

ORCUTT UNION SCHOOL DISTRICT

REQUEST FOR QUALIFICATIONS FOR THE DEVELOPMENT OF DISTRICT PROPERTY FOR SENIOR HOUSING DEVELOPMENT



TABLE OF CONTENTS

| | |
|---|-----------|
| 1. General Information..... | 3 |
| 1.1. Introduction | 3 |
| 1.2. Project Background..... | 3 |
| 1.3. Project Site..... | 3 |
| 1.4. Surrounding Uses..... | 4 |
| 1.5. Utilities and Infrastructure..... | 4 |
| 1.6. Physical Site Conditions | 4 |
| 1.7. Location and Market Overview..... | 5 |
| 1.8. Land Use Regulations, Zoning and Entitlements | 5 |
| 1.9. Supplemental Information..... | 6 |
| 1.10. State Board of Education Waiver..... | 6 |
| 1.11. General Responsibilities of Selected Firm | 6 |
| 2. Firm’s SOQ..... | 7 |
| 2.1. Letter of Interest..... | 7 |
| 2.2. Table of Contents..... | 7 |
| 2.3. Executive Summary..... | 7 |
| 2.4. Firm Information..... | 7 |
| 2.5. Personnel | 8 |
| 2.6. Claims..... | 8 |
| 2.7. Professional Development..... | 8 |
| 2.8. Financial/Insurance Information | 8 |
| 2.9. Prior Relevant Experience..... | 9 |
| 2.10. Development Approach..... | 10 |
| 3. Additional Data | 10 |
| 4. Acknowledgement of Receipt of Addenda..... | 10 |
| 5. Certifications..... | 10 |
| 6. District’s Evaluation and Selection Process | 11 |
| 6.1. Evaluation Criteria | 11 |
| 6.2. Evaluation Process | 12 |
| 7. Public Records..... | 13 |

ORCUTT UNION SCHOOL DISTRICT
500 DRYER STREET
ORCUTT, CA 93455

REQUEST FOR QUALIFICATIONS FOR
THE DEVELOPMENT OF DISTRICT PROPERTY FOR
SENIOR HOUSING

January 25, 2019

The Orcutt Union School District ("District") is requesting submission of statements of qualifications ("SOQ") from qualified persons, firms, partnerships corporations, associations, or professional organizations ("Firm(s)") for the design, entitlement, construction and management ("Development") of an approximately 9.53-acre District site located in Orcutt, California for Senior Housing through a land lease agreement as further described herein ("Project"). The District intends to create a list of the most qualified Firms from which the District will solicit proposal(s) for the Development of the Project. Only those Firms identified as the most qualified by the District will be eligible to submit a proposal for the Project consistent with the Request for Proposals (RFP) included as Attachment 2 to this RFQ.

Interested Firms are invited to submit a SOQ as described below, with one (1) original and five (5) copies of requested materials and a digital copy on a thumb drive, to:

Orcutt Union School District
500 Dyer Street
Orcutt, CA 93455
Attn: Walter J. Con; Assistant Superintendent, Business Services

Questions. Questions regarding this RFQ must be in writing and directed to Walter J. Con at, wcon@orcutt-schools.net. Questions that are not submitted in writing or as directed herein will not be answered. Firms with questions or comments about this RFQ or the Project should not contact any other District representative, Board member, consultant, or employee unless directed to do so by the District.

SOQs must be received on or before March 8, 2019, no later than 4:00 p.m. SOQs received after this deadline will be rejected by the District without review. The District is not responsible for any delay in mail service or any other method of delivery used by Firm.

SOQs are to be submitted only in sealed envelopes; facsimile and electronic transmissions is not permitted.

RFQ Schedule. The District intends to follow the schedule set forth below for the review and selection process.

| EVENT | TIME, DATE |
|---|-------------------|
| Issuance of Request for Qualifications (RFQ) by District | January 25, 2019 |
| Non-mandatory Pre-Statement of Qualification Submittal Meeting and Site Visit | February 8, 2019 |
| Deadline for Written Questions Regarding RFQ | February 15, 2019 |
| Deadline District's Response to Written Questions Timely Submitted | February 26, 2019 |
| SOQs Due to District | March 8, 2019 |
| Review and evaluation of SOQs, including interviews if necessary | April 05, 2019 |
| Identification of Firms Invited to Submit Proposals | April 12, 2019 |

Note: The above dates and times are subject to change at the sole discretion of the District.

Non-mandatory Pre-Statement of Qualification Submittal Meeting and Site Visit. A non-mandatory pre-statement of qualification submittal meeting and site visit will be held on **February 8, 2019**. This will begin at **1:00 PM** at **500 Dyer Street, Orcutt, CA 93455**, and will continue until approximately **2:00 PM**.

RFQ Addenda. The District reserves the right to revise any part of this RFQ, or to provide clarification or additional information. If the District issues addenda to this RFQ, Firms are solely responsible for checking the District's website <http://www.orcuttschools.net> and must acknowledge receipt of addenda in the Firm's SOQ. Failure to acknowledge and respond to any addenda issued by the District may, in the District's discretion, render the Firm's SOQ to be deemed non-responsive and may be rejected.

Thank you for your interest in working with the Orcutt Union School District.

1. General Information.

- 1.1. **Introduction.** The District is interested in the Development of senior housing on approximately 9.53 acres of the District's property ("Project") through a land lease agreement as further described in **Attachment 1**, attached hereto ("Project Site"). The Project Site is located in the unincorporated town of Orcutt in northern Santa Barbara County and is but a portion of what is commonly referred to as Key Site 17 in the Orcutt Community Plan ("OCP").

The intent of this RFQ is to enable the District to identify and create a list of the most qualified and capable Firm(s) with experience in senior housing development and operation that can evaluate, plan, entitle, construct, and operate such a facility by entering into a real property development and ground lease with the District. Qualified Firm(s) will:

- Be responsive to the RFQ submission requirements;
- Have experience and expertise in residential/senior housing marketing, development, construction and operations; and
- Have financial capability and access to project financing.

Firms responding to this RFQ must consider all aspects of development, including feasibility, entitlement, processing, financing, construction management, marketing and operation of the resulting Development. To this end, the District requires comparative information that will facilitate the District's decision-making process.

- 1.2. **Project Background.** The Project Site was acquired by the District in 2001 to accommodate a primary school. However, due to declining enrollment, the District conducted an asset management plan in 2006, the overall objective of which was to utilize vacant, underutilized, or facilities/properties no longer operating as originally planned to generate a new revenue source for the District's future capital facility's needs. After May 2007, a 7-11 committee convened by the District recommended that the District surplus a portion of Key Site 17 (the "Project Site" or "Site") and enter a ground lease as a source of long-term revenue for the District.

In November 2007, the District began the process of pursuing the rezoning of the Project Site to accommodate a senior housing development given that the OCP recognized that senior housing was a viable alternative to single family development. A Final Subsequent Environmental Impact Report ("FSEIR") was completed in March 2012. After the Santa Barbara County Planning Commission certified the FSEIR and recommended approval of the zoning change in November 2013, on February 11, 2014, the Santa Barbara County Board of Supervisors approved the amendment. The Notice of Determination was recorded on February 20, 2014.

- 1.3. **Project Site.** The Project Site is comprised of four separate legal parcels for an approximate total of 9.53 contiguous acres of vacant, undeveloped land (APNs, 105-134-004; 105-134-005; 105-330-005; 105-330-006.) The Site is relatively level and covered with predominantly non-native herbaceous plants. Access to the Site is available from Soares Avenue to the north and Rice Ranch Road to the south. The Site has views of the Solomon and Casmalia Hills.

- 1.4. Surrounding Uses.** There is an existing residential subdivision situated north of the Project Site consisting of primarily single-family homes. The subdivision extends north of the Project Site from Soares Avenue to Pinal Avenue. Bordering the Project Site, to the west, is the Stonegate Development, which is comprised of newer single-family home. A large tract of land southwest of the Project Site, across Rice Ranch Road, is owned by the Hartnell Estate and consists of approximately 358 acres of agricultural preserve land used for grazing cattle. South of the Project Site, across Rice Ranch Road are the Loretta K. Bantz property, a single-family residence, and the Coast Hills Baptist Church properties. The District’s administrative offices, bus storage, and maintenance storage yard, in addition to the Oasis Senior Center, are located east of the Project Site.

Within close proximity to the Project Site is the commercial shopping district for Old Town Orcutt which includes fine dining, wine tasting rooms, a public library, food and liquor market, salon, and various creative shop opportunities. Throughout the year, various community events take place in Old Town Orcutt which can be accessed at <https://www.oldtownorcutt.org>

- 1.5. Utilities and Infrastructure.** Golden State Water Company is the retail water purveyor for the Orcutt Area, including the Project Site. Potable water supply mains that could serve the Project Site include an 8-inch water main in Rice Ranch Road that ends at approximately the southerly projection of Pacific Street, and an 8-inch water main in Soares Avenue between Dyer and First Streets.

The Project Site is located within the Laguna County Sanitation District, County Service Area 5, who operates a water reclamation plant that provides wastewater treatment for Orcutt and other portions of the unincorporated areas. The Project Site would be served by the South (Solomon Creek) Trunk Line.

The Santa Barbara County Fire Department provides fire protection services to the County, including the unincorporated area of Orcutt. Stations 21 and 22 provide fire protection and emergency response services to Orcutt. The Project Site is located three blocks south of State 21 and is within the five-minute response time. Both stations 21 and 22 are staffed with paramedics and can provide life support.

- 1.6. Physical Site Conditions.** The District intends to ground lease the Project Site in an “as is” condition subject to certain limited representation and warranties related to the District’s actual knowledge:

1.6.1. The District has not received any written notice that the Project Site is in violation of any applicable laws, and

1.6.2. There are no pending or threatened condemnation proceedings, governmental investigations, or any other litigation that affects the Project Site.

1.7. Location and Market Overview

1.7.1. Project Site Location. Located in Orcutt, the Project Site is easily accessed traveling west from U.S. Highway 101 on East Clark Avenue, or via State Route 135, south of the City of Santa Maria. Orcutt's downtown area – Old Town Orcutt is located two blocks to the north of the Project Site. Shopping, fine dining, grocers, schools, parks, and libraries are well within approximately 1-mile of the Project Site. The closest medical offices and hospitals (Marion Regional Medical Center) are located 10 minutes travel time north in the City of Santa Maria. There are two airports within 30 miles of Orcutt, the closest, Santa Maria Public Airport, is located less than five minutes away.

1.7.2. Orcutt Demographics and Surroundings.^a The population of Orcutt is approximately 28,905 with 18.2 percent of its population 65 years of age or older. Orcutt's median household income is \$75,695. The City of Santa Maria, population, 107,014, is situated just north. 9.8 percent of Santa Maria's population is 65 years or older. South of Orcutt are the rural communities of Los Olivos, Santa Ynez, Ballard, Buellton and Solvang. The City of Santa Barbara, population 92,101, is located 60 miles to the south. 17.1 percent of Santa Barbara's population is 65 years of age or older. The overall population of Santa Barbara County is 448,150. 14.9 percent of Santa Barbara County's population is 65 years of age or older, and the median household income is \$65,161. San Luis Obispo County ("SLO") lies just north of the City of Santa Maria. While separate counties, there is significant economic and residential overlap. SLO's population is 283,405, with 19.4 percent of its population age 65 or older. SLO's median household income is \$64,014.

1.8. Land Use Regulations, Zoning, and Entitlements. The Project Site is currently designated RES 20.0 (residential 20 units per acre) and DR-20 based on the County of Santa Barbara Zoning Ordinance and the Orcutt Community Plan (OCP). On or about February 11, 2014, the County of Santa Barbara Board of Supervisors approved an amendment to the General Plan to change the Comprehensive Land Use Designation of the Project Site in addition to making text amendments to the OCP Key Site # 17 that define the site's specific development standards for a proposed senior housing use for the Project Site. The amendment to the OCP was supported by the FSEIR and a revision letter dated August 28, 2013, which were ultimately certified by the County of San Barbara Board of Supervisors on February 11, 2014.

The approximate 9.53-acre subject property consists of four (4) legal parcels. To facilitate development, a lot line adjustment and/or lot merger will be required, which will be determined in conjunction with the District and processed concurrently with the development plan.

Any Firm submitting a SOQ should carefully review the text amendments, as well as the FSEIR, as these documents will directly affect the design, approval, and construction of the proposed Development.

^a All figures are based on the United States Census Bureau as provided by www.census.gov.

Firms should be aware that Government Code sections 65915 to 69518 may be applied to the Project. The State requires that local governments provide incentives or concessions to produce certain types of housing, including senior housing and affordable housing. Under these provisions, senior housing developments may be entitled to a 20% density bonus, and affordable housing may be entitled to a 35% density bonus. Concessions or incentives may include reductions in site development standards or modifications to zoning code requirements or architectural design requirements. The FSEIR evaluated the reasonable maximum development that could occur under the RES-20/DR-20 plus a 35% density bonus.

It will be the responsibility of the selected Firm, with the District's cooperation, and at the selected Firm's expense, to complete the balance of the entitlements through the County of Santa Barbara and any other agency with jurisdiction ("AWJ"). The District will assume no risk or cost of securing such entitlements.

- 1.9. Supplemental Information.** A Supplemental Project Information Package for informational purposes is available for download for interested Firms that register via the RFQ web site at <http://www.orcuttschools.net>. Firms should not rely solely on the Supplemental Project Information Package, but Firms should be familiar with its contents when developing their SOQs. The Supplemental Project Information Package includes the following documents:
 - 1.9.1.** Orcutt Union School District ("OUSD") Key Site 17 Project Subsequent Environmental Impact Report;
 - 1.9.2.** Santa Barbara County Board Of Supervisors Resolution – Key Site # 17 Policies and Standards;
 - 1.9.3.** Old Town Orcutt Design Guidelines;
 - 1.9.4.** County of Santa Barbara Pre-Application;
 - 1.9.5.** County of Santa Barbara Development Plan Application;
 - 1.9.6.** County of Santa Barbara Board of Architectural Review Application; and
 - 1.9.7.** Assessor Parcel Map for Project Site.
- 1.10. State Board of Education Waiver.** On or about September 11, 2018, the California State Board of Education approved the District's request to waive the surplus property formal bidding process set forth in Education Codes sections 17473 and 17474, and portions of Education Code sections 17455, 17466, 17468, 17469, 17472, 17475, 17476, and 17478. The waiver permits the District to obtain a lease for the Project Site for the Development of senior housing through the alternative "request for qualifications" and "request for proposals" processes.
- 1.11. General Responsibilities of Selected Firm.** The general responsibilities of the selected Firm will include, but not be limited to:

1.11.1. Obtaining the necessary entitlements to develop the Project Site and, if achieved, to undertake Development of the Project Site pursuant to a ground lease with the District. The ground lease will be subject to obtaining any necessary entitlements, approvals with the County of Santa Barbara and any agency with jurisdiction and any financial provisions as required by the District. The ground lease may be for a maximum term of ninety-nine (99) years with the District under terms to be mutually agreed upon by the parties and shall meet all requirements of California Education Code sections 17455 to 17484 (subject to the waiver approved for the District by the California Department of Education).

1.11.2. The selected Firm will be solely responsible for all facets of the Development and shall bear all costs associated with developing the Project Site, including the entitlement process, design, financing, construction, and operations of the Project. The selected Firm will be required to provide the District with written updates regarding the status of the Project, including entitlement progress.

2. Firm's SOQ.

Each Firm's SOQ must be concise, well organized, and demonstrate Firm's qualifications. Each Firm's SOQ shall be formatted as outlined below and shall be no longer than **one hundred (100) pages**, 8½" x 11" paper, inclusive of résumés, forms, and pictures, and tabbed according to the numbering system reflected below.

2.1. Letter of Interest. A dated Letter of Interest must be submitted, including the legal name of the firm(s), address, telephone, and fax numbers, and the name, title, and signature of the person(s) authorized to submit the SOQ on behalf of the Firm. The Letter of Interest should provide a brief statement of Firm's experience indicating the unique background and qualities of the Firm, its personnel, and its sub-consultants, and what makes the Firm qualified for the Development.

2.2. Table of Contents. A table of contents of the material contained in the SOQ should follow the letter of interest.

2.3. Executive Summary. The executive summary should contain an outline of Firm's approach to the Development requested hereunder, along with a brief summary of Firm's qualifications.

2.4. Firm Information.

2.4.1. Provide a brief history of Firm, and, if a joint venture, of each participating entity. Identify legal form, ownership, and senior officials of company(ies). Describe number of years in business and types of business conducted.

2.4.2. Describe Firm's philosophy and how Firm will work with the District staff to develop the Project.

2.5. Personnel. Include resumes of key personnel who would be involved in the Development of the Project Site. Specifically, define the role of each person and outline each person's experience and responsibilities, and include their role in connection with the Firm's SOQ. Identify the principal of the Firm or person with authority to legally bind the Firm. Indicate personnel who will serve as primary contact(s) for the District. Indicate Firm's and personnel's availability for the Project. Detail whether any the personnel assigned to the Project have worked together on other similar Projects. If available, provide the names and contact information of any architects, designers, consultants, or any other specialists who the Firm shall have work on the Development of the Project Site.

2.5.1. Indicate whether any officials or employees have previously worked together on other development projects described in the Firm's SOQ and providing specific instances.

2.6. Claims. Provide a statement of ALL claim(s) filed against Firm in the past five (5) years. Briefly indicate the nature of the claim and the resolution, if any, of the claim(s).

2.7. Professional Development. Indicate ongoing commitment to professional education of staff, total number of permanent employees, and any other data that may assist the District in understanding Firm's qualifications and expertise.

2.8. Financial/Insurance Information.

2.8.1. Provide a statement of Firm's financial resources and insurance coverage. Include a certification of correctness of Firm's statement of financial resources. This shall include the ability to:

2.8.1.1. Provide necessary capital to fund predevelopment activities,

2.8.1.2. Secure construction and permanent loan financing,

2.8.1.3. Provide required equity either directly or indirectly with capital partners,

2.8.1.4. Provide funding or ongoing operations (including maintenance, reserves, etc.), and

2.8.2. Provide a description of the typical insurance coverages and thresholds for that Firm would obtain for this Project.

2.8.3. Provide a description of examples of financing sources, structures or mechanisms for projects completed by the Firm similar to the type of financing that could be used by the Firm for the Project.

2.8.4. Provide a description of the current relationships with lending and/or financial institutions or equity sources which have demonstrated interest in providing financing for the Project.

- 2.8.5.** Provide a description of any relevant or similar projects which the Firm is in the process of pursuing, acquiring, developing, or proposing to pursue, acquire, or develop.
- 2.8.6.** Describe the Firm's experience in securing all available services, grants, incentives, and financing available through Federal, State and local programs, if envisioned for the Project.
- 2.8.7.** Describe any filings or bankruptcy, fines levied by governmental agencies, or legal proceeding against any participating organization, employees, corporate office, or entity that might have a material effect on the Firm's ability to implement the Project.
- 2.8.8.** Provide audited financial statements for the past three (3) year period in response to this RFQ. For confidentiality, financial statements can be submitted in a separate envelope, marked confidential. Any materials so submitted must comply with the time requirements herein. While the District will maintain every effort to keep the financial materials confidential, Firms should be aware that the District is a public agency subject to the California Public Records Act, and, as a result, the District may be required by law to release the information if requested.
- 2.8.9.** The District reserves the right to perform a background and/or credit check on any Firm. Additional financial information may also be requested by the District during the selection process.

2.9. Prior Relevant Experience.

- 2.9.1.** Provide a list of ALL senior housing facilities, or equivalent/similar developments, for which the Firm has developed and operated within the past ten (10) years. Include the following information for each project:
 - 2.9.1.1.** Name and location of project,
 - 2.9.1.2.** Name of project architect,
 - 2.9.1.3.** Description of project, including the number and type of units (condos, townhomes, etc.), and total gross and net land and building area,
 - 2.9.1.4.** Start and completion dates of project,
 - 2.9.1.5.** Dollar value of each project,
 - 2.9.1.6.** Original budget, the construction budget and final construction cost,
 - 2.9.1.7.** All litigation arising from the project, if any. Provide information related to the issues in the litigation, the status of litigation, names of parties, and the outcome. This includes any litigation between a contractor and a school district and/or an architect in which Firm was or was not named,

6. District's Evaluation and Selection Process

6.1. Evaluation Criteria. The District will review and evaluate the SOQs based on the following selection criteria:

6.1.1. Development Team Qualifications.

6.1.1.1. Overall Evaluation of Development Team. The District will evaluate the development team by:

6.1.1.1.1. Organization of development team indicating clear lines of responsibility which can be relied upon for effective and responsive action,

6.1.1.1.2. Identification and demonstrated commitment of lead person responsible for project management for the proposed development,

6.1.1.1.3. Qualifications of key personnel, including any designated key contractors, consultants, and specialist designated as proposed part of the development team, and

6.1.1.1.4. Previous working experience between development team members.

6.1.1.2. Development Team Experience. The District will evaluate the development team's experience by:

6.1.1.2.1. Experience in planning, entitling, designing, financing, developing, leasing, managing, and operating senior living projects similar to the type, size, and complexity of the proposed Project,

6.1.1.2.2. Experience in constructing projects within established time schedules and within approved construction/development budgets,

6.1.1.2.3. Experience in developing joint public/private development projects, and demonstrated ability to work effectively with education institutions to respond to public objective and deliver development projects as initially represented, and

6.1.1.2.4. Experience in working collaboratively with other school districts, governmental entities or agencies on developing projects.

6.1.1.3. Financial Capability. The District will evaluate the Firm's overall financial capability by:

- 6.1.1.3.1. The demonstrated ability to provide necessary capital for predevelopment activities, secure construction/permanent loan financing, and provide required equity either directly and/or with capital partners,
- 6.1.1.3.2. The ability to provide funding for ongoing operations (including maintenance, reserves, etc.),
- 6.1.1.3.3. The successful involvement in financing structures for projects similar to the proposed project, and
- 6.1.1.3.4. The strength of current relationship with financial resources, specifically regarding securing loan commitments from financial institutions; extent of commitment of such lending institutions.

6.2. Evaluation Process.

| <u>EVALUATION PROCESS</u> |
|--|
| STEP 1: EVALUATION OF SOQs. The District will review and evaluate all SOQs that meet the RFP submittal requirements as received from Firms to determine which Firms will be prequalified as follows: |
| <ul style="list-style-type: none"> • SOQs will be reviewed for responsiveness and evaluated pursuant to established objective selection criteria, as indicated herein. |
| <ul style="list-style-type: none"> • SOQs will be opened privately to assure confidentiality and avoid disclosure of the contents to competing Firms prior to and during the review, evaluation, and negotiation processes. However, to the extent that the SOQs are public records under California law, the SOQs may be provided to the public if appropriately requested by members of the public. |
| <ul style="list-style-type: none"> • As part of the SOQ evaluation process the District, at its sole discretion, may elect to interview Firms. If so, adequate time will be allowed for scheduling of the interview, and presentation of qualifications including questions and answers. |
| STEP 2: NOTIFICATION TO FIRMS INVITED TO SUBMIT PROPOSALS. After evaluating SOQs and conducting interviews, if any, the District will notify the Firms that are determined by the District to be the most qualified, and invited to submit proposals per the Request for Proposals (RFP) (see Attachment 2). |

7. **Public Records.** SOQs will become the property of the District and subject to the California Public Records Act, Government Code sections 6250 et seq. Those elements in each response that are trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure and which are prominently marked as "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" may not be subject to disclosure. The District shall not be liable or responsible for the disclosure of any such records including, without limitation, those so marked if disclosure is deemed to be required by law or by an order of the Court. A Firm that indiscriminately identifies all or most of its response as exempt from disclosure without justification may be deemed non-responsive. In the event the District is required to defend an action on a Public Records Act request for any of the contents of a response marked "Confidential," "Proprietary," or "Trade Secret," the Firm agrees, by submission of its SOQ for the District's consideration, to defend and indemnify the District from all costs and expenses, including attorneys' fees, in any action or liability arising under the Public Records Act.

Attachment "1"
District's Property

The Project Site consists of approximately 9.53 acres located in Orcutt, California with the following Assessor's Parcel Numbers: 105-134-004, 105-330-005, 105-330-006 and 105-134-005., as depicted below.

