

Cambrian School District Request for Statement of Qualifications & Proposal

The Cambrian School District ("District") invites proposals from qualified firms, partnerships, corporations, associations, persons or professional organizations to enter into a Joint Occupancy Agreement with the District for the following Project:

Lease, entitle and develop a new retail or other legally permitted development project on the Firehouse site by entering into a long term Ground Lease Agreement (GLA) with the District. The Firehouse site is located at 720 Curtner Avenue in San Jose, CA as identified in this Request for Statement of Qualifications & Proposal ("RFP") and further shown in Exhibits A, B, and C attached hereto.

Interested firms or persons are invited to submit their qualifications and proposal as described herein, electronically in a pdf format on or before December 9, 2020 at 4:00 PM., in addition, respondents shall also send five (5) bound copies of the requested materials on or before December 7, 2020 to:

**Cambrian School District
c/o Terra Realty Advisors, Inc.
Attention: Scott Sheldon
450 Chadbourne Road Suite G
Fairfield, CA 94534**

Questions regarding this RFP may be submitted in writing only and directed to Tim Fitzpatrick via email: tfitzpatrick@tra-inc.net. All questions shall be submitted by no later than 4:00 PM on Monday, October 26, 2020.

Final Proposals/Responses must be received no later than 4:00 PM on December 9, 2020.

This RFP is not a formal request for bids or an offer by the District to contract with any party responding to this RFP. The District reserves the right to reject any and all responses. The District also reserves the right to amend this RFP as necessary.

The proposals, and any other supporting materials submitted to the District in response to this RFP, will not be returned and will become the property of the District unless portions of the material are designated as proprietary at the time of submittal and are specifically requested to be returned. Vague designations and/or blanket statements regarding entire pages or documents are insufficient and will not bind the District to protect the designated matter from disclosure. Pursuant to *Michaelis, Montanari, & Johnson v. Superior Court* (2006) 38 Cal.4th 1065, proposals shall be held confidential by the District and shall not be subject to disclosure in accordance with the parameters of the California Public Records Act until after either: (1) the District and the successful Proposer have completed negotiations and entered into an agreement, or (2) the District has rejected all proposals. Furthermore, the District will have no liability to the Proposer or any other party as a result of any public disclosure of any proposal.

RFP# CSDFH-02

1. ABOUT CAMBRIAN SCHOOL DISTRICT

The Cambrian School District is an Elementary School District located in San Jose, California. The District serves approximately 3,200 students in transitional kindergarten through grade 8 across four elementary schools, one comprehensive middle school and a K-8 STEAM school. The District's Board has directed staff and their real property consultant to explore potential options to increase the annual rental returns on the Firehouse property, to generate funds to support the District's educational programs. The issuance of this RFP was approved by the Board at the October 1, 2020 meeting.

2. THE PROPERTY

The District currently owns the property located at 720 Curtner Avenue San Jose, CA APN 414-06-034 (the "Property"). A parcel map showing the general location of the site is attached hereto as **Exhibit A**. A location map is attached as **Exhibit B**. The development area as referenced in this RFP is identified as the Firehouse site, which is an approximately .55 acre site as referenced in **Exhibit C**. The Property has a general plan land use designation of Neighborhood/Community Commercial. It is zoned CP Commercial Pedestrian and is currently rented to a tenant with a lease expiration date of June 30, 2021. In December 2019 the District had an Architectural Assessment report done, which is attached as **Exhibit D**.

3. THE PROJECT

The District is looking for a firm that has the financial strength, management, knowledge, and political expertise to complete the Project within the proposed timelines, while offering the best overall value to the District. The firm will be selected based on qualifications and demonstrated competence that include relevant experience, and a proven track record developing high quality Quick Serve Restaurants (QSR), retail and other related uses as currently approved in the zoning district, including working with public agencies which will offer the best overall return to the District.

See the attached Proposal Form for additional details, **Exhibit E**.

Design: The District desires the development of a high quality project that enhances the surrounding property values, while being sensitive to the local and greater community interests.

Permitting: The selected firm will be responsible for all permitting and entitlements including any grading and building permits, as well as complying with all other requirements of the City of San Jose.

4. QUALIFICATIONS

At a minimum, each responding firm should possess the following qualifications:

- Experience in developing QSR's, retail and other approved uses as set forth in the zoning code for the City of San Jose.
- Knowledge and familiarity with City of San Jose staff and decision makers.
- Financial capacity to enter into a long term ground lease agreement with the District to develop the Property.

5. SELECTION CRITERIA

A “best value” method of selection will be utilized. The “best value” method includes, but is not limited to, the following selection criteria:

- Monetary and overall return to the District.
- Technical expertise of firm.
- Overall firm experience & financial strength.
- Recent completion of similar projects.
- Permitting experience with other San Jose area developments.
- Schedule.
- Proposed terms as outlined in the attached Proposal Form, to be incorporated into a final Joint Occupancy Ground Lease.

7. EVALUATION PROCESS

1. The District will review and evaluate all submitted responses received per this RFP.
2. Submittals will be reviewed for responsiveness and evaluated pursuant to established objective criteria, with particular attention to, without limitation, each respondent’s qualifications, demonstrated history, and the firm’s demonstrated ability to meet its commitments. The proposals will generally be evaluated based on:
 - i. Proposed GLA rental value: 40% weighting
 - ii. Proposed design of the project: 25% weighting
 - iii. Overall qualifications of the firm: 25% weighting.
 - iv. Past local public agency tract record: 10% weighting
3. After the submittals are evaluated and ranked, the District, at its sole discretion, may elect to interview one or more firms.
4. If a commitment is made, it will be to the most qualified respondent with whom the District is able to successfully negotiate the most favorable terms and conditions to the District for the final agreement.
5. Final selection of a firm, with terms and conditions of any and all agreements, and authority to proceed, shall be at the sole discretion of the District’s Board of Trustees.
6. District staff will recommend a firm to the Board of Trustees that, in staff’s opinion, is most qualified, and upon receipt of Board approval, District staff will attempt to finalize an agreement with that firm.

7. If the District is unable to successfully negotiate a satisfactory agreement with that firm with terms and conditions they determine to be fair and reasonable, the District may then commence negotiations with the next most qualified firm in sequence, until an agreement is reached or determination is made to reject all submittals.

8. SUBMITTAL REQUIREMENTS

All responses must be concise, well organized, and demonstrate the firm's qualifications. Responses shall follow the format outlined below. Responses shall be no longer than thirty (30) pages, 8½" x 11" paper, inclusive of resumes, forms, and pictures, and tabbed according to the numbering system reflected below.

Cover Letter:

On company letterhead, signed by an authorized representative of the firm that has the ability to bind the firm, include your understanding of the scope of this Project, and why you believe you are best qualified to perform the services requested.

Firm Information:

1. Name, address, and brief history of the firm. Please include any former names of the firm and the number of years the firm has participated in the real estate development business.
2. A description of the firm with an organizational chart. Resumes of personnel that will be involved with the Project should be included. The submitted resumes should also include and reflect any applicable public sector experience. The firms' key personnel, including those who will be responsible for negotiations, should be identified with accurate contract information.
3. Provide a statement regarding the firm's ability and resources to complete this Project, including a letter from the firm's bank stating the firm has the financial ability to acquire the Property.
4. Provide proof of insurance, bonding capacity, and coverage limits. The agreement will require at least \$2 million in general liability insurance with \$4 million aggregate as well as workers' compensation insurance. In addition, the District shall be named as an additional insured by endorsement.
5. Provide signatory status and include the type of legal entity the District would be contracting with (corporation, partnership, joint venture, etc.).
6. Location of nearest local office and main office, if different.

Prior Relevant Experience:

The District prefers to contract with a firm that has direct experience on projects of similar scope and size, located in the geographic vicinity of the Property. List examples of projects (maximum of five) your firm has been involved within the past five (5) years, with a brief synopsis for each you would like the District to consider in its evaluation.

For each of these projects, provide a contact name and telephone number for the owner(s) and indicate which key firm personnel worked on each project.

Proposed Agreement terms and conditions.

Provide your proposed terms and conditions, to be drafted using the attached Proposal Form. The submittal must include:

- Economics, responsibilities, schedule, etc.
- Provide conceptual layout and plans to the District for their review, along with a strategy, format and schedule which may be used in presentations to relevant stakeholders.
- All District approvals are anticipated to occur on or before February 26, 2021.
- The selected developer shall pay for a CLTA title policy. The District shall pay for the recordation of the GLA, including any document transfer taxes if applicable. District and developer shall split the escrow fee 50/50. Developer to pay all other costs and fees.
- The District has specified that First American Title Company 333 Santa Clara Street Suite 220 San Jose, CA 95113 will handle all title and escrow work.
- Acknowledge that in the event you do not complete the GLA, all work product generated by the developer shall become the property of the District at no additional cost.
- The information you provide is confidential, to the extent legally permitted by public agencies.

9. CONDITIONS

In providing responses to this RFP, respondents agree to the following:

- District has no obligation to enter into an agreement with any party in respect to the Project as a result of their response to this RFP.
- District may modify or waive at will any and all of the criteria or procedures specified in this RFP.
- District will not compensate any respondent for respondent's cost in submitting a proposal for this RFP.
- This RFP contains descriptions of the Property and other matters that are deemed accurate. However, the District makes no representations whatsoever in respect to any factors affecting development of the Property. Prior to entering into any agreement with District, it is assumed that prospective firms will complete all of their own due diligence.

10. PROPOSED SCHEDULE

<u>Task</u>	<u>Date</u>
Date RFP Published	October 7, 2020
Questions to RFP Due	October 26, 2020
Response to RFP Questions	November 2, 2020
RFP Proposals Due	December 9, 2020
Panel Interviews, if necessary	Week of December 14, 2020
Firm Selection for Recommendation to Board	Week of January 4, 2021
Negotiate and finalize Agreement	Week of February 1, 2021
Award and Notice to Proceed	TBD

11. EXHIBITS TO REQUEST FOR PROPOSALS

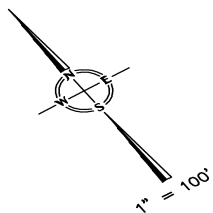
Table of Exhibits:

- Exhibit A – Assessor Parcel Map
- Exhibit B – Location Map
- Exhibit C – Civil Engineers Map
- Exhibit D – Architectural Assessment Report
- Exhibit E – Proposal Form & Option Agreement

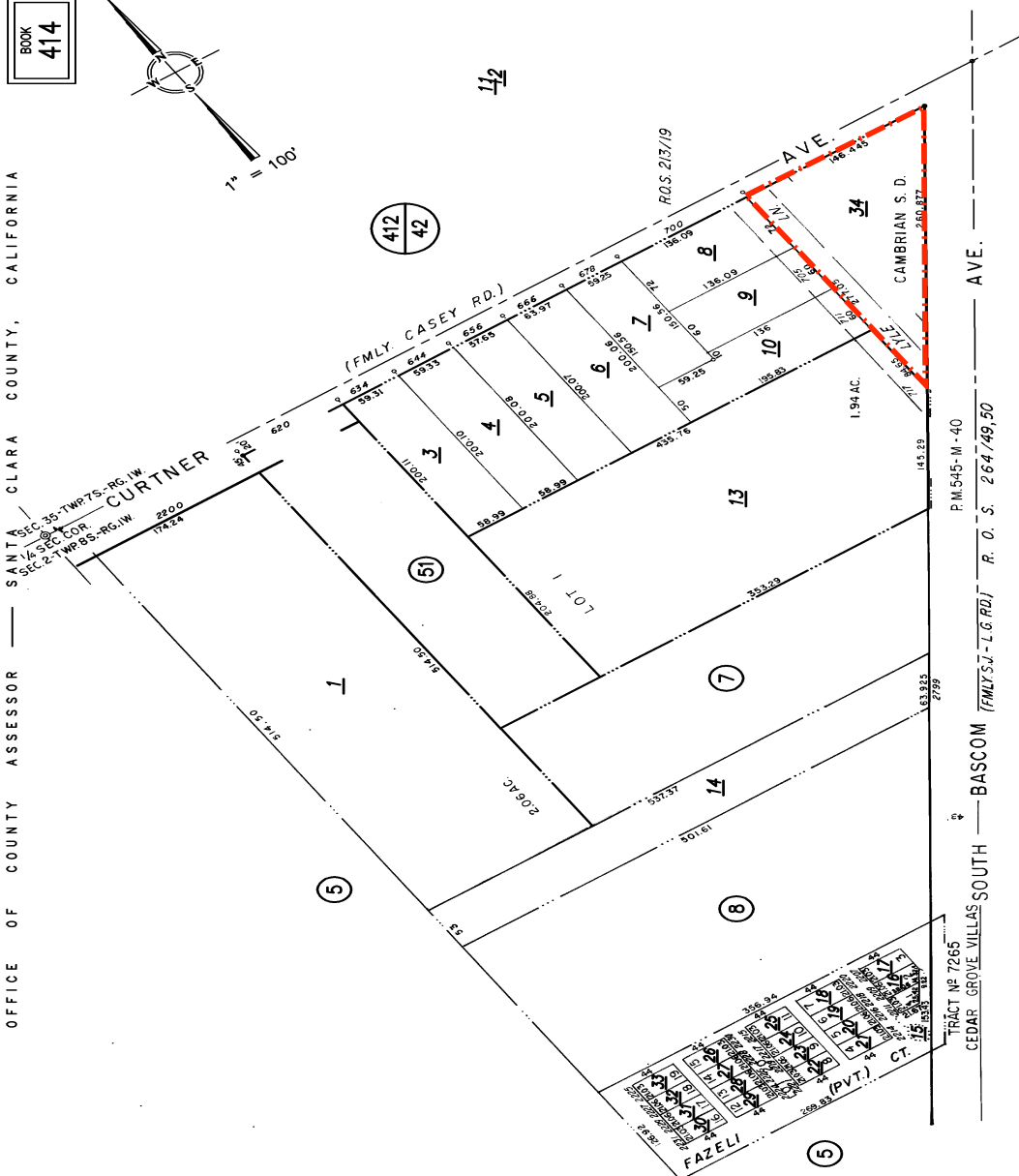
Exhibit A

Parcel Map

BOOK
414
PAGE
6



OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA



SEE 107
LAWRENCE E. STONE — ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2007-2008

Exhibit B

Location Map

City of San Jose

Firehouse Site

October 5, 2020

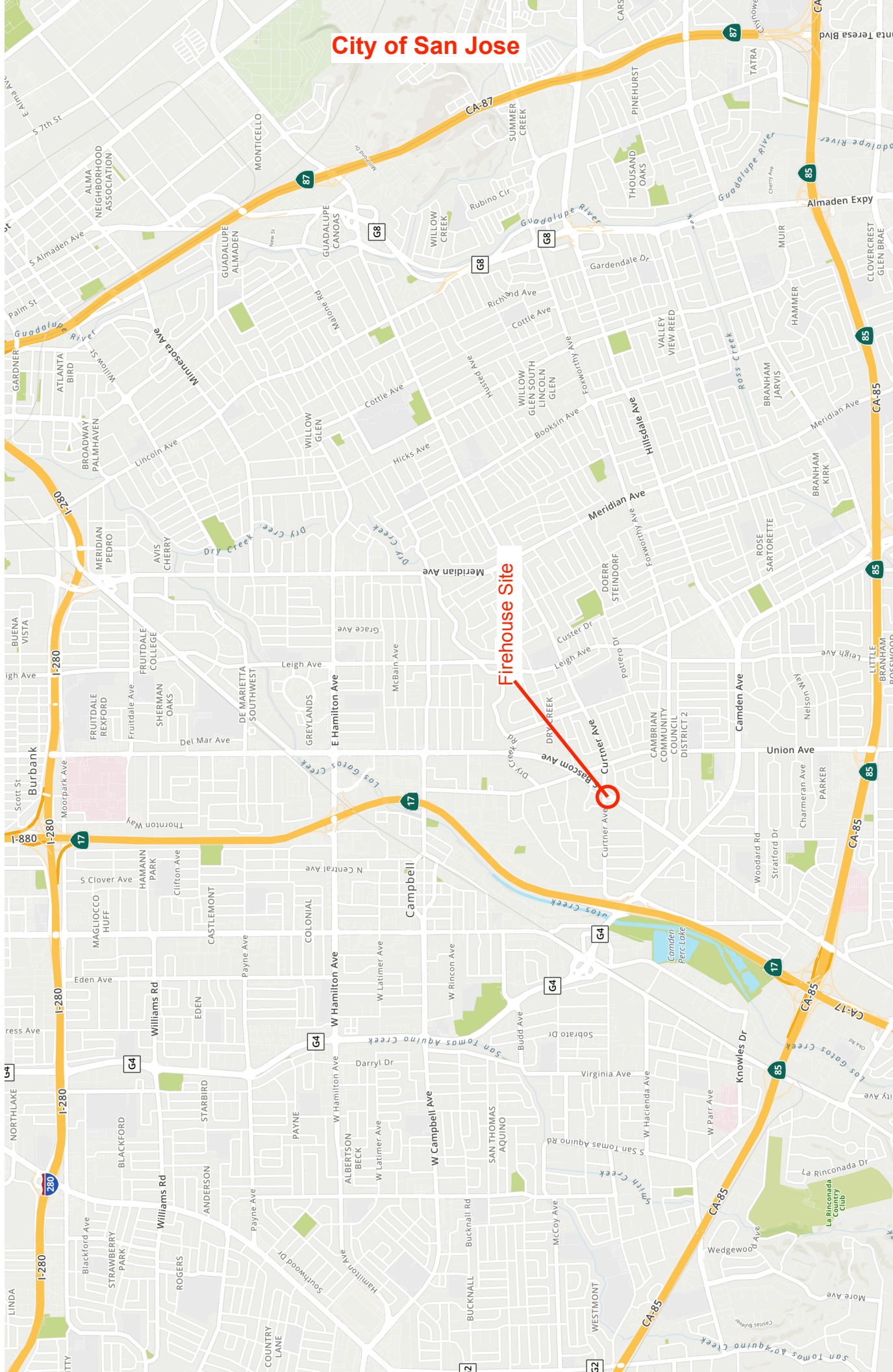


Exhibit C

Civil Engineers Map

**EXHIBIT A
LEGAL DESCRIPTION
PARCEL A**

REAL PROPERTY IN THE CITY OF SAN JOSE, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF THAT CERTAIN PARCEL OF LAND DEEDED BY JOHN BARKER TO B. CASEY, A. JOHNSON AND WILLIAM QUENTEL, TRUSTEES OF CAMBRIAN SCHOOL DISTRICT, NOVEMBER 28, 1863 AND RECORDED IN BOOK "R" OF DEEDS AT PAGE 672, RECORDS OF SANTA CLARA COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL A:

BEGINNING AT THE POINT OF INTERSECTION OF THE WESTERLY LINE OF ABOVE DESCRIBED PARCEL OF LAND WITH A LINE PARALLEL WITH AND 50.00 FEET DISTANT NORTHWEST MEASURED AT RIGHT ANGLES FROM THAT CERTAIN MONUMENT LINE ESTABLISHED FOR RECORD IN THAT PARTICULAR MAP ENTITLED "RECORD OF SURVEY OF A MONUMENT LINE OF SOUTH BASCOM AVENUE FROM UNION AVENUE TO LARK AVENUE" FILED FOR RECORD IN BOOK 264 OF MAPS OFFICE OF THE RECORDER, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA AT PAGES 49 TO 54; THENCE FROM SAID POINT OF BEGINNING NORTHERLY ALONG SAID WESTERLY LINE, NORTH $00^{\circ}55'44''$ WEST, 264.64 FEET TO THE POINT OF INTERSECTION WITH A LINE PARALLEL WITH AND 20.00 FEET DISTANT SOUTHERLY MEASURED AT RIGHT ANGLES FROM THE MONUMENTED LINE OF CURTNER ROAD (FORMERLY CASEY ROAD) AS SHOWN ON THE ABOVE DESCRIBED RECORD OF SURVEY; THENCE ALONG SAID PARALLEL LINE, NORTH $89^{\circ}36'30''$ EAST, 181.93 FEET TO THE POINT OF INTERSECTION WITH A LINE PARALLEL WITH AND 50.00 FEET DISTANT NORTHWESTERLY FROM SAID MONUMENT LINE OF SOUTH BASCOM AVENUE; THENCE ALONG SAID LINE PARALLEL WITH THE MONUMENT LINE OF SOUTH BASCOM AVENUE, SOUTH $33^{\circ}45'00''$ WEST, 319.73 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

CONTAINING 0.55 ACRES, MORE OR LESS.

SEE PLAT TO ACCOMPANY DESCRIPTION, ATTACHED HERETO AND MADE A PART HEREOF.

END OF DESCRIPTION.

THIS LEGAL DESCRIPTION WAS PREPARED BY OR UNDER THE DIRECTION OF:



Thomas A. Phillippi, RCE 32067

7.30.20
Date:

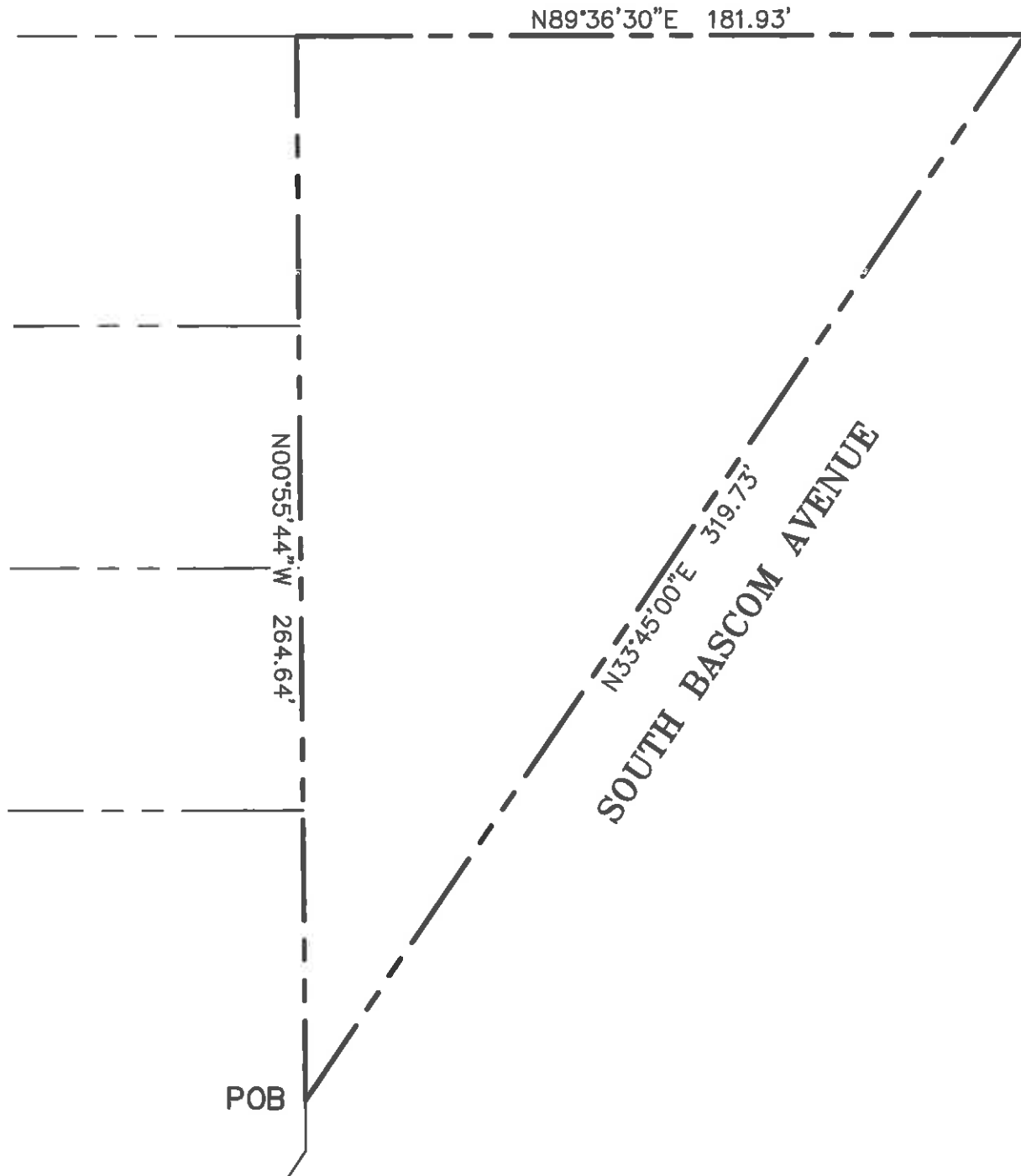


EXHIBIT A-1
4.00± ACRES TOTAL



SCALE 1"=40'

CURTNER AVENUE



PROJECT NAME/LOCATION:

PARCEL A
CURTNER & S. BASCOM
SAN JOSE, CA

DRAFTED BY: GJM
CHECKED BY: SWT
PROJECT NO.: 20190680
DWG NAME: 20190680 Par
ISSUE DATE: 07/28/20



PHILLIPPI ENGINEERING
CIVIL ENGINEERING - LAND SURVEYING
425 MERCHANT STREET VACAVILLE, CA 95688
P.O. BOX 6556 VACAVILLE, CA 95696
OFFICE (707) 451-6556 FAX (707) 451-6555

Exhibit D

Architectural Assessment Report



The Old Fire House Architectural Assessment Cambrian School District

December 2019



Board of Trustees

Carol Presunka, President
Doron Aronson, Vice President
Randy Scofield, Clerk
Janet Borrison, Member
Jarod Middleton, Member

Administration

Dr. Carrie Andrews, Superintendent
Penny Timboe, Chief Financial Officer
Jim Browning, Director of Buildings and Grounds

December 2019

Prepared by

Sugimura Finney Architects, Inc
2155 South Bascom Avenue, Suite 200
Campbell, California 95008
408.879.0600



Cambrian School District

Facilities Assessment the Old Firehouse

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The Old Firehouse Evaluation

Cost Estimate



Introduction

The Cambrian School District indirectly commissioned Sugimura Finney Architects (SFA) through Terra Realty Advisors to prepare a Needs Report for the evaluation of the existing old firehouse building, now being occupied by the “Red Dog Shred” company at 720 Curtner Avenue, Campbell, California. The objectives of this 2019 Needs Assessment Report are to assess the needs of the existing building related to facilities and maintenance mostly based on our observations and recommendations.

SFA has been instructed to take a fresh new look at the existing facility based on our observations. This Needs Assessment attempts to document the old firehouse building in its current condition which will be documented in this report. We will summarize our recommendations with an estimated cost summary at the end of this document.

The 2019 Need Assessment Report will provide a synopsis of our firm’s credibility and an overview of general improvements and recommendations for the existing firehouse building.

Sugimura Finney Architects (SFA), headed by Mark C. Finney, has been involved in many architectural investigations for the last thirty-five years. Based on our own independent assessment, we have prepared recommendations for future improvements along with estimated costs for these improvements which are summarized in other sections of this report. We will not speculate on the possible adaptations that might best suit this building and its location for future usage.

This 2019 Needs Assessment will serve as a working tool guiding the District’s future improvement projects based on the current needs and may help guide the School Board of Trustees and administration to review potential options that will assist on future possibilities for this existing building and site.



Old Firehouse - Needs Assessment Evaluation

Evaluation Summary

The old firehouse, currently being leased by the Red Dog Shred company, is located at 720 Curtner Avenue in Campbell, California. The county surveyor record index shows this property to be in San Jose.

Significant Historical Modernization

There are no known as built drawings available to place the time of construction of this building at the time of this report. The APN is shown as 414-06-034. This property is listed to be within the Cambrian School District and the Campbell Union High School District boundaries. This property appears to have been Quitclaimed to the District on May 22, 1978. We estimate this building to be over 50 years old.

Site

1. Parking and Traffic

Currently there is no true parking area on the site. There is a drive through for the customers to drive in, drop off boxes, and drive out. All users and visitors are parking in the street along an unpaved and undetermined portion of the easement/property. The pavement for the drive-through is in fair condition and would only need a slurry coat and striping for what would possibly become a small parking area for future transitional usage.

2. Site ADA Compliance

Examples of site ADA compliance would require full path of travel access and accessible bathrooms. There are cracked concrete walkways and uneven pathways surrounding the property. The entry is not accessible. The bathrooms are not





accessible. The pathway throughout the building contains obstacles, narrow doorways and spaces too small to turn a wheelchair 180 degrees successfully.

Should this property be renovated with a city permit, it is recommended that: the two existing bathrooms be renovated to be compliant



with current ADA requirements; several interior doorways be widened and retrofitted with ADA compliant hardware; cabinetry be altered to meet ADA requirements especially where sinks are to remain; a new ADA compliant parking space be striped with signage and ramping as required; the main and rear exits need to be ramped to comply with current ADA code; and new fire alarm with strobes will need to be added to this site for renovated bathrooms.

3. Landscaping and Irrigation



The area surrounding the old firehouse building lacks landscaping and irrigation. The property lacks maintenance of landscaping. The existing trees on the site have not been trimmed or properly cared for over several years. The ground is covered around the largest tree at the back of the site whereas the tree is looking sickly. The existing vegetation should be removed completely with all new landscaping.

4. Fencing and Security



The existing fencing has surpassed its expected lifecycle. Rails and supports are bent. Chain link fabric is uneven and decaying. With the unfortunate events of security issues occurring outside and inside the State of California, it has been necessary to focus on securing property from outside negative influences. The existing property is currently open to intrusion at portions of the site. It would not be prudent to add fencing to the front of this property.

5. Site Utilities

Underground utilities supplying gas and water to the site are estimated to be over 50 years in age. The existing sewer system is likely composed of an antiquated clay piping system which allows tree roots to grip and break existing underground piping. All underground utilities servicing this building have surpassed their intended service life. Replacing the underground utilities will drastically reduce



the need for ongoing maintenance of these systems. There is an existing abandoned generator back-up system at the back-yard area.

It is recommended that all existing underground utilities older than 50 years be replaced with new utility systems. Underground water, storm, sewer, electrical, low voltage and gas lines should all be replaced entirely at this site. The back up generator should be evaluated and tested and may need to be replaced or removed from the site.

6. Main Electrical Service



There are no known power issues servicing this building at this time. If an upgrade or alteration were to occur to this building, electrical engineering will be required to evaluate whether additional power is needed to service the new functionality of this building.

7. Storm Drainage



In all cases, the rain-water leaders spill to grade across pedestrian pathways and all around the existing firehouse. All surface water during the rainy season flows to the closest lowest location which might be the nearest dirt area and sidewalks surrounding the building. There are indications that water ponds and minor flooding occurs during the rainy season.

It is recommended that the existing rain-water leaders be replaced with new piping leading directly into a new underground storm system with a new connection to the existing city storm system.

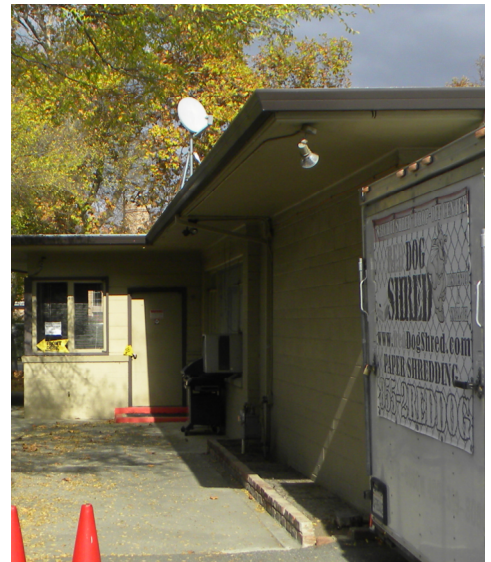
8. Site Lighting

The existing exterior site lighting is inadequate. The lights are older tungsten flood lights at random locations around the firehouse building.

It is recommended that the existing light fixtures be removed, and new LED lighting be installed around the entire perimeter of the building. New pole lights should be installed in the back-yard area.

9. Concrete Walkways

There are several areas of the existing walkways that have cracks and other signs of deterioration. There is a large gap in the pedestrian sidewalk affronting the Bascom side of the building. There are no other pedestrian sidewalks on the Curtner and Lyle Lane.





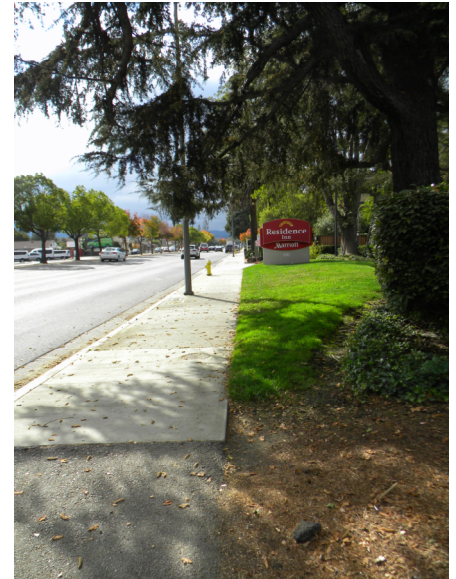
It is likely that the city will require new city compliant sidewalks along the existing three roadways to tie into the existing sidewalks adjacent to the property. A new sidewalk will need to be installed at the front of the site, especially tying into a new required ADA parking stall and ramping system.

10. Quality of Exterior Siding/ Material



The existing structure appears to be mostly composed of CMU or block. There is an existing wood sided frontage that appears to be decaying and in need of replacement. Based on our visual inspection, the CMU superstructure appears to be undamaged and in good condition. The roof appears to have failed in the past and is possibly failing currently. With past

leaks, there is a high probability that there is dry rot and termite damage hidden inside interior wood framed walls and roof structure. The visual appearance of the roof structure does not show any damage however, the roof structure appears to be neglected and has not been painted or replaced or repaired for possibly 30 years.



We recommend that either the exterior failing siding material be abated from the existing subsurface entirely and be replaced with either a three-coat stucco system and painted, or replaced with a new cementitious siding material and painted. All significant roof structure should be testing for dry rot and replaced as needed and all roof structure should be painted to help protect future damage.

Modernization

11. Existing Covered Entry

The entrance to the old firehouse is difficult to locate from the street. The entry is not accessible and may be susceptible to heaving water ponding during inclement weather. The old roll up doors appear to be broken and area covered by a fence. The step up and the width of the entryway to the front door is not accessible.

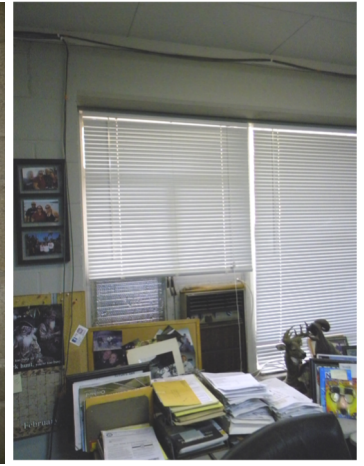
It is recommended that the entry door be reframed to protrude outward in lieu of alcove inward to allow for future access. An entry canopy or tower could be added to highlight the entrance to this building. The concrete step should be removed, and a new concrete sidewalk be placed to allow for access to the front of this building. The existing roll up doors should be removed, and new walls and windows be framed in their place.



12. Electrical Wiring

Electrical systems are probably original to the building. There are indications that some electrical and low voltage devices have been altered, added and abandoned over the years. There is clear lack of electrical outlets in this complex. The larger bay where fire trucks were originally intended to be housed have no or very few outlets based on our observation.

It is recommended that all existing low voltage and power outlets be removed completely, and new low voltage and electrical outlets be added to meet current code.



13. Abatement

We suspect that this building contains lead and asbestos that has been encapsulated in the building. We do not have a current report with detailed information at the time of this report.

It is recommended that any hazardous materials that become exposed in the future, either by accident or future construction be abated entirely.



14. Seismic Upgrade and Dry rot

Preliminary observations indicate that all this building is seismically sufficient as it was originally constructed under the state jurisdiction similar to the essential services. It is recommended that a structural engineer evaluate the existing conditions at the time of future modernization.



15. Roofing

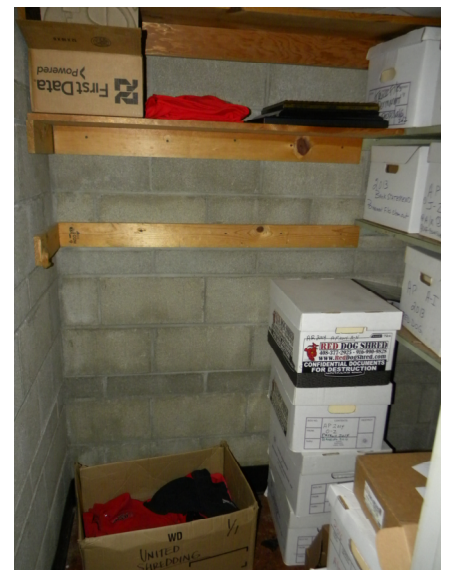
The existing roof has surpassed its intended life cycle. It is recommended that the roof be removed and replaced entirely.

It is recommended to install a new tapered insulation crickets and a new built up roofing system with gravel surfacing as soon as possible. Install a new metal edge coping to comply with wind uplift as per code.

16. Exterior Painting

The existing exterior of this building is in fair condition.

It is recommended that the old firehouse building be repainted in the next five years.





17. Building Insulation and Windows

The original building was constructed in an era when natural resources such as natural gas and electricity were inexpensive. The existing windows are original and are composed of single glazing.

It is recommended that all existing windows be removed and replaced with double glazed windows with thermal breaks.

18. Doors and Hardware

All existing doors and hardware have surpassed their intended lifecycle. Most of the doors do not comply with ADA mandated accessible hardware. More of the doors have been altered and are damaged. The exterior roll-up doors appear not to function and are partially open.

It is recommended that all exterior and interior doors be replaced with new doors and hardware. Signage will need to be added to comply with current codes. The existing roll up doors should be removed and replaced with a new wall in-fill to match existing exterior finishes.

19. Cabinetry

The existing cabinetry appears to be over 50 years old and have far surpassed their intended lifecycle. None of the sinks or cabinetry comply with ADA requirements.

It is recommended all of the cabinetry be replaced with new ADA compliant cabinetry.

20. Restrooms/Partitions/Fixtures

The existing bathrooms have surpassed their intended lifecycle. None of the bathrooms comply with ADA requirements.

It is recommended that the existing bathrooms be gutted to the substrate, and modernized with new floor, wall, ceiling finishes, new lighting, toilet partitions and new fixtures. Ceiling fans should be updated.





21. Interior Wall Finishes

Interior wall finishes are in fair condition at the existing office spaces. The existing interior CMU or block walls have never been painted.

The interior walls should be painted when modernization occurs or in the next five years.

22. Flooring

The existing flooring surfaces, carpet, tile and VAT, have all surpassed their intended lifecycle. The carpeting is rippling and creating a possible tripping hazard. The larger unconditioned bay that used to house

the fire trucks is an exposed concrete surface.

It is recommended that all flooring surfaces be replaced with new flooring surfaces. The exposed concrete floor should be treated with a polyurethane or new flooring.

23. Heating Ventilating and Air Conditioning



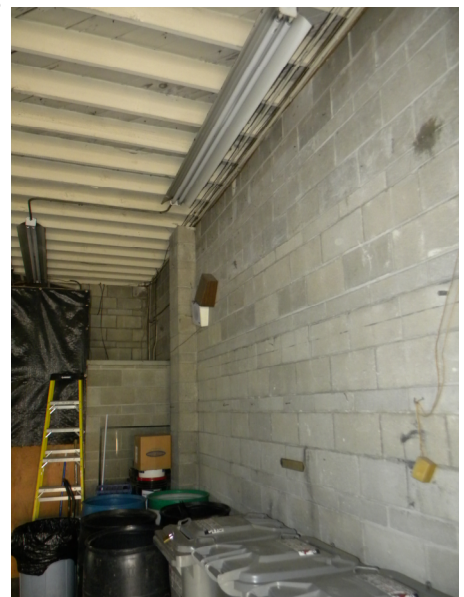
The existing heating and ventilating system is in poor condition at this time currently be used in the office space only. There is an older space heater mounted in the ceiling of the larger bay space at the old firehouse.

It is recommended that the existing heating and ventilating units be replaced in the next five years. When the new systems are designed, consideration to heat gain and the history of the conditioned space and complaints from the users must be considered. The new system will need to bring in additional outside air to meet Title 24 requirements. A new EMS system is needed for control and to save energy.



24. Ceilings

Interior ceiling finishes are in poor condition. The ceilings in the office are painted sheet rock. Other office spaces have sagging ceiling tile that have surpassed their intended use. The large bay space is an exposed wood structure of existing wood



beams, painted, whereas the surface in this space appear to not have been painted for several years.

The ceilings tiles should be replaced with new ceiling surfaces. All other existing ceilings should be inspected for dry rot and repaired as needed and painted.

25. Interior Lighting

The current interior lighting adequately performs and meets the minimum requirements expected but has far surpassed its intended lifecycle. The existing lighting consisted of older fluorescent and tungsten technology.

All interior lighting should be replaced with new light fixtures with LED technology.

26. Camera Surveillance

Camera surveillance systems are helpful in maintaining security. There appears to be a few cameras installed at the old firehouse.

It is recommended that a new camera system be installed using the new improved system that meets the needs of the user.

27. Fire Alarm

Although it was likely that a fire alarm system was installed at the time this building was constructed over fifty years ago, there was no visual evidence of an existing system at the time of this report.

It is recommended that the fire alarm be retrofitted with a new fire alarm system. There should be a new device installed in each office space, bathroom and gathering spaces. There should be one carbon monoxide unit largest office space.

28. Existing Storage

The occupants are using a modified outdoor space for most of the storage. The use of the outdoor space is an eyesore at best and possibly a fire hazard.

It is recommended that at a minimum, a storage unit be constructed and located at the back yard area, with a one hour rating construction assembly and equipped with a fire alarm system.



Old Firehouse - Estimated Cost of Construction

Construction Item	Quantity	Unit	Cost	Total Estimated Cost Modernization
Site				
1. Parking and Traffic	3,800	sf	3	\$11,400
2. Site ADA Compliance	1	ls	30,000	\$30,000
3. Landscaping and Irrigation	15,000	sf	3	\$45,000
4. Fencing	150	lf	350	\$52,500
5. Site Utilities	15,000	sf	7	\$105,000
6. Main Electrical Service	0	ls	50,000	\$0
7. Storm Drainage	15,000	sf	5	\$75,000
8. Site Lighting	1	ls	15,000	\$15,000
9. Concrete Walkways	4,500	sf	20	\$90,000
Total Site				\$423,900
Modernization				
10. Quality of Exterior Siding/Material	1,200	sf	20	\$24,000
11. Existing Covered Entry	1	ls	15,000	\$15,000
12. Electrical Wiring	15,000	sf	5	\$75,000
13. Abatement	1	ls	25,000	\$25,000
14. Seismic Upgrade/Dry Rot	3,775	sf	4	\$15,100
15. Roofing	3,775	sf	20	\$75,500
16. Exterior Painting	3,775	sf	4	\$15,100
17. Building Insulation and Windows	3,775	sf	4	\$15,100
18. Exterior Doors and Hardware (Wall Infill)	1	ls	35,000	\$35,000
19. Cabinetry	30	lf	250	\$7,500
20. Restrooms/Partitions/Fixtures	2	ea	35,000	\$70,000
21. Interior Wall Finishes	3,775	sf	4	\$15,100
22. Flooring	3,775	sf	6	\$22,650
23. Heating Ventilating & Air Condit.	3,775	sf	10	\$37,750
24. Ceilings	3,775	sf	3	\$11,325
25. Interior Lighting	3,775	sf	6	\$22,650
26. Camera Surveillance	1	ls	1,200	\$1,200
27. Fire Alarm	3,775	sf	1	\$3,775
28. Existing Storage	1	ls	1,500	\$1,500
Total Modernization				\$488,250
Subtotal Site and Modernization				\$912,150
Construction Contingency (10% for Renovation)				\$91,215
Soft Costs 18%				\$180,606
Total Needs at the Old Firehouse				\$1,183,971

Exhibit E

Proposal Form & Option Agreement

CAMBRIAN SCHOOL DISTRICT RFP# CSDFH-02

PROPOSAL FORM

DEVELOPMENT OF DISTRICT PROPERTY UNDER A JOINT OCCUPANCY LEASE

TO: BOARD OF TRUSTEES
Cambrian School District
4115 Jackson Drive
San Jose Ca 95124

INTRODUCTION

The Cambrian School District ("District") owns approximately .55 acres of real property identified as all or a portion of Santa Clara County Assessor Parcel No. 414-06-034 located in San Jose, California, more particularly described on "**Exhibit A**" hereto ("District Property").

The District currently leases out certain improvements located on the District Property for various uses, and is soliciting proposals for the development and lease of the site consisting of approximately .55 acres ("Property") to a private person, firm, or corporation to develop a Quick Serve Restaurants (QSR), retail or other related uses as approved in the zoning district along with related facilities, utilities, and improvements pursuant to the joint occupancy provisions of Education Code section 17515 et seq. ("Joint Occupancy Statutes").

Under the Joint Occupancy Statutes, the District is required to make some joint use or occupancy of the Property that is being developed and leased. Therefore, in addition to the primary development of the Property, the successful proposal must contemplate that some portion of the onsite facilities, utilities, and improvements developed on the Property will be used and /or occupied by the District. Examples of such uses include, but are not limited to, onsite facilities or improvements used for District storage, telecommunications equipment and/or other facilities or improvements that can be used for the District's programs in conjunction with the Proposer's primary use. Note, however, that such facility can be an independent structure or improvement located on the Property.

PROPOSAL FOR DEVELOPMENT OF DISTRICT PROPERTY UNDER A JOINT OCCUPANCY LEASE

The undersigned hereby proposes and offers to develop the Property under the following proposed terms and conditions which include a plan to, under a joint occupancy lease, construct, maintain, and operate a QSR or other type of facility at the proposer's own expense, that includes an advantageous income stream to the District (through the leasing of the Property), and provides portions of the onsite facilities, utilities, and improvements developed on the property for the District's use and occupancy;

Additional sheets may be attached as necessary to provide the information requested below.

1. **Proposal for Use of Property**

Proposer intends to develop the Property described below for the purpose of developing a QSR or similar type of facility. Indicate whether or not proposer will operate the project, and if not, how it will be operated. The proposer's use must comply with all applicable laws, ordinances and regulations and not be in conflict with the goals and objectives of the District. It shall be the proposer's responsibility to secure any and all applicable local government or state permits, entitlements and approvals at their sole cost.

- 1.1. District Property Subject to Development: Proposer shall confirm on the map of the District Property, attached as **Exhibit "B"**, the Property it proposes to develop and/or use with a conceptual site plans and elevations showing proposed building placement, design, ingress and egress and other relevant features.
- 1.2. Option Payment: Enclosed is cashier's check number _____ for Twenty Thousand Dollars (\$20,000) made payable to the Cambrian School District from _____ Bank. This check is submitted as the consideration for an option to develop the Property should the proposer be selected by the District's Board of Trustees as the successful proposer. The District's Board of Trustees will determine the most suitable proposal in accordance with the provisions of the Request for Proposal and the other proposal documents distributed with this written Proposal Form. The undersigned understands that the option payment of the selected proposer shall be non-refundable immediately upon the proposer being selected and approved by the Board of Trustees. The District shall use the Option payment to cover costs associated with developing the proposal and other related costs. Option payments of unsuccessful proposers will be returned upon the Board of Trustees' award of the Option Contract to the "Successful Proposer" or "Proposer".

2. **The Proposer**

2.1. Office of the Proposer

The principal office of the Proposer is located at: _____.

2.2. Principals and Employees of the Proposer

Proposer's officers and employees, who shall be directly involved in the Property development, are as follows:

<u>Name</u>	<u>Title</u>
_____	_____
_____	_____
_____	_____

(If more space needed, attach sheet.)

2.3. Proposer's Partnership/Corporate Information

The Proposer shall submit a copy of any executed limited liability company or corporate organizational documents identifying the current principals/corporate officers of the Proposer, as applicable. The Proposer is required to make full disclosure to the District of its principals, officers, stockholders, members, partners, joint venture partners, employees, and other associates (collectively referenced as "Associates"). All Associates are subject to District approval, and neither the Proposer nor any Associate shall have any conflict of interest that would affect District's ability to enter into the Joint Occupancy and Lease Agreement ("Agreement").

2.4. Proposer's Negotiation Representatives

The Proposer has designated the following person(s) to negotiate the Agreement with the District, and to engage in the activities necessary to determine the feasibility of the development: _____, _____ and _____.

2.5. Proposer's Contractors and Consultants

Prior to the submission of the executed Agreement, the Proposer shall disclose the names and addresses of Proposer's architect(s), contractor(s), and any other contractor(s) or consultant(s) performing work or services on the Property in furtherance of the Agreement. Note that to the extent certain rules and regulations regarding construction of public facilities apply to the project, the successful proposer may be required to use competitive bidding in the selection of certain contractors and vendors.

3. **The Proposer's Financial Capacity**

3.1. **Financial Statement**

Financial statements of the Proposer shall be submitted to the District as requested by the District during the Option Period ("Option Period") for the purpose of determining whether the Proposer has the financial capacity to carry out the project.

3.2. **Equity**

The Proposer proposes to obtain its equity capital in the following manner:
_____.

3.3. **Project Development Financing**

The Proposer proposes to obtain its project development financing in the following manner:
_____.

3.4. **Long-Term Financing**

The Proposer proposes to obtain its long-term financing in the following manner:
_____.

3.5. **Full Disclosure**

The Proposer shall make and maintain full disclosure to the District of the methods of financing and the financing documents to be used in the Development.

4. **Proposers Experience** *(Please attach separate sheets with the following information):*

A detailed description of the experience of the Proposer and its principals, stockholders, members, partners, joint venturers, employees and other Associates in the type of project proposed.

5. **Development Team Qualifications** *(Please attach separate sheets with the following information):*

- a. Identify key development team members (project manager, architect, etc.)
- b. Describe your team's experience in developing this type of project
- c. Describe any experience working with public agency property owners
- d. Provide references from other similar completed operating projects

6. **Project Design Features** *(Please attach separate sheets with the following information):*

Please provide ideas regarding the integration of your proposed development and improvements with the surrounding property and include suggestions for the footprint of the project on the Property, access, quality of development, proposed improvements for use by the District and by Proposer and features and amenities for the improvements. Creativity and sensitivity to the educational nature of the District's portion of the project and anticipated benefit to the District's programs will be valued.

7. **Project Requirements** *(Please attach separate sheets with the following information):*

Please identify the project team's ability to meet all applicable requirements for this project. This would include, but not be limited to, compliance with provisions addressing the following:

- a. Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the Labor Code providing for payment of prevailing wages on public works projects, if required by law;
- b. Applicable governmental design standards;
- c. The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code);
- d. Security for the development of the project to ensure its completion and contractual provisions necessary to protect the revenue streams of the project (i.e., performance bonds, guaranty's, etc.);
- e. Adequate financial resources of the successful proposer to design, build, and operate the project;
- f. Maintenance by the successful proposer of the improvements in good operating condition at all times, including when the improvements revert to the District;
- g. Buyout of the successful proposer by the District in the event of termination or default before the end of the lease term; and
- h. Maintenance of insurance by the successful proposer with coverage and amounts deemed appropriate by the District.
- i. Evidence satisfactory to the District that Proposer has or can obtain the necessary permits, licenses and approvals and meet any other criteria imposed on the project.
- j. Review the attached Option Contract, and provide a statement that the Proposer will execute this agreement if selected by the Board, or indicate proposed changes.

8. **General Economic Terms:** *(Please attach separate sheets with the following information):*

- a. The schedule for payments of the Ground Lease Agreement (GLA) shall commence fifteen (15) months from final execution on the following general basis. Optionee to propose the annual rental value to the District, along with increases. Developer to specify a lease term with or without options.
- b. The maximum GLA term, per the California Education Code, is ninety (99) years.
- c. At the expiration of the GLA, all improvements on the Property will revert to the ownership of the District. However, the District shall have the option of accepting the building in its current condition, or requesting the building be demolished at the Proposer or successor in interest sole cost.

THIS OFFER IS MADE BY: _____

Name (Principal): _____

Company Name: _____

Title: _____
State of Incorporation: _____
Address: _____
City, State, Zip Code: _____
Telephone AND fax Number: _____

The undersigned represent that they have the authority to sign this proposal and hereby submit said proposal subject to all the terms and conditions of the Cambrian School District *Resolution Declaring the Intention to Solicit and Accept Proposals for the Development and Joint Occupancy of District-Owned Property* and the *Joint Occupancy and Lease Agreement* enclosed herein.

Signature: _____	Signature: _____
Print: _____	Print: _____
Dated: _____	Dated: _____

EXHIBIT "A"

Description of District Property

EXHIBIT "B"
Map of District Property

OPTION CONTRACT

THIS OPTION CONTRACT ("Option") is entered into this _____ day of _____, 2020 ("Effective Date") by and between the Cambrian School District ("District"), a public school district of the State of California and _____ a _____ ("Optionee") under the terms and conditions set forth below. District and Optionee may be referenced individually as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the District is the fee owner of approximately .55 acres of real property identified as Santa Clara County Assessor Parcel No. 414-06-034 located in San Jose, California, more particularly described on **Exhibit "A"** attached hereto ("District Property") of which District intends to enter into an agreement for Optionee's development and use of the approximately .55 acres of the District Property as more particularly described in **Exhibit "B"** attached hereto ("Property");

WHEREAS, the District is authorized to enter into leases and agreements relating to real property and buildings to be used jointly by the District and any private person, firm, or corporation pursuant to Education Code section 17515 et seq.;

WHEREAS, on or about October 7, 2020, the District issued a Request for Proposals ("RFP") for the development of a Quick Serve Restaurants (QSR), retail and other related uses as approved in the zoning district as described in **Exhibit "C"** hereto, including onsite and offsite facilities, utilities, and improvements (the "Project");

WHEREAS, Optionee submitted a proposal in response to the RFP and was selected by the District as the successful proposer with whom District would entertain further negotiations for the development and lease of the Property; and

WHEREAS, the District intends to enter into this Option with Optionee to negotiate mutually agreeable terms and conditions for a subsequent development and lease agreement for the Project on the Property.

NOW, THEREFORE, District and Optionee agree as follows:

1. Good Faith Negotiations

The District and the Optionee agree for the term set forth below to negotiate diligently and in good faith to prepare a Joint Occupancy and Lease Agreement ("Agreement") to be entered into between the District and the Optionee with respect to the Property. The District agrees to negotiate exclusively with the Optionee with respect to the Property during the term of this Option.

1.1. Term of Option.

The Parties agree to negotiate for up to a two (2) month term, beginning from the Effective Date of this Option ("Option Period").

1.1.1. If, by 5:00 p.m., Pacific Standard Time, on the sixtieth (60th) day from the Effective Date of this Option, the Optionee has not signed and submitted the Agreement to the District, then this Option shall automatically terminate unless the Option Period has been extended in writing by mutual agreement of the District and the Optionee. If the Agreement is signed and submitted to the District by the Optionee within the Option Period, then this Option shall be extended for sixty (60) days ("District

Action Period”) to allow the District to obtain the required approvals and execute the Agreement, if said approvals have been granted.

- 1.1.2. If the District has not signed the Agreement by the end of the District Action Period, then this Option shall automatically terminate unless the District Action Period has been extended in writing by mutual agreement of the District and the Optionee.

1.2. Optionee Deposit

- 1.2.1. Prior to the execution of this Option by the District, the Optionee shall submit an additional good faith deposit to the District in the amount of Twenty Thousand Dollars (\$20,000) (“Initial Optionee Deposit,” collectively with all other deposits by Optionee, the “Optionee Deposits”). This Optionee Deposit may be made in the form of a cashier’s check, or any other form that is acceptable to the District, naming the District as payee thereon, as applicable, to ensure that Optionee proceeds diligently and in good faith to negotiate and perform all of the Optionee’s obligations under this Option. District may draw from the Optionee Deposits as reimbursement for the District’s reasonable costs and expenses incurred in negotiating the Agreement (“District Costs”). District shall notify the Optionee at the point that the Initial Optionee Deposit or any subsequent Optionee Deposit falls below the amount of Ten Thousand Dollars (\$10,000) at which time District may request a subsequent Optionee Deposit in an amount such that the total Optionee Deposits shall be no less than Twenty Thousand Dollars (\$20,000) (“Total Optionee Deposit”) to cover District Costs in excess of the previous Optionee Deposits. Optionee shall submit all subsequent Optionee Deposits within ten (10) calendar days of the District’s request.
- 1.2.2. If the Optionee has negotiated diligently and in good faith, including, but not limited to, attending all necessary project meetings, responding to information requests by the District, and willingly providing all appropriate concepts, drawings, plans and/or architectural information requested by the District in furtherance of negotiations and project development, then any unused portion of the Optionee Deposit shall be applied to the Agreement if the Parties execute the Agreement or shall be returned to Optionee upon termination of negotiations if the Parties do not execute the Agreement. If Optionee has not negotiated diligently and in good faith, the Optionee Deposit shall be retained by the District. Failure to agree on the terms and conditions of the Agreement shall not in itself be considered a lack of good faith.

2. Proposed Project

2.1. Project Concept and Essential Terms and Conditions

- 2.1.1. The proposed Project to be negotiated hereunder shall be for development and lease of approximately .55 acres of the District Property to the Optionee to develop the Project pursuant to the joint occupancy provisions of Education Code section 17515 et seq. (“Joint Occupancy Statutes”). Under the Joint Occupancy Statutes, the District is required to make some joint use or occupancy of the property that is being developed and leased. Therefore, in addition to the primary development of the Property as a QSR retail and other related uses as approved in the zoning district, some portion of the Project developed on the Property will be used and /or occupied by the District. Examples of such uses include, but are not limited to, onsite facilities, utilities, or improvements used for District administration, storage, and event space, and facilities or improvements that can be used for the District’s programs.

- 2.1.2. The essential terms and conditions of the Agreement to be entered into with the Optionee shall be in conformance with the Project as described above and with the following requirements:
- 2.1.2.1. The design and architecture of the Project contemplated by this Option shall be refined and agreed upon through a collaborative effort of the Optionee, and the District, with all third party associated costs paid by the Optionee.
 - 2.1.2.2. The Optionee shall design and construct the Project on the Property, at its own cost and expense, in accordance with a Schedule of Performance to be negotiated as part of the Agreement, and in accordance with plans and specifications prepared by the Optionee and approved by the District.
 - 2.1.2.3. The Optionee shall design and construct the Project on the Property in accordance with the then applicable land use requirements. The Optionee shall also prepare and process applications for and obtain from all federal, state and local governmental entities with jurisdiction over the Property and the Project, all applicable land use, planning and zoning approvals, permits and entitlements for the Project on the Property, all with the reasonable good faith cooperation and support of the District.
 - 2.1.2.4. The District and the Optionee shall negotiate in good faith a Schedule of Performance with a target date of fifteen (15) months from approval of this Option by the District to commencement of construction of the Project, with significant milestones agreed to between the Parties for completion of the Project. The Schedule of Performance shall be incorporated into the Agreement.
 - 2.1.2.5. The Optionee shall submit to the District a Performance Deposit in an amount specified in the Agreement and form acceptable to the District at the time the District executes the Agreement with the Optionee.
 - 2.1.2.6. The terms and conditions under which the District shall lease the District Property to the Optionee shall be set forth in the Agreement.

2.2. Obligations of the Optionee

- 2.2.1. Within thirty (30) days following approval of this Option by the Board of Trustees of the District ("Board"), Optionee shall submit to the District a more completely defined Property Plan ("Property Plan") based on the original submittal as part of the RFP process, including detailed architectural renderings, as appropriate, of the Project. The Property Plan and detailed architectural renderings are supplemental to the plans and drawings submitted in response to the Request for Proposal and shall include a well-defined architectural layout for the Project addressing the design and development quality issues related to the Project's use and location, and shall be the basis for the submittal to the City of San Jose for all discretionary approvals.

- 2.2.2. Within forty five (45) days following the Board approval of this Option by the District, Optionee shall provide the District with a letter from its financial institution (in a form and substance acceptable to the District Superintendent or designee), outlining that financial institution's intent to provide the financing resources necessary for the construction and development of the Project by the Optionee ("Financing Letter").
- 2.2.3. The Optionee shall be responsible for the preparation, including all associated costs, of any environmental approvals, compliance, studies, reports, or documents required by law, by any public agency with jurisdiction over the Project, or pursuant to the Agreement and/or this Option, including, but not limited to, compliance with the California Environmental Quality Act.
- 2.2.4. From time to time, as requested by the District, the Optionee agrees to make reasonable oral and written progress reports, and to submit to the District reports and analyses, advising the District on all matters related to the Project, including financial feasibility analyses, construction cost estimates, marketing studies and similar due diligence matters (collectively referenced as "Information"). Should negotiations not result in an agreement between the District and Optionee, the District may use the Information provided by the Optionee in any way deemed by the District to be of benefit to a subsequent development project for the Property.

3. Lease Amount and/or Other Consideration

The lease amount payable by the Optionee to the District for lease of the District Property shall be provided in the Agreement.

4. The Optionee

4.1. Office of the Optionee

The principal office of the Optionee is located at:

4.2. Principals and Employees of the Optionee

Optionee's officers and employees, who shall be directly involved in the Project, are as follows: _____, _____ and _____.

4.3. Optionee's Partnership/Corporate Information

The Optionee shall submit a copy of any executed limited liability company or corporate organizational documents identifying the current principals/corporate officers of the Optionee, as applicable. The Optionee is required to make full disclosure to the District of its principals, officers, stockholders, members, partners, joint venture partners, employees, and other associates (collectively referenced as "Associates"). All Associates are subject to District approval, and no Associate shall have any conflict of interest that would affect District's ability to enter into the Agreement.

4.4. Optionee's Negotiation Representatives

The Optionee has designated the following person(s) to negotiate the Agreement with the District, and to engage in the activities necessary to determine the feasibility of the Project:

_____, _____ and _____.

4.5. Optionee's Contractors and Consultants

Prior to the submission of the executed Agreement, the Optionee shall disclose the names and addresses of Optionee's architect(s), building contractor(s), and any other contractor(s) or consultant(s) performing work or services on the District Property in furtherance of the Agreement.

5. **The Optionee's Financial Capacity**

5.1. Financial Statement

Financial statements of the Optionee shall be submitted to the District as requested by the District for the purposes of this Option.

5.2. Equity

The Optionee proposes to obtain its equity capital in the following manner and from the following sources: _____.

5.3. Construction Financing

The Optionee proposes to obtain its construction and development financing for the Project in the following manner and from the following source: _____.

5.4. Long-Term Project Financing

The Optionee proposes to obtain its long-term Project financing in the following manner and from the following sources: _____.

5.5. Full Disclosure

The Optionee shall make and maintain full disclosure to the District of the methods of financing and the financing documents to be used in the Project. The Optionee shall not place any lien on or in any way encumber the District Property or any part of it.

6. **The Optionee**

Optionee has submitted to the District a detailed description of the relevant experience of the Optionee and its principals, stockholders, members, partners, joint venturers, employees and other associates ("Experience"). The District has relied upon Optionee's Experience as a primary reason for entering into this Option.

7. Nondiscrimination and Equal Opportunity

The Optionee shall not discriminate against any employee, applicant for employment, District student, volunteer, or other person authorized by the District to be on the District Property, on any basis prohibited by law. The Optionee shall provide equal opportunity in all employment practices.

8. District's Responsibilities

8.1. District Assistance and Cooperation

The District shall cooperate with Optionee by providing the Optionee with appropriate information and assistance in District's possession and control including:

- 8.1.1. Identify the steps necessary to accommodate the development of the Project on the District Property consistent with the terms of the Agreement.
- 8.1.2. Work with the Optionee to plan and prepare for the expeditious preparation and processing of any necessary plans and documents including, but not limited to, environmental review documents, conceptual development and building permits, and requirements for other approvals and/or entitlements.
- 8.1.3. Respond on a timely basis to questions and all submittals by Optionee.
- 8.1.4. Notify other proposers that during the Option Period, the District and its staff, consultants and/or agents shall not negotiate with any person or entity, other than the Optionee, regarding the Agreement for the development of the Project. However, if less than the entire District Property will be required for the Project as contemplated by the Parties during the Option Period, the District may negotiate and/or discuss with potential third party Optionees the development of any portion of the District Property not required for the Project.
- 8.1.5. Cooperate with the Optionee in connection with applications for all necessary governmental approvals, permits and entitlements for interim uses of the District Property and for the Project on the District Property.

8.2. Board Approval of Agreement

If the negotiations hereunder culminate in the Agreement which involves the development and lease of the District Property to the Optionee, the Agreement shall become effective only after and if the Agreement has been considered and approved by the District Board at a public meeting, after submittal to and consideration by the State Board of Education.

9. Need for Agreement

9.1. Intent of the Parties

The parties acknowledge and agree that this Option is for the sole purpose of evidencing the parties' intent to negotiate in good faith the terms of the Agreement and enter into the Agreement. The parties do not intend to be bound to an Agreement until a final written Agreement is executed by both parties. In the event the final, written Agreement is not executed by both parties within the time provided in Section 1 herein, this Option shall automatically terminate, and be of no further force or effect, unless extended by action of the District and the Optionee.

9.2. District's Acknowledgement

The District's acknowledgment of this Option is merely an agreement to enter into a period of negotiations according to the concepts presented herein, reserving final discretion and approval to the District's Board.

10. Defaults and Remedies

10.1. Defaults

10.1.1. Failure by either Party to perform any covenant of this Option constitutes a default under this Option, in which case the following shall apply:

10.1.1.1. The injured Party may give written notice of default to the Party in default, specifying the default complained of by the injured Party. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default. Except as otherwise expressly provided in this Option and the Agreement, any failures or delays by either Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by either Party in asserting any of its rights and remedies shall not deprive either Party of its right under Section 10.2 of this Option.

10.1.1.2. If any event of default occurs, prior to exercising any remedies hereunder, the injured Party shall give the Party in default written notice of such default. The Party in default shall have a period of thirty (30) calendar days after such notice is received or deemed received within which to cure the default prior to exercise of remedies by the injured Party.

10.1.2. Any notice of default that is personally delivered (including by means of professional messenger service, or courier service such as United Parcel Service or Federal Express), shall be deemed received on the documented date of receipt; and any notice of default that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received five (5) days after the date of mailing.

10.2. Termination

Subject to the notice and cure provisions of Section 10.1 of this Option, each Party shall have, as its sole and exclusive remedy, the right to terminate this Option (and to retain or receive a return of the Optionee Deposit, as applicable), by providing written notice to the other Party, in the event of any uncured default.

11. Miscellaneous Provisions

11.1. Assignment

Optionee may not assign its rights and obligations under this Option to any person or entity without the prior written consent of the District.

11.2. Time of Essence

Time is expressly declared to be of the essence in this Option and of every provision hereof in which time it is an element.

11.3. Notices

11.3.1. Any notice to be given or other document to be delivered by any party to the other or others hereunder, may be delivered in person to the designated office or party, or may be deposited in the United States mail, duly certified or registered, return receipt requested, with postage prepaid, or by Federal Express or other similar overnight delivery service, and addressed to the party for whom intended, as follows:

11.3.2. If to Optionee:

Attn: _____

11.3.3. If to District:

Cambrian School District
4115 Jackson Drive
San Jose, CA 95124

Attn: Superintendent

11.3.4. Either Party may from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Unless otherwise specifically provided for herein, all notices, payments, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given and received (a) upon personal delivery, or (b) as of the fifth (5th) business day after mailing by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth above, (c) the immediately succeeding business day after deposited with Federal Express or other similar overnight delivery system.

11.4. Entire Agreement; Counterparts

This Option constitutes the entire, final and integrated agreement between the parties hereto pertaining to the subject matter hereof, fully supersedes any and all prior understandings, representations, warranties and agreements between the parties hereto, or any of them, pertaining to the subject matter hereof, and may be modified only by written agreement signed by all of the parties hereto. This Option may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

11.5. Binding Effect

This Option shall be binding on and inure to the benefit of the parties to this Option and their heirs, personal representatives, successors, and assigns, except as otherwise provided in this Option.

11.6. Governing Law

This Option has been negotiated and entered into in the State of California, and shall be governed by, construed and enforced in accordance with the internal laws of the State of California, applied to contracts made in California by California domiciliaries to be wholly performed in California. Any action to enforce this Option shall be brought in the County of Santa Clara in the State of California.

11.7. Titles and Captions

Titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Option or any provision hereof. All references to Sections herein shall mean Sections of this Option unless otherwise specified.

11.8. Interpretation

No provision in this Option is to be interpreted for or against either party because that party or his legal representatives drafted such provision.

11.9. Waiver

No breach of any provision hereof may be waived unless the waiver is in writing. The waiver of any one breach of any provision hereof shall not be deemed to be a waiver of any other breach of the same or any other provision hereof.

11.10. Amendment

This Option may be amended only by a written agreement executed by the Parties in interest at the time of the modification.

11.11. Supersession by the Agreement

Following mutual execution by the District and the Optionee of the Agreement, this Option shall be of no further force or effect. In the event of any conflict between the provisions of this Option and the Agreement approved by the District and the Optionee, the provisions of the Agreement shall for all purposes prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Option on the dates set forth below.

CAMBRIAN SCHOOL DISTRICT

Date: _____

By: _____
Print: _____
Title: _____

Date: _____

By: _____
Print: _____
Title: _____

EXHIBIT "A"

District Property Map and Legal Description

EXHIBIT "B"

Property Subject to Option

EXHIBIT "C"
Description of Project