JOINT OCCUPANCY LEASE OPPORTUNITY - RESIDENTIAL DEVELOPMENT PROJECTS

Request for Developer Qualifications

For the development of new Educator Workforce housing on vacant, San Francisco Unified School District-owned properties as identified herein.

Deadline for Submittals:

4:00 PM PST on Friday, April 5, 2019

The District contact person for all matters regarding this RFQ is Viva Mogi, email: Mogiv@sfusd.edu. All correspondence regarding the RFQ process must be in writing or by email and shall be made available to all proposers. No verbal questions will be answered.
NOTE REGARDING THE PUBLIC RECORDS ACT:

Government Code Section 6250 et seq., the California Public Records Act (PRA), defines a public record as any writing containing information relating to the conduct of the public business. The PRA provides that public records shall be disclosed upon written request and that any citizen has a right to inspect any public record unless the document is exempted from disclosure.

Be advised that any form of contract or lease agreement that eventually arises from this RFQ is a public record in its entirety. Also, all information submitted in response to this RFQ is itself a public record, excepting to the extent permissible by law a Proposer’s financial information.

Submission of any materials in response to this RFQ, other than Financial Documentation clearly marked as “CONFIDENTIAL”, constitutes a waiver by the submitting party of any claim that the information is protected from disclosure. By submitting materials, (1) you are consenting to release of such materials by the San Francisco Unified School District if requested under the Public Records Act without further notice to you and (2) you agree to indemnify and hold SFUSD harmless for release of such information.
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1. EXECUTIVE SUMMARY

1.1 BACKGROUND AND CONTEXT

The availability of affordable housing for District classroom teachers and para-educators is critical to the overall success and stability of each SFUSD school serving the children and school community of the City of San Francisco. District students and the community at large benefit from classroom teachers and para-educators of the District ("SFUSD Educators") living in the community in which they practice their profession, which promotes stability, community involvement, and stronger ties between educators, students, and families.

The San Francisco Unified School District ("SFUSD" “District”) requires 3,600 teachers annually but is challenged by a teacher attrition rate of approximately 10% annually; 64% of SFUSD teachers spend more than 30% of their income towards rent. An additional 14.7% of teachers in San Francisco spend more than 50% of their income towards rent. Between 2011-2017, average market rents increased 50% and according to Zillow home prices increased 72% deeply exacerbating an already inadequate housing supply for households earning less than 120% of AMI, including many SFUSD Educators.

With this Request for Qualifications ("RFQ"), SFUSD seeks to alleviate teacher attrition and increase the supply of affordable housing within the City of San Francisco though the creative use of its surplus and underutilized real properties. Joint-Occupancy - Public/Private Partnership Projects ("3-P Housing Projects") will be awarded to one or more qualified and experienced developers ("Developer Team" and/or "Proposer", "Respondent") who will design, construct and operate the 3-P Housing Projects one or more of the identified District parcels.

1.2 DISTRICT OBJECTIVES

SFUSD’s Key Objectives in the release of this RFQ are:

● To partner with Developer Teams that have proven success on comparable public / private housing projects.
● To produce a maximum number of housing units on its sites while successfully addressing neighborhood context and achieving high-quality design.
● To produce a maximum number of below market units available for lease to SFUSD Educators.
● To create environmentally sustainable buildings with physical amenities that enhance livability.
● To create a financially rewarding partnership that not only produces homes affordable to SFUSD Educators, but also provides the District with revenue stream opportunities from ground lease rents or other surplus cash payments.

Generally, selected Developer Teams must possess a sophisticated understanding of locating below-market housing in high-density, infill settings; demonstrate success in financing such developments; and retain design professionals who will ensure high-quality construction and aesthetics.

Key District Objectives include:

● Long term partnerships with highly-qualified and financially-strong developers with the capacity and skills to promptly commence with the design and construction of new 3-P Housing Projects on one or more appropriate District’s surplus properties, and thereafter own and manage the developments for the duration of the Ground Lease term.
● The creation of high-quality 3-P Housing Projects that maximize the number of below market residential units reserved for SFUSD Educators.
● Projects that incorporate environmentally sustainable operating and maintenance practices and maintain a strong sense of place and community for all residents at SFUSD Educator Housing Properties.
1.3 TRANSACTION STRUCTURE – GENERAL

The District will structure the relationship with the selected Development Team(s) using a Joint Occupancy Agreement as allowed under California Education Code section 17515 et seq. An excerpt of this portion of Education Code is provided in Attachment A. The District is offering the use of the land it owns and in exchange the Development Team would be responsible for the design, construction, operation and maintenance of the improvements and all costs associated with the Project, including community outreach and environmental concerns.

SFUSD expects enter into a long term ground lease for up to sixty-six-years (66) with one or more qualified Developer Teams for each Project. The District will retain long-term ownership of the land, and the selected Developer Team(s) will own the improvements and manage the Properties for the benefit of eligible SFUSD Educators, who will have leasing priority over the general public. The District is interested in proceeding immediately with a Developer Teams who can successfully facilitate the financing and construction of high quality / turn-key workforce housing Projects that will provide the greatest number of SFUSD Educators with affordable living opportunities.

Developer Teams are expected to:

- Provide funding for all aspects of the design, construction, and operation of the development and secure at its own cost and expense all land use entitlements necessary for the construction of the Project;
- Demonstrate adequate debt and equity financing to construct and operate the Project on a long term basis;
- Pay for any environmental remediation;
- Pay any applicable property taxes for the property and personal property taxes for the development, but may be entitled to apply for applicable property tax exemptions;
- May, depending on the scope, nature and financing or at the discretion of the Board, be required to pay prevailing wages for construction and development of the Project.

The District is cognizant that many strategies may need to be employed to find ways to finance these projects such that they can be viable with below market rents. Developer Teams may have banks willing to offer very low or zero interest loans or seek to utilize a variety of available tax credits. For purposes of developing this RFQ, SFUSD expects that the 3-P Housing Projects will be mixed-income and possibly mixed-use, but SFUSD requires that the majority of the residential units are leased at below-market rents and affordable to SFUSD Educators.

Options for 3-P Housing Project Financing might include some or all of the following:

- Tax-exempt bond financing
- 4% Low-Income Housing Tax Credits
- New Market Tax Credits
- Conventional Mortgage Debt
- Credit-Tenant Lease Structure (e.g., under a lease with a local college or university)
- Mixed income population(s)

Note to Respondents: Sources of funds which are competitive in nature and applicable to projects sponsored by the San Francisco Mayor’s Office of Housing and Community Development will not be eligible for use on this project (e.g., funds awarded under these programs: Affordable Housing and Sustainable Communities; Multifamily Housing Program; Transit-Oriented Development; Infill and Infrastructure Grant; and 9% Low-Income Housing Tax Credits).

1.4 ADDITIONAL CONDITIONS

- The Development Team will work closely with and consider the District a partner in its planning, design and
construction process. The joint occupancy agreement will require the Development Team to prepare and secure District staff’s approval for an overall work plan for all design and construction activities for the Projects. The District will also retain the right to approve the design of the Project at the schematic design, design document and construction document phases.

- The City of San Francisco will be the lead agency responsible for CEQA compliance with respect to the development, and the District will be a responsible agency for CEQA compliance.
- Due to contract requirements applicable to school districts under state law, the Developer Team must have a general contractor’s license and cannot rely on the contractor’s license of its outside general contractor for the construction of any part of the Project built for the use of the District.

1.5 GROUND LEASE TERMS

The following provisions are likely to be included in the Ground Lease, with final language negotiated between the District and the winning Respondent(s) in an Exclusive Negotiating Agreement:

- A specified number of below-market units and defined rent caps based for those units, set according to area median income goals. Limiting Restrictions on number of housing units available for lease to the general public, the number of housing units that will be maintained at below market rates.
- Replacement reserve deposit requirements.
- District approval rights for property transfers and financing structures.
- Disclosure of beneficial ownership.
- Ongoing maintenance standards and liquidated damages for failure to adhere to these standards.
- General liability insurance coverage and periodic readjustment of insurance requirements. Proposers are invited to include other terms based on their prior experience with ground leases.

1.6 SFUSD PROPERTIES UNDER CONSIDERATION

Developer Teams interested in partnering in a 3-P Housing Project with SFUSD are asked to submit, together with a high-level conceptual proposal as set-forth below, their qualifications and interest in financing and constructing one or more) teacher / workforce housing developments on the vacant, District-owned parcels (“Properties” “Parcels”) located at:

<table>
<thead>
<tr>
<th>PROPERTY</th>
<th>AREA</th>
<th>LOCATION</th>
<th>APN</th>
</tr>
</thead>
<tbody>
<tr>
<td>7th Avenue</td>
<td>1.89 acres</td>
<td>EAST of 7th Avenue, SOUTH of Lawton Street and WEST of 6th Avenue.</td>
<td>APN #1937001</td>
</tr>
<tr>
<td>200 Middle Point Road</td>
<td>1.31 acres</td>
<td>EAST of Jennings Street, SOUTH of Evans Avenue and NORTH of Palou Avenue</td>
<td>APN #4700008</td>
</tr>
<tr>
<td>20 Cook Street</td>
<td>1.19 acres</td>
<td>EAST of Arguello Boulevard, SOUTH of California Street, and NORTH of Geary Boulevard</td>
<td>APN #1067044</td>
</tr>
</tbody>
</table>

1 Includes other appropriate properties that have not been identified but may be considered upon further investigation.
1.6.1 ENVIRONMENTAL REVIEW / SOIL CONDITIONS:

No environmental reports are available. No Current information regarding soil conditions is available. Depending on conditions at the project site and on project plans, the proposed Project may be subject to review under the California Environmental Quality Act (CEQA). Department of City Planning design review may also be required.

1.6.2 ZONING/LAND USE RESTRICTIONS:

Despite the District being generally exempt from local zoning ordinances when constructing schools, residential use is expressly prohibited on Public parcels, so Project entitlements will require a zoning change and approval by both the Planning Commission and the Board of Supervisors. Additionally, any requested changes to a Property’s height and bulk classifications will also require Commission and Board approval.

Responders are encouraged to refer to the San Francisco Planning Property Information Map and San Francisco Planning Code for information regarding applicable Zoning/Land Use Restrictions.

1.7 ANTICIPATED SCOPE OF PROPOSER’S RESPONSIBILITIES

Interested Developer Teams must secure all entitlements and environmental review/approvals, and assume responsibility for all Project costs and expenses for the duration of the predevelopment, construction, and life-of-the-project operating period. Predevelopment responsibilities include, but are not limited to:

- Selection and management of the necessary multi-disciplinary development team;
- Community outreach and securing of community acceptance, as demonstrated by a successful entitlement process;
- Marketing and lease-up of the Properties in coordination with SFUSD; and
- Management of the finished building for the term of the Ground Lease in accordance with industry best practices.

2. SCHEDULE – KEY DATES

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
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<tbody>
<tr>
<td>RFQ Issued / 1st Advertised:</td>
<td>Friday, March 1, 2019</td>
</tr>
<tr>
<td>Pre-submittal Conference:</td>
<td>Tuesday, March 12, 2019 – 10:00 a.m. to 12:00 p.m.</td>
</tr>
<tr>
<td>Pre-submittal Question Period Ends:</td>
<td>Friday, March 15, 2019 – 4:00 p.m.</td>
</tr>
<tr>
<td>Proposal Responses due:</td>
<td>Friday, April 5, 2019 – 4:00 p.m.</td>
</tr>
<tr>
<td>Interviews:</td>
<td>Week of May 6, 2019 (subject to selection panel availability)</td>
</tr>
<tr>
<td>Finalist(s) selected by the Board of Education²:</td>
<td>May 28, 2019 (subject to change)</td>
</tr>
</tbody>
</table>

2.1 RESPONSES MUST BE SUBMITTED TO THE NO LATER THAN 4:00 p.m. on Friday, April 5, 2019, [555 Franklin Street, Superintendent’s Office, 3rd Floor]. The District contact person for all matters regarding this RFQ is Viva Mogi, email: Mogiv@sfusd.edu. All correspondence regarding the RFQ process must be in writing or by email and shall be made available to all proposers. No verbal questions will be answered except at the Proposers’ Conferences. Proposers are not to contact District staff or members of the Board of Education about this RFQ or the selection process. Any Proposer who violates this request will be disqualified from further consideration.

² (Board of Education meeting)
2.2  A PRE-SUBMISSION CONFERENCE will be held on: Tuesday, March 12, 2019 at 10:00 a.m. to 12:00 p.m., 135 Van Ness, San Francisco, 94102. Attendance or call-in participation at the conference is encouraged but is not mandatory. The purpose of the pre-bid conferences is to allow prospective Developer Teams the opportunity to obtain clarification on responding to the RFQ and ask questions directly of District staff to assist them in the preparation of their proposal responses. Please send no more than two representatives.

2.3  JOINT OCCUPANCY MILESTONES

2.3.1  The Education Code governing joint occupancy provides the District with a high degree of flexibility in defining the size and nature of the joint occupancy uses between the District and joint occupancy tenant. In all instances, the District will retain ownership of the sites’ real estate, but can enter into a long term lease for up to sixty-six years. The joint occupancy tenant will retain title to any improvements made on the site for the term of the lease. The District’s joint occupancy use to the Projects is governed by the tenancy of SFUSD Educators, with priority over the general public.

2.3.2  BOARD RESOLUTION. In order to receive proposals for the joint occupancy of a building to be constructed on the District’s property, the Board must in a regular open meeting, adopt a resolution declaring its intention to consider the proposals. The resolution must identify the proposed site(s) on which the building to be jointly occupied is to be constructed, specify the intended use of that portion of the building which is to be occupied by the district, and fix a time, not less than 90 days thereafter, for a public meeting of the governing board at its regular place of meeting. At that meeting the board will receive and consider all plans or proposals submitted. The Board adopted its resolution of intent on December 11, 2018; the resolution is incorporated into this RFQ and attached as ATTACHMENT “B”.

2.3.3  NOTICE. Notice of adoption of the resolution is provided in accordance with Education Code section 17522.

2.3.4  BOARD MEETING. On May 28, 2019 (subject to change upon reasonable notice), the Board will meet and consider all proposals submitted for the joint occupancy of the sites identified in the resolution.

2.3.5  SELECTION OF PROPOSAL
Education Code section 17524 states that after considering all proposals submitted, the governing board of the District has the authority to select the plan or proposal which best meets the needs of the District and to enter into a contract incorporating that plan or proposal either as submitted or as revised by the District’s governing board; however, the District’s governing board shall not approve any proposal or enter into any contract incorporating a proposal until it has submitted the proposal to the State Board of Education and the State Board of Education has approved the proposal. The State Board of Education has 45 days to notify the District governing board of its approval or disapproval. The board must require any private person, firm, local government agency, or corporation with whom it enters into a joint occupancy lease or agreement to file one of the following, as determined by the governing board:

1) A bond for the performance of the lease or agreement.
2) An irrevocable letter of credit issued by a state or national bank, or federal or state credit union, for the performance of the lease or agreement.
3. PROPOSAL FORMAT

3. PROPOSAL FORMAT

The proposer shall submit one original and three hard copies of a Proposal Package in 8.5” x 11” format, with one copy unbound for ease of reproduction. The complete Proposal Package shall also be submitted digitally (pdf format is acceptable for text; Excel is required for financial information, as indicated below). The inclusion of larger exhibits is allowed, but if included, these shall be limited to no more than five in 11” x 17” format. All proposals will have eight (8) required sections and in the order as set forth as shown below. Please label each section and number all pages.

SECTION 1 - LETTER OF INTENT
SECTION 2 - PROJECT APPROACH / DESIGN CONCEPT NARRATIVE
SECTION 3 - REFERENCES AND EXPERIENCE
SECTION 4 - KEY TEAM MEMBERS: EXPERIENCE, AND FINANCIAL INFORMATION
SECTION 5 - STATEMENT OF FINANCIAL QUALIFICATIONS
SECTION 6 - DISCLOSURE OF BENEFICIAL OWNERSHIP
SECTION 7 - OTHER REQUIRED FORMS

3.1 SECTION 1 - LETTER OF INTENT

This section shall include the proposal contact and responsible party information. Identify the lead proposing entity and list the key team members. Set forth which of the 3 Parcels / Projects you are proposing to develop. Summarize the critical elements of an expected “turn-key” Project timeline. Any other critical information can be summarized in this section.

3.2 SECTION 2 - PROJECT APPROACH / DESIGN CONCEPT NARRATIVE

For each Project proposed on, Respondents shall provide a narrative description describing their development plan(s), consisting of no more than 3 written, 8.5 x 11 pages, that that focuses on:

- Unit count;
- Unit Mix
- Open space;
- Parking;
- Residential /Community amenities;
- Commercial / Retail elements, if applicable.

While not required, Respondents are encouraged to submit simple massing drawings that support the design concept and site feasibility considerations contained in your narrative. Respondents should NOT submit color drawings; elevations; or floor plans. The purpose of the design concept submission is simply to assess the proposed height, density, unit count, and general space allocation proposal.

In addition, Respondents shall provide: (Note: These additional requirements and do not count towards the design concept narrative 3-page limit)

- Development schedules that includes community outreach, entitlement, financing, construction, and lease-up milestones.
  - Please assume realistic schedules; the goal of the District is to assess the proposer’s understanding of the entitlement process rather than solicit an impossibly tight schedule for this process.
- Financing plans that provide unit counts, proposed AMI levels served and rents charged, sources and uses of
funds, annual operating expenses, replacement and operating reserve funding deposits, debt service coverage ratios, and 20-year cash flows showing allocations of surplus cash.

3.3 SECTION 3 - REFERENCES AND EXPERIENCE

Provide background information that reflects experience similar to the Project(s) as presented here. For each Project provide development structure, cost, development type, and references with contact information. Of particular interest to the District are those projects that reflect:

- Experience with developments that seek to maximize public benefits, including projects with ambitious below market housing goals and public serving amenities;
- Experience in developing housing targeted to Educators or special populations, e.g.: transitional youth, seniors, public service workforce, etc.;
- Experience developing projects that are subject to complex regulatory review (i.e. DSA, OSHPD);
- Experience in long term ground lease developments that provide public sector partners an opportunity to share in future revenue streams in recognition of the value of the property contribution to the project.

3.4 SECTION 4 - PROPOSER TEAM MEMBERS, PAST EXPERIENCE, AND FINANCIAL INFORMATION

Developer Team Characteristics. It is anticipated that a Proposer would need to include some key entities to meet the required qualifications for successful Developer Team.

Provide the following information for each Proposer or key Developer Team entity identified in your Proposal:

- Firm name, location, and website;
- Project Manager and key participants for each Project you are proposing on, with resumes;
- History of relationship with City and SFUSD;
- Experience with developments similar in use and scale to the Project(s) proposed;
- Experience with public entities land owners under long term ground lease agreements;
- Experience with at least three similar projects with project name, location, size, use, approximate cost, date opened, ownership, financing structure, and references with phone numbers.

3.5 SECTION 5 - STATEMENT OF FINANCIAL QUALIFICATIONS

Provide the following information for the Proposers or Developer Team entity identified above:

- Is the Proposer or Developer Team entity a subsidiary of, or affiliated with, any other corporation, corporations, partnerships or firms? If so, please specify. If the Proposer or Developer Team entity is a subsidiary, please indicate the extent to which the parent entity will guarantee performance by the subsidiary.

- Names and addresses of three financial references, including a primary bank. (For each such reference please provide the release form shown in Appendix A.)

- Has the Proposer or Developer Team entity or its officers, principal members, shareholders or investors, or any of its parent, subsidiary or affiliated entities or other interested parties been adjudged bankrupt, either voluntary or involuntarily, within the past ten years? If so, explain.

- Is there any pending litigation against the Proposer or Developer Team entity or its officers, principal members, shareholders or investors, or any parent, subsidiary or affiliated entities or other interested parties other than minor personal injury suits involving claims under $250,000? If so, explain.
● Submit audited financial statements for the previous three years of the Proposer or Developer Team entity who will be responsible for financial obligations and on whom the District should rely for financial performance whether or not the final formal documentation calls for guarantees.

● Item(s) submitted should be sufficient to permit the District to determine the Proposer’s financial capacity for undertaking the development project and operating the facilities. The Proposer may wish to clearly mark its financial statements, as “CONFIDENTIAL”. Financial statements and supporting documentation will be treated as confidential by the District, but only to the extent permitted by law.

3.6 SECTION 6 - DISCLOSURE OF BENEFICIAL OWNERSHIP

The Developer Team must indicate the names of all beneficial owners of 10% or more of the proposed Ground Lessee entity; corporate names will not suffice.

3.7 SECTION 7 - OTHER REQUIRED FORMS

Proposers must complete the forms, appended to this RFQ:

● APPENDIX A - Financial Information Release Authorization
● APPENDIX B - Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

4. EVALUATION COMMITTEE

The District will appoint a committee ("Evaluation Committee") to review the proposals received and make recommendations to the Board. The Evaluation Committee may include District staff members, representatives of other public agencies and departments, and/or non-District personnel who may have demonstrated expertise in multi-unit housing developments.

The Evaluation Committee will review and recommend proposals to the Superintendent who will, in turn, make his recommendations to the District Board of Education. Neither the Superintendent nor the District Board of Education is bound by the recommendations of the Evaluation Committee. The District Board of Education has the ultimate authority and responsibility for the selection of a Developer Team, if any, for proposed Sites.

4.1 EVALUATION CRITERIA

The District’s evaluation criteria include but are not limited to: (1) development team credentials and experience; (2) proposed Project feasibility and its likelihood for success; (3) incorporation of Key District Objectives, and; (4) opportunities for SFUSD to receive a return on its property investment. The District will include in its consideration the following elements:

DEVELOPER TEAM EXPERIENCE = 35%
● Proposer experience and reputation developing housing, especially Educator Housing, with public entity partners;
● Design and construction team experience and capacity;
● Project management experience and capacity;
● Property management experience and capacity;
● Other Public/Private Partnerships; quality of public sector references.

PROJECT APPROACH / DESIGN CONCEPT = 30%
The number of below market apartments proposed that are to SFUSD Educators;
Addressing neighborhood context and achieving high-quality design;
Proposed Project quality, inclusion of resident and community amenities / green space;
Credible Project schedule; understanding of entitlement risks.

PROPOSED FINANCING STRUCTURE = 25%
Financial feasibility, realistic pro forma;
Strength of financial underwriting / basis for Developer Team’s proposal.

OPERATIONS PLAN / REVENUE GENERATION OPPORTUNITIES = 10%
Overall approach to operating and maintaining the Project for the term of the Ground Lease;
Value of project revenues returned to the District (i.e., ground lease payments, etc.).

ADDITIONAL CONSIDERATION FOR INNOVATIVE, CREATIVE PROPOSAL RESPONSE = up to 10%

4.2 EVALUATION PROCESS
Based on the evaluation criteria, the proposals will be rated by the Evaluation Committee. The Evaluation Committee may elect to choose more than one (1) finalist, who will be asked to an interview May 6, 2019 – May 10, 2019 (subject to change). One or more of the finalists and/or development proposals will be presented to the SFUSD Board of Education at the Board of Education Meeting to be held on Tuesday, May 28, 2019 (subject to change).

5. CONDITIONS AND LIMITATIONS
This RFQ does not represent an offer or commitment by SFUSD to enter into an agreement with a Proposer or to pay any costs incurred in the preparation of a response to this request. The responses and any information made as part of the responses will not be returned to Proposers. This RFQ and the selected Proposer’s response to this RFQ, may, by reference, become a part of any formal agreement between the Proposer and the District resulting from this solicitation.

The Proposer shall not collude in any manner or engage in any practices with any other Proposer(s) that may restrict or eliminate competition or otherwise restrain trade. Violation of this instruction will cause the Proposer’s submittal to be rejected by the District. The prohibition is not intended to preclude joint ventures or subcontracts that are identified in the proposal.

All proposals submitted must be the original work product of the Proposer. The copying, paraphrasing, or otherwise using of substantial portions of the work product of another Proposer is not permitted. Failure to adhere to this instruction will cause the proposal to be rejected.

The District has sole discretion and reserves the right to reject any and all proposals received with respect to this Request for Qualifications and to cancel the RFQ at any time prior to entering into a formal Exclusive Operating or Ground Lease agreement. The District reserves the right to revise any part this RFQ. If the District cancels or revises this RFQ, all respondents will be notified by addenda. The District also reserves the right to extend the date responses are due.

It should be noted explicitly that there is no “bidding” process intended with this submission review process, and this invitation is not an offer by the District to enter into an agreement to negotiate or any other agreement, nor is a response by an interested party to be considered as an offer that may be accepted by the District. Neither the District nor any respondent will be bound to any agreement unless that agreement is in writing and executed by both the interested party and an official authorized by SFUSD.
The District reserves the right to waive any irregularities in proposals received. Decisions of the District may be based on subjective as well as objective evaluations.

Proposals and any other information submitted in response to this RFQ shall become the property of the District. Notwithstanding any indication by Responder of confidential contents, and with the exception of bona fide confidential information, contents of proposals are public documents subject to disclosure under the California Public Records Act.

The District will not provide compensation to Responders for any expenses incurred by Responders for proposal preparation or for any demonstration that may be made. Proposers submit proposals at their own risk and expense.

Proposals must be organized following the Proposal submission requirements set-forth above and must include at least the requested information.

This solicitation shall not be construed in any manner to be an obligation by the District to enter into an agreement with any Proposer.

The District reserves the right to reject any or all proposals.

---END---
ATTACHMENT “A”

CALIFORNIA EDUCATION CODE 17515-17526

17515. Any school district may enter into leases and agreements relating to real property and buildings to be used jointly by the district and any private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code³, or corporation pursuant to this article. As used in this article, "building" includes onsite and offsite facilities, utilities and improvements that, as agreed upon by the parties, are appropriate for the proper operation or function of the building to be occupied jointly by the district and the private person, firm, or corporation. It also includes the permanent improvement of school grounds.

Any building, or portion thereof, that is used by a private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation pursuant to this section shall be subject to the zoning and building code requirements of the local jurisdiction in which the building is situated. Section 53094⁴ of the Government Code shall not be applicable to uses of school district property or buildings authorized by this section, except in the case of property or buildings used solely for educational purposes.

17516. (a) Before the governing board of a school district enters into a lease or agreement pursuant to this article, it shall own a site upon which a building to be used by the district and private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation may be constructed and shall have complied with the provisions of law relating to the selection and approval of sites. (b) This section shall not apply to any building to be acquired by purchase pursuant to Article 2 (commencing with Section 17110) of Chapter 16 of Part 10.

17517. The term of any lease or agreement entered into by a school district pursuant to this article shall not exceed 66 years.

17518. (a) The governing board of a school district may let to any private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation, any real property that belongs to the district if the instrument by which the property is let requires the lessee therein to construct on the demised premises, or provide for the construction thereon of, a building or buildings for the joint use of the school district and the private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation during the term of the agreement.

(b) However, title to that portion of the building to be occupied by the private individual, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation shall remain exclusively the personal property of the private party during the term of the lease and the title to that portion of the building to be occupied by the district shall vest in the district upon completion thereof and acceptance thereof by the school district. No rental fee or other charge for the use of the building shall be paid by the district.

17519. Any lease of real property by a school district to a private person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation pursuant to this article shall be upon the terms and conditions as the parties thereto may agree and may be entered into without complying with any provisions of this code except as provided in this article. However, any lease or agreement pursuant to this article shall be subject to Article 7 (commencing with Section 35230) of Chapter 2 of Part 21⁵.

17520. Before entering into a lease or agreement pursuant to this article, the governing board of a school district shall comply with Section 17521.

17521. For the purposes of receiving proposals for the joint occupancy of a building to be constructed on school property, the board shall, in a regular open meeting, adopt a resolution declaring its intention to consider the proposals. The resolution shall describe the proposed site on which the building to be jointly occupied is to be constructed in a

³ 4420 (3) (f) “Local governmental agency” means any city, county, city and county, special district, authority, or other political subdivision of or within the state.

⁴ Developments subject to the City’s Building and Zoning Ordinances

⁵ Corrupt Practices Act
manner so as to identify the site, shall specify the intended use of that portion of the building that is to be occupied by the district, and shall fix a time not less than 90 days thereafter for a public meeting of the governing board to be held at its regular place of meeting, at which meeting the board shall receive and consider all plans or proposals submitted. 17522. Notice of adoption of the resolution and the time and place of holding the meeting shall be given by publishing the resolution at least once a week for three weeks in a newspaper of general circulation published in the district if there is one, or if none is published in the district, in a newspaper published in the county. 17523. At the time and place fixed in the resolution for the meeting of the governing board, the board shall meet and consider all plans and proposals submitted for the joint occupancy of the building to be constructed on the proposed school site. 17524. (a) After considering all proposals submitted, the governing board of the school district may, subject to Section 17525, select the plan or proposal that best meets the needs of the school district and enter into a contract incorporating that plan or proposal either as submitted or as revised by the governing board of the school district. However, the governing board shall not approve any proposal nor enter into a lease or contract incorporating a proposal until the governing board has submitted the proposal to the State Board of Education, and the State Board of Education has approved the proposal. The State Board of Education shall, within 45 days of the date of submission, notify the governing board of its approval or disapproval. (b) The governing board shall require any person, firm, local governmental agency, as defined in paragraph (3) of subdivision (f) of Section 4420 of the Government Code, or corporation with whom it enters into a lease or agreement pursuant to this article to file one of the following, as determined by the governing board: (1) A bond for the performance of the lease or agreement. (2) An irrevocable letter of credit issued by a state or national bank or a federal or state credit union for the performance of the lease or agreement. 17525. Any building constructed for the use of a school district pursuant to this article is subject to Sections 17280 to 17313, inclusive, and all other provisions of this code relating to the physical structure of school buildings. 17526. The provisions of this article prevail over any provisions of law that conflict therewith.
RESOLUTION NO. ________
RESOLUTION OF THE BOARD OF EDUCATION OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT DECLARING INTENTION TO CONSIDER PROPOSALS FOR JOINT OCCUPANCY DEVELOPMENT OF DISTRICT PROPERTY

WHEREAS, the San Francisco Unified School District (“District” or “SFUSD”) seeks to alleviate teacher attrition and increase the supply of affordable housing for District classroom teachers and paraeducators (“SFUSD Educators”) within the City of San Francisco though the creative use of its underutilized real property by forming joint-occupancy public/private partnerships with one or more qualified and experienced developers; and

WHEREAS, On May 23, 2017, the Board of Education (“Board”) approved the RESOLUTION IN SUPPORT OF A PILOT PROGRAM TO CREATE AFFORDABLE RENTAL HOUSING FOR EDUCATORS OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT; and

WHEREAS, the District owns fee simple interests in certain real properties that are being considered for SFUSD educator housing developments, as more particularly described in Exhibit “A” attached hereto and incorporated herein by reference (“Properties”); and

WHEREAS, under Education Code section 17515 et seq., the Board may enter into agreements in which another party either constructs or provides for the construction of housing for joint occupancy through a solicitation or request for qualifications (“RFQ”), and may select a qualified respondent that best meets the needs of the District; and

WHEREAS, as a prior condition to entering into a lease or agreement under Education Code section 17515 et seq., the District must comply with Education Code section 17521 which requires that the Board adopt a resolution declaring its intention to consider statements of qualification for the development and joint occupancy of the buildings to be constructed on District’s properties and that said resolution shall fix a time not less than ninety (90) days thereafter for a public meeting at which the Board shall receive and consider all plans or proposals submitted; and

WHEREAS, under Education Code section 17521, the Board shall specify the intended use of the properties to be jointly occupied by the District. The intended use of the Properties is as follows:

Development of SFUSD Educator housing with excellence in architectural design and construction planning. The housing design shall demonstrate a sophisticated understanding of the unique attributes of each location selected for development, including but not limited to the physical elements essential to high-quality living standards; and maximized density, so that the housing can serve as many SFUSD Educators as possible, but still provide those amenities
and open spaces that enhance the lives of our educator residents; and

WHEREAS, the District will give notice of adoption of this Resolution and the
time and place of the board meeting to consider statements of qualifications submitted
from qualified developers by publishing this Resolution once a week for a three-week
period in a newspaper of general circulation; and

WHEREAS, the District reserves the right to waive minor irregularities or reject
all submissions and to withdraw some or all of the properties from consideration for
joint occupancy; and

WHEREAS, the District may select one or more submission that complies with
Education Code section 17515 et seq., and that best meets the needs of the District,
and may thereafter, at a regular noticed public meeting of the Board, enter into an
agreement incorporating that submission either as submitted or as revised by the
Board; and

WHEREAS, no selected submission to develop a joint occupancy property shall
be approved by the Board until the Board has submitted the proposal to the State Board
of Education and the State Board of Education approves the proposal.

NOW, THEREFORE, BE IT RESOLVED the Board of Education of the San Francisco
Unified School District hereby finds, determines, declares, orders, and resolves as
follows:

section 1. That all of the recitals set forth above are true and correct.

section 2. That the District’s Board declares its intent to consider
submissions for the joint occupancy of the educator housing to
be constructed on one or more District properties to be occupied
by the District for employee housing purposes.

section 3. That the San Francisco Unified School District will consider
proposals for joint occupancy for the SFUSD Educator Housing
uses specified in the RFQ no sooner than its regularly scheduled
meeting on March 12, 2019, at 6:00 p.m., unless that date is
otherwise amended via publication by the Superintendent, or his
designee.

section 4. The Superintendent and/or his designee is authorized an
directed to give public notice to all interested parties of the
District’s approval of this Resolution and the time and place of
holding the meeting, by publishing this Resolution in a
newspaper of general circulation located within the boundaries of
the District, once a week for three weeks.
section 5. That the Superintendent and/or his designee is hereby authorized and directed to do any and all things, and to execute and deliver any and all documents which, in consultation with staff and District legal counsel, they may deem necessary or advisable in order to effectuate the purpose and intent of this Resolution.

section 6. Effective Date: This Resolution shall take effect upon adoption.

APPROVED, PASSED, AND ADOPTED by the Board of Education of the San Francisco Unified School District on this 11th day of December 2018, by the following vote:

Ayes _____
Noes _____
Absent _____

I certify that the above is a true copy of a resolution adopted by the San Francisco Board of Education at a meeting held on December 11, 2018.

Dated: December 11, 2018

____________________________________
Secretary, San Francisco Board of Education
APPENDIX A
FINANCIAL INFORMATION RELEASE AUTHORIZATION

Contact Person
Financial Institution Address

Dear__________________________,

(Proposer’s or appropriate name) has submitted a proposal to the San Francisco Unified School District to enter into a ground lease for the purpose of development of certain real property in the City of San Francisco, California. As part of the screening process, the District may need to contact you about our banking relationship. I (we) authorize you to provide the District or its consultants with the information they require, with the understanding that all information provided will be kept confidential to the extent permitted by law.

Sincerely,

__________________________
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
AND VOLUNTARY EXCLUSION

I am aware of and hereby certify that neither ____________________________ nor

Name of Proposer

its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. I further agree that I will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. Where the proposer/offer or/contractor or any lower participant is unable to certify to this statement, it shall attach an explanation to this solicitation proposal.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal of the above-named proposer on the ____________________________ day of ____________________________ 2018 for the purposes of submission of this bid.

Signature

______________________________

Typed or Printed Name

______________________________

Title