PRESENTED TO THE

Ohlone Community College District
Board of Trustees

and the

Fremont Unified School District
Board of Education

April 9, 2014
MISSION BOULEVARD MIXED-USE PROJECT

Presented to the

Ohlone Community College District Board of Trustees

and the

Fremont Unified School District Board of Education

April 9, 2014
Objectives
- Create high quality, economically successful public/private development in timely manner
- Provide District with secure source of revenue to fund future campus needs and educational programs

Goals
- Create active, mixed-use “village center” with community & neighborhood serving retail and urban housing
- Compliment operating/functional efficiency and quality of Ohlone Fremont campus
- Contribute to economic vitality of Mission San Jose community
- Serve as catalyst for new private/public investment in Mission San Jose community

OHLONE’S RELIANCE ON STATE FUNDING

- State Apportionment: 45%
- Property Taxes: 35%
- Local Tuition & Fees: 10%
- Int’l Tuition & Fees: 5%
- Other Local Revenues: 2%
- State Grants: 3%
Objectives
 Create high quality, economically successful public/private development in timely manner
 Provide District with secure source of revenue to fund future campus needs and educational programs

Goals
 Create active, mixed-use “village center” with community & neighborhood serving retail and urban housing
 Compliment operating/functional efficiency and quality of Ohlone Fremont campus
 Contribute to economic vitality of Mission San Jose community
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A BRIEF HISTORY OF STATE FUNDING

Proposition 98 Funding (In Billions)

- 2007-08: $56.6 billion
- 2008-09: $49.1 billion
- 2009-10: $49.5 billion
- 2010-11: $49.7 billion
- 2011-12: $47.3 billion
- 2012-13: $56.5 billion
- 2013-14: $55.3 billion

(Suspended)
Objectives

- Create high quality, economically successful public/private development in timely manner
- Provide District with secure source of revenue to fund future campus needs and educational programs

Goals

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- Compliment operating/functional efficiency and quality of Ohlone Fremont campus
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PROJECT OBJECTIVES AND GOALS

Objectives

- Create high quality, economically successful public/private development in a timely manner
- Provide District with secure source of revenue to fund existing/educational programs and campus needs

Goals

- Create active, mixed-use “village center” with community & neighborhood serving retail and urban housing
- Complement operating/functional efficiency and quality of Ohlone Fremont campus
- Contribute to economic vitality of Mission San Jose community
- Serve as catalyst for new private/public investment in Mission San Jose community
TOTAL SITE AREA: 15.0 ACRES
- Parcel A-1: 1.8 ACRES
- Parcel B-1: 6.0 ACRES
- Parcel B-2: 7.2 ACRES
- OCCD conceived of using its extra land as a potential income stream to support the college in 1989.

- The OCCD Board of Trustees voted to surplus the land in 2005.

- The College considered development options in
  - 2005
  - again in 2007
  - and now in 2014.
OHLONE COMMUNITY COLLEGE DISTRICT
MISSION BOULEVARD MIXED-USE PROJECT

HISTORY OF PROJECT / PUBLIC MEETINGS FOR CURRENT CONSIDERATION

- June 2, 2010: Workshop on Funding Sources for District Facilities Master Plan
- July 13, 2011: Presentation & Discussion Regarding Frontage Property/ Mission Blvd Mixed Use Project
- Sept 7, 2011: Workshop on Frontage Property/ Mission Blvd Mixed Use Project
- Feb 29, 2012: Workshop on District Facilities Master Plan and Frontage Property/ Mission Blvd Mixed Use Project
- June 13, 2012: Frontage Property, Parcel B-3 Discussion
- July 11, 2012: Frontage Property, Parcel B-3 Discussion & Action
- August 8, 2012: Discussion of RFP Mission Blvd Mixed Use Project
July 10, 2013: Approval of Waiver Request to the Board of Governors of the California Community Colleges re: Ed Code Section 81370 Highest Bid Requirement

July 31, 2013: Workshop on Frontage Property/ Mission Blvd Mixed Use Project

February 12, 2014: Discussion and Approval of Non-Binding Letter of Intent with Clark Realty with respect to Frontage Property Project

Feb 12, 2014: Discussion and Approval of Resolution #20/13-14 Intention to Lease School Property Not Needed for School Purposes and Fixing the Time and Place at which Bids to Lease Shall be Considered
OHLONE COMMUNITY COLLEGE DISTRICT
MISSION BOULEVARD MIXED-USE PROJECT

STATUS OF CURRENT RFP PROCESS

- Request for Proposals issued by District in October 2012
- Proposals received by District in late January 2013
- Multiple proposals submitted to District
- District review & evaluation of submitted proposals based on RFP selection criteria
Development should focus on a mixed-use “town center” feel to create a vibrant, community focal point.

Project shall be of high quality in appearance & design and be aesthetically pleasing.

Project shall have strong linkages to the college campus and the Mission San Jose community.

Project shall provide active pedestrian connections between the campus and Mission Boulevard.

Project shall include provision of sufficient onsite parking and shall coordinate parking, traffic, vehicular/ pedestrian access with overall campus plans.

Project shall be consistent with all City of Fremont land use/ development policies, ordinances, regulations, etc.
OHLONE COMMUNITY COLLEGE DISTRICT
MISSION BOULEVARD MIXED-USE PROJECT

PROPOSAL SELECTION CRITERIA

- Development Team
  - Qualifications of team members
  - Overall development experience
  - Public / private development experience

- Development Team Financial Capability
  - Overall financial strength
  - Ability to provide financing
  - Relationship with financial resources

- Development Proposal
  - Project concept; feasibility
  - Financing plan
  - Development schedule

- Business (Lease) Offer
  - Base ground rent
  - Rent schedule; rent increases
  - Financial return to District
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<tr>
<td>1</td>
<td>RFP issued by District</td>
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<td>Pre-proposal meetings with prospective developers</td>
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<td>Response period for submittal of proposals</td>
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<td>Review / evaluation of proposals; recommendation of applicant(s)</td>
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<td>Negotiations with selected applicant(s); agreement on non-binding Letter of Intent</td>
<td>60 days</td>
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<td>6</td>
<td>District Board Meeting: Consideration of Letters of Intent, Resolution of Intention to Lease, and Request for Public bids</td>
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<td>7</td>
<td>District Board Meeting: Consideration of proposals / bids</td>
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<td>Negotiation period for Ground Lease</td>
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<td>District Board Meeting: Consideration of draft Development Ground Lease</td>
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Board Actions – February 2014
- Approval of non-binding Letter of Intent (LOI)
- Approval of Intent to Lease Property/Request for Bids (RFB)

RFB sets forth process and timing for receipt of bids & Board of Trustee consideration of bids for lease & development of Frontage Property

RFB sets forth minimum business terms and conditions for lease and development of property, for example: lease term, annual rent; land uses & development program, developer responsibilities
OHLONE COMMUNITY COLLEGE DISTRICT
MISSION BOULEVARD MIXED-USE PROJECT

BID RESOLUTION - BUSINESS TERMS

- 60-year Term plus 30-year Option

- Parcels delivered to developer “as is”

- Minimum of 20,500 square feet of retail space

- Minimum Base Rent of $600,000 per annum
  - Paid Monthly
  - CPI Adjustments every 5 years

- $1 Million One-Time payment to District upon securing of Project Financing

- All improvements and their design subject to the District’s approval
Next Steps

- Bids due to District April 9
- Board has 10 days to consider/take action (accept/reject) on bids submitted to District
- Special Board Meeting scheduled for April 16
- If bid is awarded by District, then next step is negotiation of lease agreement
Frontage Property currently zoned Public Facilities District (PF)

Other applicable policies include Historic Overlay District, Hillside Overlay District & Mission San Jose Design Guidelines

Future private development on Frontage Property subject to City of Fremont land use and zoning entitlements:
- General Plan Amendment
- Planning Development zoning
- Vesting parcel map
- Environmental review and certification (California Environmental Quality Act) including traffic study
## OHLONE COMMUNITY COLLEGE DISTRICT
**MISSION BOULEVARD MIXED-USE PROJECT**

### ESTIMATED DEVELOPMENT SCHEDULE

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<td><strong>Total</strong></td>
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Questions?