

# REQUEST FOR PROPOSALS (RFP) to Lease City-Owned Land October 9, 2023

# **Background and Purpose**

The City of Escalon currently owns two separate properties, consisting of five legal parcels and totaling approximately 26.02 acres. One property, totaling 19.2 acres on one parcel, is located northerly of the Hogan-Ennis Park site on the west side of McHenry Avenue, north of State Route 120. The other property, totaling 6.82 acres on four parcels, is located on St. John Road, south of Main Street.

Both properties are owned by the City of Escalon for the potential addition/expansion of city parkland and therefore the City is seeking short-term leases. The properties are adjacent to the Escalon city limits, within the City's Sphere of Influence, in unincorporated San Joaquin County. The properties are designated in the Escalon General Plan as Open Space/Park and carries an AU-20 (Agricultural Urban Reserve) zoning classification in San Joaquin County.

The City of Escalon invites interested parties and the general public to submit proposals to lease, for productive uses, available city owned lands. The City previously maintained leases on both properties for the purposes of agricultural uses (almond orchards). Through this Request for Proposals (RFP), the City is exploring all productive uses of the land for a short-term lease (5 years or less). The City welcomes all legitimate and acceptable proposed uses and will evaluate each proposal on its overall merit, subject to City Council approval and discretion.

### **Project Description and Vision**

The City is looking for a private business operator, organization or non-profit who will work as a partner to the City but will independently fund any necessary improvements to the site. The City fully supports any productive use of the property, and has a very high interest in the property being used to its full potential, including the generation of lease revenue and/or economic development for the City of Escalon, (even agritourism).

Additional information may be obtained from City Hall, 2060 McHenry Avenue, Escalon, CA. 95320, or may be downloaded from the City's website at: <a href="www.cityofescalon.org">www.cityofescalon.org</a>. Please direct any questions you may have to <a href="cityclerk@cityofescalon.org">cityclerk@cityofescalon.org</a> or contact Development Services at (209) 691-7430.

Proposals may be submitted electronically to <a href="mailto:cityclerk@cityofescalon.org">cityclerk@cityofescalon.org</a> or delivered to the City Hall, 2060 McHenry Avenue, Escalon, CA. 95320. Respondents are solely responsible for ensuring that proposals arrive on time. Late proposals will not be accepted. The City of Escalon reserves the right to accept any proposal, reject any or all proposals, or to waive formalities in the best interest of the City. Your proposal for acquiring a lease of said properties from this Request for Proposals shall be addressed/delivered to:

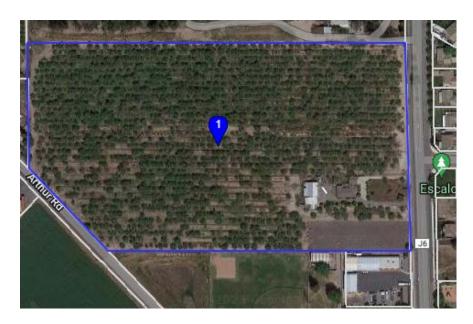
City of Escalon Attn: City Manager 2060 McHenry Avenue Escalon, CA. 95320

Proposals Due: By 5:00 pm, Thursday, October 26, 2023

All questions related to the specific requirements and the contents of the RFP should be submitted in writing to <a href="mailto:cityclerk@cityofescalon.org">cityclerk@cityofescalon.org</a>

The available lands are as follows:

1. 17341 Escalon Bellota Road, North of Hogan-Ennis Park (19.2 acres) (Tenant occupied house on-site – not to be included in RFP)



2. Northeast corner of Catherine Way and St. John Road (6.82 acres)



# PROPOSAL TERMS, CONDITIONS, AND REQUIREMENTS

# **Required Information**

All respondents must complete the Proposal Form (Exhibit A attached hereto) for each location you are submitting a Proposal for and all required documents attached to the proposal packet. Additional attachments providing clarification or explanation or documents you want included for consideration may be added.

## **Documents and information requested includes:**

- Proposal Form (Exhibit A attached hereto)
- Respondent's name, address, telephone number, business and title (if applicable);
- Proposed lease terms (costs, prices, terms, etc.)
- Proposed land use, comprehensive development plan/conceptual site plan;
- Respondent's financing for the proposed project, if needed; and
- Financial data establishing sufficient ability to perform, certified financial statements independently prepared, and federal and state taxes from the previous three years. A credit history may also be requested.

### **Lease Options**

All Proposals submitted will be considered. If necessary, the City will provide a letter of interest to negotiate. Upon selection of Proposal(s), the terms and conditions will be produced to writing in the form of a draft Lease Agreement.

A Proposal for a lease shall include the proposed use, development/site plan (if needed), the terms in years, rent payment and terms, insurance coverage, taxes, improvements, alterations, repairs, total or partial destruction, remedies for default and other standard lease terms. The lease shall contain provisions for rent adjustments based on fair rental value at maximum intervals of five (5) years. If the proposed lease allows for assignment or subletting, the terms of selecting a new tenant must be included.

#### **Multiple Proposals**

The City of Escalon may accept multiple proposals for each property and will review all accepted proposals. The City reserves the right to select the preferred proposal.

## **Liability and Property Insurance**

Potential Lessee will be responsible to maintain appropriate insurance of their respective interests in the premise(s) and any property located on the premise(s). Commercial general liability policy of insurance is required with a company licensed in the State of California. The limits of liability under this insurance are to be for amounts not less than \$1,000,000.00 single limit, \$2,000,000.00 general aggregate. All insurance shall be written on an occurrence basis and shall name City of Escalon as an additional insured.

## **Taxes and Utility Costs**

Taxes and utility costs attributable to the lands or the use of the lands that may be negotiated and agreed upon are as follows:

- Real Estate Taxes
- Irrigation Taxes
- Water Coalition Dues
- Electricity

# Agreement

A lease agreement shall be executed within thirty (30) days of the City Council approval of the preferred proposal. If an agreement cannot be reached within that time, termination is presumed, unless the Council votes to extend the acceptance.

#### ADDITIONAL TERMS AND CONDITIONS

#### Indemnification

By submitting a Proposal, the Lessee shall be deemed to waive any claim or cause of action against the City and its agents for failure to follow provisions of the Government Code regarding surplus property. The Lessee indemnifies and holds harmless the City and its agents against any and all claims, obligations, investigations, reviews, or research arising from the RFP process, such as parcel map creation or subdivision plans, expenses included creating the Proposal, attorney's fees and costs of defending action and/or proceedings, and any award of damages adjudicated during this process. The indemnification shall become part of the lease agreement.

#### **Disclosures**

The City retains the right to reject any and all Proposals. The City retains the right to suspend the RFP process prior to the deadline listed on the RFP. If a RFP is suspended, all submissions would be deemed void unless otherwise determined by the City Council.

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Each Proposal is considered confidential until an agreement is finalized. After the agreement is finalized, Proposals and Agreements are available for public inspection.

### **Exhibits**

A. Proposal Form

# **EXHIBIT A**

# Proposal Form for City Escalon Property – Lease

1 Toperty – Lease				

## **Instructions**

Name:

**Property Address:** 

Lessee shall complete this Proposal Form and attach requested supporting documents that complies with this Request for Proposals. By submitting this form and supporting documents, the Purchaser agrees to the terms set forth in this RFP.

# **Purchaser Information:**

Name:						Business:				
Address:						Phone:				
City, State, Zip:						Email:				
EIN or SSN	<b>[:</b>									
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Type:	Ind	ividual	Partnership	LLP/LLC	Co	orporation	Government	Non-Profit		
Proposal Checklist:  □ Proposal Form w/ signature and six (6) copies.  □ Lessee's Proposal with all terms, conditions, and requirements included										
By submitting this Proposal, Purchaser acknowledges, accepts, and agrees to the terms and conditions set forth in the City of Escalon Request for Proposals pertaining to the lands being made available. Lessee understands that the Property will be leased "As Is" unless otherwise agreed upon by the City, and that the City does not guarantee anything outside the terms of the Lease Agreement and subsequent Agreements pertaining to this Property.										
Signature:										
Print Nam	ie:									