Bible Church (BACBC) and Chinese Christian Schools leased the entire property from 1985 to 2015. In 2011, BACBC purchased a property in Alameda and constructed a new building and facilities. As a result, BACBC has decided to transition 100% of their school and religious functions from San Leandro to Alameda and allow their lease to terminate on June 30, 2015. 23,413 SF of the occupied property will be utilized by a private preschool and District Independent Contract Education (an alternative educational opportunity for students within the District). The preschool is anticipated to move into the facility prior to August 2016. The exact square footage and property delineation of the shared space is currently being finalized by the District. The space available for lease consists of classrooms 9, 10, 11, 15, 16, 17, 18, 19, and 20 and the restrooms next to classroom 15.

7600 Fargo Avenue Classroom Map



## IV. PROPOSAL SUBMITTAL PROCESS

All proposals must contain proposed lease terms and documentation of financial responsibility (detailed below). For proposals submitted in hardcopy, they must be submitted in a sealed envelope with only the following on the outside of the envelope:

1. Identification of the Property (750 Fargo Avenue, San Leandro).
2. The name of the person or entity submitting the proposal.

All proposals must be received at or before **4:00 p.m. on May 27, 2016** at the offices of Dutra Cerro Graden located at 7600 Dublin Boulevard, Suite 275, Dublin, CA. All sealed proposals will be time and date stamped. Any proposals submitted after the deadline will not be considered. Proposals may be sent electronically also to Eric Ottinger at [EOttinger@dcgrealestate.com](mailto:EOttinger@dcgrealestate.com) with the subject line: "SLUSD Fargo Ave Lease."

### A. MINIMUM LEASE TERMS

The District and successful proposer will enter a lease containing the following minimum terms and conditions in this RFP:

1. The Lease may be subordinated with the District providing a nondisturbance agreement.
2. The Lease will be an absolute net lease with the tenant financially responsible for 100% of the janitorial, landscaping operating expenses and utility services.
3. Lease period will be a *minimum* of five (5) years ("Base Term").
4. The leased premises will include 9,516 SF of building space, along with shared use of the associated parking, playgrounds, and play structures and field area on the 10.2 acre site.
5. Lease of Property to be "as is" without warranties or representations, express or implied, concerning the suitability of the Property for the proposer's intended use except as expressly stated in the Lease.
6. District to have reasonable approval rights over any alteration or improvements to the Property.
7. District to have the right to terminate the Lease at any time, with 210 days' notice, as well as at the expiration of the Base Term and each Option Term.
8. Payment Provisions
  - A. Annual rent calculated based on a minimum rent of \$1.10 per square foot per month for all or a portion of the Property and parking lot, payable monthly in installments (Base Rent). The Base Rent payment shall be increased each year 3% annually. Base Rent shall be payable monthly on the first day of the month.
  - B. The Base Rent shall be adjusted to Fair Market Rent prior to the commencement of each Option Term.

### B. SAMPLE LEASE TERMS

- Space to be leased: The leased premises will include 9,516 SF of building space, along with shared use of the associated parking, playgrounds, and play structures and field area on the approximate 10-acre site
- Potential shared use of:
  - Kitchen
  - Staff restroom available for use for Proposer's Staff and visitors



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- Auditorium
- Starting Lease of \$\_\_\_\_\_ per month
- Annual increment of 3% per year
- Lease Term: 5 years
- District would have right to terminate lease with 210 days' notice
- Lease commencement at approximately August 1, 2016
- Early Possession: July 1, 2016 for remodeling and licensing approval
- School District responsible for major maintenance items of the property
- Lessee to be responsible for janitorial, landscaping, operating expenses, and utility services

## C. DOCUMENTATION OF FINANCIAL RESPONSIBILITY

All proposed lessees must provide documentation showing that they have the financial ability to pay the lease payments on time, and meet the other financial obligations concerning the lease of the Property as set forth in the lease proposal. The financial documentation is one important factor in determining whether a proposer is a "responsible proposer" as required by law. Documentation shall take the form of:

1. Certified financial audits for the past three (3) years
2. A minimum of one (1) letter of reference from a major bank or lending institution
3. A statement describing any and all litigation in which the entity and principals have been involved during the past five (5) years, as well as any litigation which is pending or threatened against the entity and principals, and known to the entity based on its reasonable investigation
4. A statement regarding any past or current bankruptcies involving the entity, the principals, or any sub-entity

All documentation of financial responsibility shall be submitted with the proposal at the same time as the proposed lease terms. The District reserves the right to perform a background or credit check on any entity or principals. Additional information may also be requested.

## V. THE SELECTION PROCESS

The Board of Trustees must follow certain statutory requirements in the award of a proposal to lease the Property. As required, the Board of Trustees will only consider the proposals submitted which conform to all terms and conditions specified in this Request for Proposals, and which are made by responsible parties. Proposers must demonstrate the experience and expertise in establishing the use of the Property contemplated in the proposer's response to this RFP. In addition, the successful proposer must demonstrate the financial ability to meet the obligations in the proposed lease.

**IMPORTANT NOTE: The Board reserves the right, if it deems it in the best public interest, to reject any and all proposals, and to withdraw the Property from potential lease. At the time a proposal is to be awarded, the Board shall adopt a Resolution of Acceptance directing the Board President or**

## VI. BROKER CONTACT INFORMATION



# Request for Proposals to Lease Property

The District has contracted with Dutra Cerro Graden dba DCG Commercial in leasing out this property. Please contact the following agent for information relating to this request for proposals.

**Eric Ottinger**

EOttinger@DCGrealestate.com

Office: (925) 237-9264

BRE#: 01988342