

# VALLEJO CITY UNIFIED SCHOOL DISTRICT

## ADDENDUM NO. 2

### REQUEST FOR PROPOSALS AND STATEMENTS OF QUALIFICATION FOR THE SALE OF SURPLUS SCHOOL DISTRICT PROPERTY

#### ROLLINGWOOD SITE

This Addendum No. 2 is issued to furnish information that is supplemental to, will clarify, or modify the Request for Proposals and Statements of Qualifications for the Sale of Surplus School District Property ("RFP/SOQ"), for the Vallejo City Unified School District's Farragut Elementary School Site. This Addendum addresses the following:

- A. Clarifies the date of the second regularly scheduled Board meeting, that meeting in which the Board will receive written and oral bids for the potential sale of the Property.
- B. Provides responses to inquiries submitted to the District on or before January 12, 2022.

All other terms and conditions of the RFP/SOQ remain unchanged. Posting of this Addendum constitutes notice to all parties of the information contained herein.

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- A. This Addendum is hereby issued to make the following change to the RFP/SOQ to clarify the date of the second regularly scheduled Board meeting, that meeting in which the Board will receive written and oral bids for the potential sale of the Property:

**II. B.8. The Board shall receive and consider the written, sealed Proposals at the meeting of the Board on February 16, 2022 at 4:00 p.m. ("Meeting") in compliance with Education Code Section 17472. The Meeting will be held at Vallejo City Unified School District, 665 Walnut Ave, Vallejo, CA 94592.**

- B. This Addendum provides the following responses to inquiries submitted to the District on or before January 12, 2022, in regard to the proposed sale of the District's Farragut property. The inquiries and the District's answer are as follows:

**Inquiry 1: What's the process by which the property can be viewed?**

Answer 1: The District previously conducted tours of both properties on January 5, 2022 at 11:00 AM for the Rollingwood site and January 5, 2022 at 12:00 PM for the Farragut site. There are no additional tours scheduled at this time.

**Inquiry 2: Should we reach out to the District directly about seeing the property?**

Answer 2. See Inquiry 1 and Answer 1 above.

**Inquiry 3: What is the process for all the checks you will be receiving?**

Answer 3: The deposits will be held in an escrow account.

**Inquiry 4: Are cashier's checks held in trust or an escrow account?**

Answer 4: See Answer 3 above.

**Inquiry 5: Would submission of a written bid preclude a party from an oral bid?**

Answer 5: No, submission of a written bid does not preclude a party from also submitting an oral bid.

**Inquiry 6: If the oral bid is an all-cash bid, would that be equally true?**

Answer 6: Yes. A subsequent bidder would be entitled to submit an oral bid, even if the earlier bid was an all-cash bid.

**Inquiry 7: So if you have a written bid that is higher but contingent on approvals how do you evaluate that and oral bidding against another bid that might be all cash and a faster close? In one case you are just getting an option payment and in the other you are getting a bid for purchase?**

Answer 7. At the School Board meeting in which the property is scheduled for sale, the Board after reviewing and considering all written bids received, will identify the highest bidder whose written bid complies with all terms and conditions of the District's Resolution of Intention to Sell the Property ("ROI"), and the requirements outlined in the District's Request for Proposals and Statement of Qualifications ("RFP/SOQ"). The Board may thereafter declare that written bidder to be eligible to enter into a purchase agreement with the District. That purchase agreement will contain provisions consistent with the terms and conditions of the ROI, the RFP/SOQ and other bid documents and written material submitted by the successful written bidder. Thereafter at that same meeting, the District will call for oral bids. To be considered, any oral bid submitted must exceed by at least 5% the highest responsible written bidder's bid whose written bid has been previously considered eligible for award. The highest oral bidder must thereafter be determined by the District to be a responsible bidder and capable of meeting the terms and conditions specified in the District's ROI and the requirements outlined in the District's RFP/SOQ. No oral bid will be accepted by the District until that oral bid has been reduced to writing and included in a signed written document containing terms and conditions consistent with the ROI and the RFP/SOQ, demonstrating the responsibility of the oral bidder.

The District recognizes it may receive purchase offers with short periods of escrow prior to closing and also recognizes it may receive purchase offers that include longer periods of escrow prior to closing, such as offers that require some level of development project approval on the site from an outside agency, including but not necessarily limited to the City of Vallejo. The District's Board may award the sale to the highest bidder who is also a responsible bidder, submitting a proposal conforming to all terms and conditions of the Board's ROI and consistent with the RFP/SOQ. In

the alternative, the Board may choose not to authorize the sale.

**Inquiry 8: In other words, if someone puts a minimum option payment down effectively with a condition on entitlements, a 5 percent higher bid would be higher than the option payment of the effectively entitled property. Is that what you are saying the process is?**

Answer 8: No. Please see Inquiry 15 and Answer 15.

**Inquiry 9: What date will you have the responses to our answers?**

Answer 9: Questions asked up to and at the Pre-Bid Conference of January 12, 2022, will be answered by way of this Addendum No. 2. Questions asked between January 13-31, 2022 will be answered by way of a separate addendum, to be issued on or before February 4, 2022.

**Inquiry 10: In the RFP there was mention of a physical defect as related to the property which is in reference to the return of a deposit and then there's also some language in here about how the respondent should submit whatever their contingencies are. I guess my question would be after the refundability of the deposit on the one hand the way it is written it almost makes it seem like once that deposit is in you're not getting it back unless there are some physical defects discovered. Or is that really not the case and a bid can be written however the respondent wants to write it with respect to when that deposit could become refundable?**

Answer 10: See Inquiry 18 and Answer 18 below.

**Inquiry 11: So in answer to my question where I asked you to address what you mean by physical defects specifically, is it the case that only a physical defect or title issue will allow for the refunding of the deposit or are there other contingencies that can be written by the respondents?**

Answer 11: See Inquiry 18 and Answer 18 below.

**Inquiry 12: What happens if the minimum bid isn't reached?**

Answer 12: In this situation, the Board could award the property for an amount determined by the Board to be acceptable.

**Inquiry 13: Can the District just continue to hold these properties indefinitely?**

Answer 13: Owning and disposing of the District's property is at the prerogative of the Board of Education.

**Inquiry 14: I guess it goes without saying, but I just want to clarify, at this sort of Texas-style whatever bidding process, the highest price will be disclosed to everybody?**

Answer 14: Yes.

**Inquiry 15: What if the highest price is a very high number but with a guy who basically didn't include anything else in the proposal and has no capability whatsoever and it's just sort of stuck in there? It's completely not credible.**

Answer 15: At the School Board meeting in which the property is scheduled for sale, the Board after reviewing and considering all written bids received, will identify the highest bidder whose written bid complies with all terms and conditions of the District's Resolution of Intention to Sell the Property ("ROI"), and the requirements outlined in the District's Request for Proposals and Statement of Qualifications ("RFP/SOQ"). The Board may thereafter declare that written bidder to be eligible to enter into a purchase agreement with the District. That purchase agreement will contain provisions consistent with the terms and conditions of the ROI, the RFP/SOQ and other bid documents and written material submitted by the successful written bidder. Thereafter at that same meeting, the District will call for oral bids. To be considered, any oral bid submitted must exceed by at least 5% the highest responsible written bidder's bid whose written bid has been previously considered eligible for award. The highest oral bidder must thereafter be determined to be a responsible bidder by the District and capable of meeting the terms and conditions specified in the District's ROI and the requirements outlined in the District's RFP/SOQ. No oral bid will be accepted by the District until that oral bid has been reduced to writing and included in a signed written document containing terms and conditions consistent with the ROI and the RFP/SOQ, demonstrating the responsibility of the oral bidder.

**Inquiry 16: Is it still the highest price and you have to be 5 percent above that?**

Answer 16: See Inquiry 15 and Answer 15.

**Inquiry 17: Let's say you have two written bids on the Farragut property for \$3 million. Then someone else comes in and bids 10 million in written form, but it's kind of not credible with crazy conditions or whatever. If someone just threw out a random number and they do not have potentially the experience nor the financial capacity to perform on it, how would that be considered when offers are being assessed?**

Answer 17: See Inquiry 15 and Answer 15.

**Inquiry 18: We have been unable to clearly determine how the initial \$25,000 deposit and the Additional Deposit is suggested to be handled. Is there someone who can confirm what the request is in the RFP for how the deposit would be treated at the stages of offer submittal, offer acceptance by the Board and also at the end of the Due Diligence Period?**

Answer 18: All bidders are required to submit a cashier's check for \$25,000 ("Initial Deposit") at the time of submitting their Proposal. The Initial Deposit will be returned if the bidder is not selected as the winning bidder by the Board.

Within 48 hours after execution of the Purchase and Sale Agreement with the successful bidder, an additional deposit of 5% of the purchase price ("Additional Deposit"), in the form of a cashier's check payable to escrow, shall be delivered to the escrow holder. The Initial Deposit and the

Additional Deposit are to be credited to the purchase price at close of escrow and are considered non-refundable unless the purchaser discovers a physical defect existing on the Property or a title defect identified during the Due Diligence Period (60 days) and provides notification and permits the District an opportunity to cure and correct. Subject to the expiration of the Due Diligence Period, in the event of title issues relating to the Property, the Initial Deposit and the Additional Deposit shall be refunded only if the District is unable to deliver title at the close of escrow as evidenced by a policy of title insurance. In the event a physical defect on the Property is not capable of correction, the Initial Deposit and the Additional Deposit may be subject to refund. The final terms and conditions for the Deposits as described in the RFP/SOQ shall be subject to revision depending upon on the format, timeline, development terms, and other applicable provisions as agreed upon in the Purchase and Sale Agreement for the Property between the purchaser and the District.

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Please sign and date below as acknowledgement of receipt of Addendum No. 2 and include with your submittal.

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Company Name

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Signature of Respondent or Authorized Agent

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Typed/Printed Name and Title

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Date