

Offering Memorandum
Rio Rancho Rd. and S. Garey Ave.
Pomona, CA

APN: 8344-033-901,
8344-033-902, 8344-033-903,
8344-033-904, 8344-033-905

Pomona Unified School District

800 S. GAREY AVENUE, POMONA, CA 91766



PROPERTY SUMMARY

Background and Context.....	3
Objectives.....	3
Site Description	4
Property Overview	4
Property Photographs.....	6
Disclaimer	7

PROPOSAL REQUIREMENTS

Inquiries and Letters of Intent	8
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EXHIBITS

Exhibit A: Parcel Map.....	10
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BACKGROUND AND CONTEXT

The Pomona Unified School District (“Owner”) owns a property known as “Rio Rancho / Bonanza” located at 2255 S. Garey Ave., Pomona, CA 91766; APNs [8344-033-901, 8344-033-902, 8344-033-903, 8344-033-904, 8344-033-905].

On April 18, 2018 the Pomona Unified School District’s Board of Education confirmed the surplus status of the Property and authorized staff to move forward with the process for sale, lease or development of the property. The period in which designated agencies, as governed by the California Education Code, may make a priority offer for the Property has expired so therefore the District is now offering the Property to the public at large via this Offering Memorandum.

On April 26, 2018, the Board took action to seek a waiver from the State Board of Education for a waiver of certain legal requirements otherwise applicable to surplus property sales or leases. This waiver will streamline procedures applicable to the disposition of surplus school property and will provide the District with the greatest possible flexibility in marketing the Property. It is anticipated that the waiver will be granted by the State Board at its meetings on July 11-12, 2018. If approved, the waiver will apply to Education Code sections 17473 and 17474, and to portions of sections 17455, 17466, 17469, 17472 and 17475.

A PROPOSER SHALL SUBMIT A DIGITAL OFFER PACKAGE IN ELECTRONIC FORMAT AT, OR BEFORE, 4:00 P.M. ON JULY 20, 2018. SEE THE PROPOSAL REQUIREMENTS SECTION FOR ADDITIONAL INFORMATION.

OBJECTIVES

The Owner’s objectives are as follows:

1. Sell or lease the Property in order to generate funds that can be used within legal parameters to improve Pomona Unified School District school facilities and for the benefit of its students;
2. Determine that the contemplated use for the property is supportive of the Owner’s goal of enhancing its long-term fiscal sustainability and relationship with community members;
3. Obtain assurance that the buyer or lessee of the site has the financial capacity and proven experience to bring the proposed project to consummation as efficiently and as prudently possible, and finally; and
4. Confirm that the buyer or lessee of the site has a demonstrated history of working collaboratively with neighborhood leaders, community members, local jurisdictions and school district staff in which they have completed projects in the past.

SITE DESCRIPTION

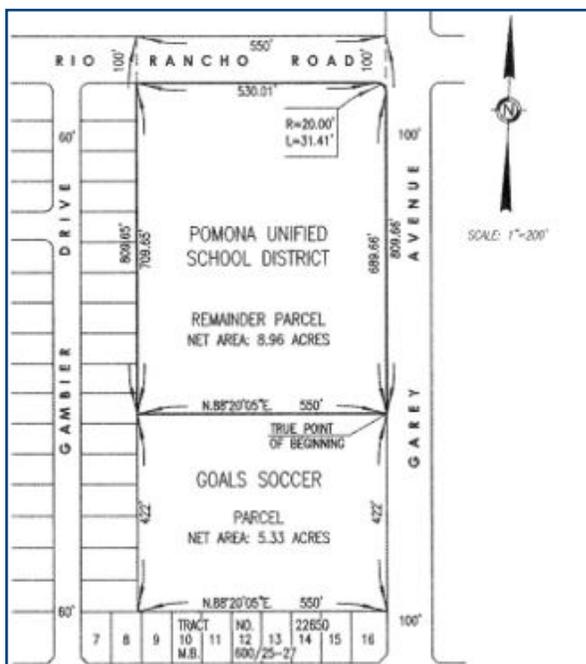
Property Class: Commercial	Area: 390,228 SF / 8.958 Acres
Location: 2255 S. Garey Ave., Pomona, CA 91766	Zoning: Corridors Specific Plan
Owner: Pomona Unified School District	Environmental Constraints: See below
APN: 8344-033-901, 903, 904, 905 and a portion of 902	Title Issues: Easement for public utilities, ingress and egress.

PROPERTY OVERVIEW

PROPERTY DESCRIPTION

The Property (also known as “Rio Rancho/Bonanza”) is a flat, vacant site of approximately 8.96 acres surrounded by commercial areas and single family homes. The Property’s corner, which is located on South Garey Avenue and Rio Rancho Road, has commercial uses on all three corners. The Property is a less than five minute drive to Highway 60 and 71. There is single family residential on the west side of the property and the Owner has leased the adjoining 5.33 acres to the south to the Goals Soccer Center on a long term ground lease (see property map below). That parcel (-902) will be divided upon sale of the subject Property. The site was used for agricultural purposes from the 1920s - 1950s and then as a market and strip mall (“Bonanza Market”) until 2008 (when the buildings were demolished).

PROPERTY MAP:



ENVIRONMENTAL CONSTRAINTS

The cleaning solvent tetrachloroethane (“PCE”) from former dry cleaner on site and arsenic used as a herbicide treatment were previously detected in the soil in 2003 and 2006. When the soil and soil gas were re-tested in 2013, the concentration of arsenic in soil and PCE in soil gas decreased as the buildings and hardscape were removed in 2008. The concentrations of PCE in soil gas at the site are within the Environmental Protection Agency risk management range for residential land use and are below levels of concern for commercial/industrial land use. The subject property is out of the special flood hazard area. A copy of the 2013 soil test report is available upon request.

Environmental impacts, with regard to physical site constraints and/or costs to clean/mitigate potential contamination, could have serious implications for the feasibility of development as proposed herein. It is imperative that this information be obtained and weighed against the development and financial assumptions included herein. Additional evaluation by a Buyer or Lessee may be recommended due to the Property’s prior uses.

DEVELOPMENT REGULATIONS

PERMITTED USES:	CONDITIONAL USES:	DEVELOPMENT REGULATIONS:
Residential (Multi- and Single-Family)	Business and Personal Services	Minimum Lot Depth: Not listed
Public Facilities	Neighborhood Retail Center	Minimum Front Setback (on Garey Ave.): 20’-0”
Medical and Office Space	Restaurants and Food Stores	Maximum Height Limit: 3 Stories
Hotels and Motels		

*Additional uses as permitted by the Corridors Specific Plan: Neighborhood Parkway Segment (Sec. 2.2.12.A)

PROPERTY PHOTOGRAPHS:



DISCLAIMER

While the information contained herein has been provided in good faith and in an effort to provide prospective purchasers with relevant property data, it should not be considered a substitute for a thorough due diligence investigation.

DCG Strategies has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the Property, the Property's development potential, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCBs or asbestos (or any other hazardous materials or substances), the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained herein has been obtained from sources we believe to be reliable; however, DCG Strategies has not verified, and will not verify, any of the information contained herein, nor has DCG Strategies conducted any conclusive investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided.

All potential buyers and lessees must take appropriate measures to verify all of the information set forth herein.

INQUIRIES AND LETTERS OF INTENT (“LOI”)

The District has engaged DCG Strategies, Inc. dba DCG Commercial (“DCG”) as their representative in releasing this Offering Memorandum which seeks offers from prospective buyers and lessees to acquire the subject property.

The proposer shall submit a digital Offer Package in electronic format at, or before, 4:00 p.m. on July 20, 2018. Any offers submitted after the deadline will not be considered.

Offer packets must be emailed to Dominic Dutra, Chief Strategy Officer (BRE Lic# 00963281).

Email: DDutra@DCGStrategies.com

Subject line: Pomona USD - Rio Rancho / Bonanza LOI

All proposals will have two (2) required sections and in the order as set forth below.

SECTION 1 - LETTER OF INTENT

This section shall include the proposal contact and responsible party information, purchase price (or lease terms), deposits, close of escrow (or occupancy and/or rent commencement) and summary of the critical elements of expected project timeline. Any other critical information can be included in this section.

SECTION 2 - STATEMENT OF FINANCIAL QUALIFICATIONS

Provide the following information:

- Is the buyer (or lessee) a subsidiary of, or affiliated with, any other corporation(s), partnerships or firms? If so, please specify.
- Has the buyer (or lessee) 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 voluntarily or involuntarily, within the past ten years? If so, please explain.
- Is there pending litigation against the buyer (or lessee) 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.

Item(s) submitted should be sufficient to permit the Owner to determine the proposer’s financial capacity for purchasing or leasing the site. The proposer may wish to mark the financial statements, as “CONFIDENTIAL” or “PROPRIETARY.” As

such, it will be treated as confidential by the Owner and its agent to the full extent permitted by law.

Proposals should be organized according to the previous section, and should include at least the requested information.

All inquiries associated with the property or to garner assistance in the development of a Letter of Intent should be directed to:

Dominic D. Dutra

Chief Strategy Officer

Phone: (510) 366-9931

Email: ddutra@dcgstrategies.com

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