REQUEST FOR PROPOSALS (**RFP**)

SUCCESSOR AGENCY OF THE FORMER
REDEVELOPMENT AGENCY OF
THE CITY OF MILPITAS

SALE OF REAL PROPERTY
540 S. Abel Street
APN 086-10-025
Milpitas, CA 95035

9,504 square feet of buildings located on
1.05 acres of land (45,738 square feet)

Proposals due 5:00 P.M., PST, November 9, 2015

540 S. Abel Street
APN 086-10-025
Milpitas, California 95035

INTRODUCTION

The Successor Agency to the Redevelopment Agency of the City of Milpitas ("Successor Agency") is inviting proposals from qualified Bidders to purchase property located in the City of Milpitas at 540 S. Abel Street (APN 086-10-025) ("Site"). A Site view is attached at the end of this RFP as "Attachment A." The Assessor's Parcel Map is attached as "Attachment B."

The former Redevelopment Agency of the City of Milpitas owned the property until the Redevelopment Agency was dissolved pursuant to Assembly Billx1 26 ("ABx1 26"). The Successor Agency is now responsible for disposing of the property, which was included in the Successor Agency's Long Range Property Management Plan ("LRPMP").

DUE DATE

PROPOSALS (1 COPY MAILED OR DELIVERED AND 1 COPY E-MAILED) ARE DUE BY **Monday, November 9, 2015 AT 5 P.M.**

BACKGROUND

Milpitas is a general law city incorporated in 1954 and has grown from the "Little Cornfields" then to a major city with over 70,000 people now. The City is conveniently located beside Silicon Valley's east foothills, where there are endless opportunities, civic pride and the ease of 'one-stop' living.

The Site is located within the former Milpitas Redevelopment Project Area and was owned by the former Redevelopment Agency, which acquired the property in April 2005. ABX1 26 amended by AB 1484 (collectively the "Dissolution Law") and codified in the California Health & Safety Code ("H&SC") dissolved redevelopment agencies in California as of February 1, 2012. Pursuant to Dissolution Law, all non-housing properties owned by the Redevelopment Agency transferred to the Successor Agency. The Successor Agency addressed the disposition of the subject property in its LRPMP, which was approved by the California Department of Finance ("DOF") on March 9, 2015. The Successor Agency is now seeking a qualified Bidder to purchase the Site.

The Successor Agency will review the proposals and transmit its recommendations to the Oversight Board to the Successor Agency ("Oversight Board). An Ad Hoc Committee of the Oversight Board will also review the proposals and make recommendation to the Oversight Board. The Oversight Board's approval of a proposal will be submitted to DOF for final approval.

PROJECT REQUIREMENTS

The Successor Agency is seeking proposals from qualified Bidders to purchase the Site at not less than fair market value. Completing the property sale in a timely manner is especially important to the Successor Agency and the Oversight Board, which oversees the wind down of the Successor Agency. Closing shall be on an all-cash basis, not later than one hundred eighty (180) days following approval of the Bidder's offer by the Oversight Board. Sale of the property is to be done expeditiously and in a manner aimed at maximizing the value to the taxing entities.

PROPERTY DATA

1. The Site is located at 540 S. Abel Street, Milpitas, California, 95035.
2. The Site consists of Assessor Parcel Number 086-10-025 and is approximately 1.05 acres in size.
3. The Site includes approximately 9,504 square feet of building area: a 5,904 square foot concrete block structure, built circa 1965 as a recreational youth facility, and a 3,600 square foot modular building placed on a perimeter foundation on site in 2003.
4. The property has been known as the Sal Cracolice Building and has served as both a recreational facility for youth, and as a seniors' center. It currently is used for some City recreational activities and rented out as an event facility. The property will be delivered free of all tenancies at close of escrow.
5. The Site is zoned "Institutional" by the City of Milpitas. Bidders shall familiarize themselves with all City of Milpitas' zoning and entitlement issues relating to the site, and make an independent determination of whether the site can be developed for the purpose intended by the Bidder. Zoning and Planning Ordinances are found in the Milpitas Municipal Code and which, along with the General Plan, may be accessed at http://www.ci.milpitas.ca.gov/government/planning/default.asp.
6. No warranty, express or implied, other than clean title, will be provided by the Seller.

MATERIALS TO SUBMIT

The prospective Bidder shall submit one original (1) mailed or delivered with the Cashier's Check DEPOSIT attached, **and** one (1) emailed copy of its proposal with a scanned copy of the Cashier's Check DEPOSIT as follows:

Hilda Cantú Montoy
Oversight Board Special Counsel
2125 Kern Street, Suite 308
Fresno, CA 93721
Email: hildac@montoylaw.com

In order to be considered responsive, the mailed and/or delivered copy and check and the e-mailed copy must all be **received** not later than 5:00 PM on November 9, 2015. Bidders are encouraged to submit their bids early so as to not risk unanticipated delays that could invalidate their offer, and to utilize delivery confirmation services.

All submittals must include the following sections in the order enumerated below:

1. PURCHASE PRICE AND FINANCIAL CAPACITY

The Bidder shall provide the following information:

- An all-cash purchase price offer and information supporting the offer.
  Note: Per Dissolution Law, the property must be sold at fair market value.
- Proof of the Bidder's financial capacity to purchase the property and readiness to proceed.
- Bidder Information
  - Name, address, phone and fax numbers for the Purchasing Entity (e.g., corporation, joint venture, limited partnership, etc.) and date of legal establishment.
  - Name, title, address, phone and fax numbers, and email address of the person designated as the Primary Contact for the Purchasing Entity.

2. PROPOSED TERMS AND CONDITIONS

- Acceptance of the terms and conditions of sale, including the timeframe for closing.
- DEPOSIT: A deposit of fifty thousand dollars ($50,000) in the form of a Cashiers' Check shall be attached to the written offer, made out to the Successor Agency to the Milpitas Redevelopment Agency. Only the Successful Bidder's check will be deposited. All others will be returned to the respective Bidders.

SELECTION PROCESS

All statements and numbers submitted in response to this RFP will be reviewed and evaluated by the Successor Agency and the Oversight Board. It is anticipated that the Oversight Board will make its determination as to the Successful Bidder 30 to 60 days after the proposals are received. After Oversight Board approval, the California Department of Finance ("DOF") must also approve the sale of the subject property prior to property disposition, the timing of which is not under the control of the Successor Agency or the Oversight Board.

SELECTION CRITERIA

Proposals for this Site will be evaluated on completeness, the purchase price, any value identified by the proposal, and the Bidder's ability to meet the Project Requirements set forth in this RFP.

BIDDER RESPONSIBILITIES

Within ten (10) days of approval by the Oversight Board, the Successful Bidder shall execute a Purchase and Sale Agreement for the Property reflecting the terms approved by the Oversight Board. The Purchase and Sale Agreement shall provide for thirty days during which the Bidder may conduct any additional due diligence necessary on the Property, while the DOF reviews the Oversight Board's recommendation to approve the Purchase and Sale Agreement. During that thirty day period, the DEPOSIT shall be refunded upon notification by the Successful Bidder that it is cancelling the contract. A copy of the required Purchase and Sale Agreement form may be obtained by contacting Hilda Cantú Montoy at hildac@montoylaw.com .

Upon release of the Due Diligence Contingency, or, at the end of the thirty day period if the Successful Bidder has not cancelled the contract by that date, the DEPOSIT shall be non-refundable except in the event of disapproval of the Purchase and Sale Agreement by DOF, and the Due Diligence Contingency shall be presumed to have been satisfied. If the Purchase and Sale Agreement is not cancelled by the Successful Bidder, the Bidder will be responsible for purchasing the Site on an all cash basis with closing to occur not later than one hundred eighty (180) days following approval of the Bidder's offer by the Oversight Board.

RIGHTS RESERVED

The Successor Agency and Oversight Board retain the right to:

- Reject any and all proposals;
- Reject conditional or incomplete proposals or any proposal containing alterations of form or additions not called for, or irregularities of any kind;
- Determine which proposal, if any, is the best;
- Waive any irregularity in any proposal;
- Withdraw any and all of the described real property from the market.
- Approve the final Purchase and Sale Agreement

The issuance of this RFP does not commit the Successor Agency or Oversight Board to select any proposer, to pay any costs incurred in the preparation of a response to the RFP, to award any contract or rights, or take any further actions with regard to the sale of the Property.

QUESTIONS; CORRESPONDENCE

Questions regarding this RFP shall be submitted in writing as follows:

- Hilda Cantú Montoy, Oversight Board Special Counsel, is the contact for questions regarding the RFP and RFP process at: hildac@montoylaw.com.

- Bill Ekern, City of Milpitas Planning and Neighborhood Services Director, is the contact for land use and development-related questions at: bekern@ci.milpitas.ca.gov.

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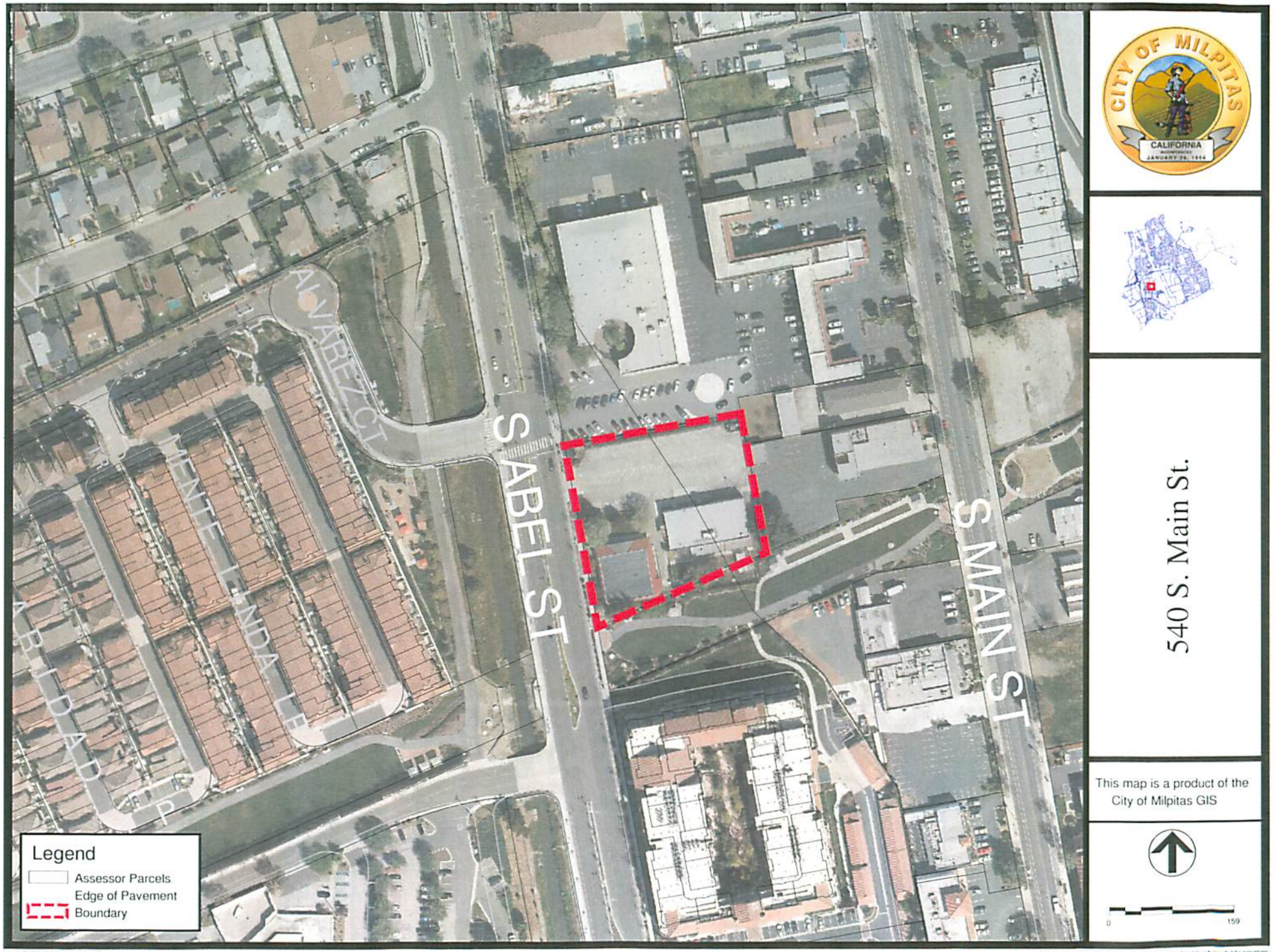
ATTACHMENT A
SITE VIEW



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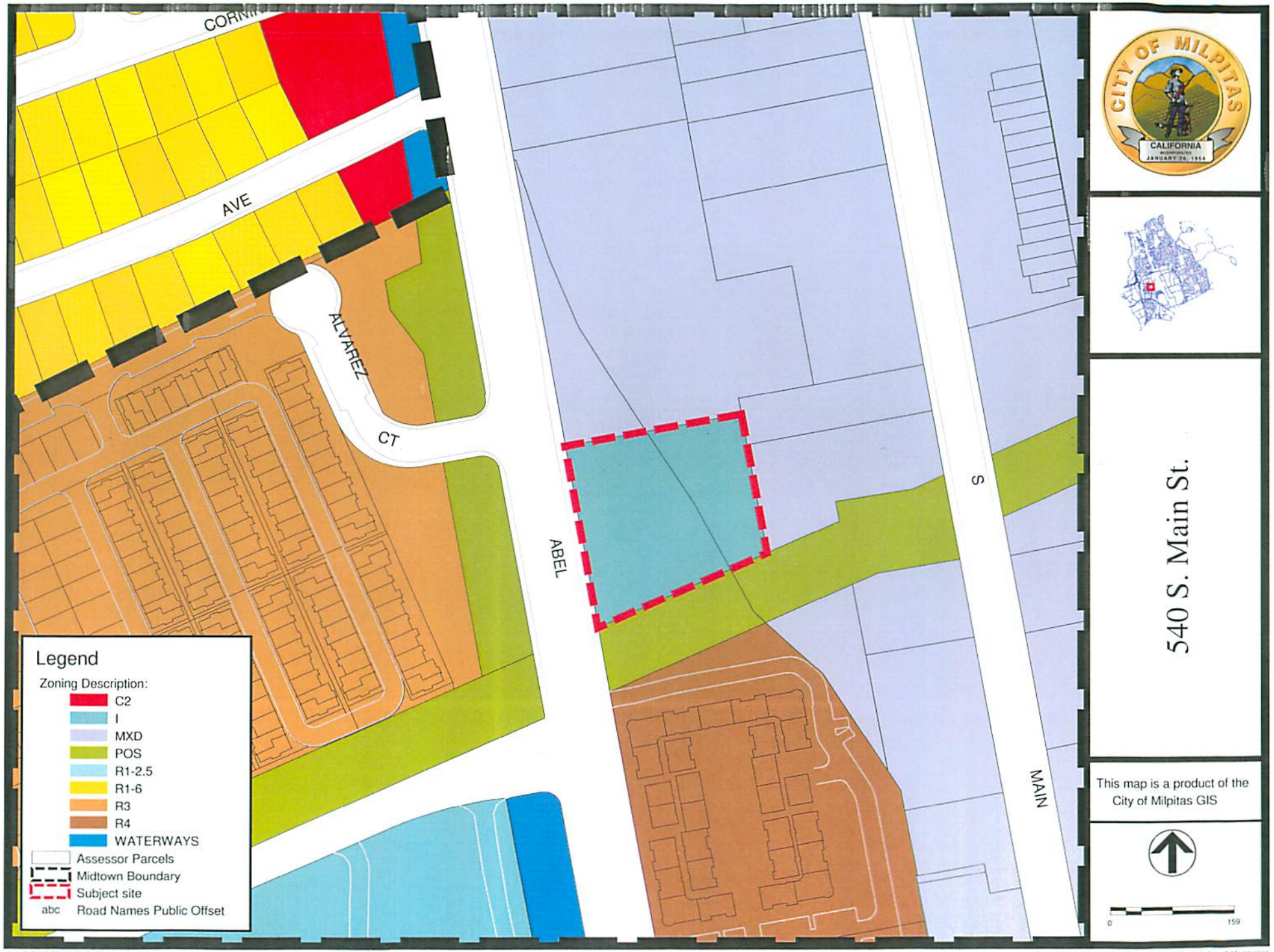
ATTACHMENT A

This document is a graphic representation only of best available sources. City of Milpitas assumes no responsibility for any errors.

ATTACHMENT B
ASSESSOR’S PARCEL MAP



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ATTACHMENT B

This document is a graphic representation only of best available sources. City of Milpitas assumes no responsibility for any errors.