TO: Board of Trustees  

FROM: Gari Browning  

DATE: April 16, 2014  

SUBJECT: Award of Proposal (Bid) In Response to Resolution of Intent to Lease Property and Request for Bids for the Ohlone College Frontage Property (BP 6500)

On February 12, 2014 the Ohlone Community College District Board of Trustees approved a non-binding Letter of Intent (“LOI”) and related Resolution of Intent to Lease Property and Request for Bids (“Resolution”) in regard to the proposed lease and private development of the District-owned 15-acre Ohlone College Frontage Property.

The Resolution (attached) approved by the Board: 1) established a deadline for submission of all sealed, written proposals (bids) for lease of the Frontage Property of 3:00 pm on April 9, 2014; and 2) established 4:00 pm on April 9, 2014 as the time and date for opening, examining, declaring, and considering the sealed bids which have been received by the District, and for the calling for and considering of oral bids.

Two proposals were received by the District in response to its Request prior to the deadline. Clark Realty Capital, LLC submitted a bid that was consistent with the Letter of Intent/Board Resolution noted above that established the minimum business terms of the lease agreement. Carmel Partners, Inc. also submitted a proposal in advance of the deadline that was financially identical to Clark’s bid. During the public meeting Carmel Partners submitted an oral bid that increased its initial proposal by a $200,000 one-time payment to the College.

The final acceptance or rejection by the Board of a written or oral proposal (bid) may be made during a regular session of the Board to be held on April 9, 2014 or as otherwise determined by the Board within ten (10) days from receipt of the proposals (bids). After acceptance of a bid the District and the successful bidder shall enter into negotiations of a ground lease for the Frontage Property consistent with the provisions of the accepted bid and containing other provisions as the District may require for lease and development of the Frontage Property.

The Board reserves the right to: 1) reject any and all bids, written or oral, and to withdraw the Frontage Property from being leased for private development; 2) waive any and all defects in bids and to waive technicalities; 3) to determine who is a responsible bidder; and 4) to accept a bid that may not be the highest bid, based upon multiple factors that may be considered by the Board to the extent the California Community College Board of Governors allows such factors to be considered. If the District accepts a bid, the District may accept the highest bid made by a responsible bidder that materially conforms to the terms and conditions specified in the
Resolution, or it may accept a bid that is not necessarily the highest bid pursuant to the District’s Request for Waiver of Education Code Section 81370(b) allowing the District to accept such a bid, which Request was granted by the California Community College Board of Governors.

RECOMMENDATION

The President/Superintendent will make a recommendation to the Board of Trustees with respect to which bid to accept or to reject all bids.