

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for Professional Services (“Agreement”) is entered into this 13th day of September 2022, by and between the **AZUSA UNIFIED SCHOOL DISTRICT** (“District”) and **DCG STRATEGIES** (“Consultant” or “Consultant Firm”). District and/or Consultant may be referred to individually herein as a “Party,” or collectively as the “Parties.” This Agreement is entered into with reference to the following Recitals, all of which are incorporated herein by this reference.

RECITALS

WHEREAS, the District is in the process of finding suitable new uses and potential disposition and/or alternative use options for six (6) surplus school sites (the “Sites”) within the District and desires to retain the services of a qualified consulting firm with particular knowledge and prior experience assisting public agencies with identifying strategic, suitable new uses and/or disposition of the surplus properties (“the Project”) as identified in **Exhibit “A.”**

WHEREAS, the District conducted a request for qualifications (RFQ) process in which it reviewed proposals from a number of development consultants and conducted interviews to identify the consultant most suitable to the District’s needs.

WHEREAS, as a result of this process District staff has identified Consultant as the most suitable candidate duly qualified and capable of providing and performing the Consultant Services in connection with the Project, and if any portion of the Consultant Services require, by federal, state or local laws that Consultant or the personnel of the Consultant be licensed, certified or otherwise approved to provide the Consultant Services, the Consultant Firm and its personnel providing Consultant Services shall be properly licensed, certified or approved at all times while providing such services.

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the District and Consultant agree as follows:

AGREEMENT

1. CONSULTANT SERVICES.

1.1 **General.** The Consultant Services set forth in this Agreement shall be completed by the Consultant Firm. The Consultant Firm will identify specific personnel who will be assigned to perform Consultant Services. At the District’s sole discretion, personnel identified by the Consultant Firm for certain portions of the Consultant Services shall be subject to the approval of the District and the District’s consultants, as well as other approvals required by federal, state and local laws. Except as set forth in this Agreement, the Consultant Firm shall provide all materials, tools and other items necessary to complete the Consultant Services and authorized Additional Consultant Services. The Consultant Firm shall not subcontract any portion of the Scope of Consultant Services described hereunder, unless it is expressly approved in writing, in advance, by the District. Consultant will also work cooperatively with District staff and District legal counsel and provide status updates, as necessary and required.

1.2 **Scope of Consultant Services.** Services to be rendered to the District by the Consultant are as follows:

- (a) Completing the scope of services specified in the RFQ and as per Consultant's Proposal dated July 8, 2022, attached hereto as **Exhibit "B"**, which includes but is not limited to:
- Analysis of the local real estate market;
 - Soliciting interest from nonprofit entities, community groups, developers, commercial companies, or other parties interested in purchase, lease or other use of the Sites;
 - Developing innovative approaches to identifying suitable buyers, lessors or users of the of surplus properties and innovative uses for the Sites based on value and location;
 - Strategic planning with District staff and legal counsel to determine methods to maximize value, community benefit and highest and best use of the Sites;
 - Evaluating developer or other entity offers and proformas;
 - Assistance with analyzing and preparing development options, including assessing timing of entitlement and development of the Sites;
 - General support in interaction with city officials, city planning agencies and other officials involved in the development and entitlement process;
 - Coordination with appraisers or use of in-house staff to prepare informal appraisal or broker's opinion of value; and
 - Prepare and conduct presentations for, and do ongoing work with, the District's Facilities Advisory (7/11) Committee.

1.3 **Cost of Services.**

- (a) Cost of Consultant Services is as follows, as detailed further in Section 3:

Phase I: Development Feasibility:

- ❖ \$25,000 for each site studied; \$150,000 for the total of 6 studied Sites ("Phase I Fee")
- ❖ Hourly rate of \$350 per hour for work with the 7/11 Committee. ("7/11 Committee Fee")

Phase II: Brokerage Services

- ❖ 3% of purchase price or 5% of gross lease revenue over initial term of lease; however, not to exceed \$350,000 per site. These commission percentages will be solely paid to DCG Strategies. ("Brokerage Fees")

- (b) Reimbursable Expenses will include (1) all third-party expenses (architectural, appraisal, etc.) subject to District prior authorization and (2) printing and copying expenses as may be required for preparation of 7/11 Committee materials, as more fully detailed in Section 3 below. All other Reimbursable Expenses must be approved in advance by the District in writing.

- 1.4 **Performance of Consultant Services.** The work contemplated herein must meet the approval of the District and shall be subject to the District's general right of supervision to secure the satisfactory completion thereof. Consultant agrees to comply with all federal, state and local laws and District board policies, standards, rules and regulations that are

now, or may be in the future become, applicable to Consultant, Consultant's business, equipment and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations.

- 1.5 **Term of Services.** Consultant Services shall begin once this Agreement has been approved by the District's Governing Board and mutually executed and shall end upon completion of the services to be rendered as further specified in this Agreement ("Term of Services").
- 1.6 **Independent Contractor; Limited Consultant Firm Agency.** In providing services under this Agreement, Consultant is an independent contractor to the District. The express terms of this Agreement set forth the limited extent, if any, to which the Consultant is authorized to act as an agent or representative of the District. The Consultant shall be liable to the District and third parties for the consequences of its conduct which exceed the express limited scope of the Consultant to act on behalf of the District.
- 1.7 **No Employee Benefits; Payment of Taxes.** Consultant understands and agrees that Consultant and any and all of its employees and/or independent consultants and are not entitled to benefits of any kind or nature provided in the normal course to employees of the District and/or to which District employees are normally entitled including, but not limited to, State Unemployed Compensation or Worker's Compensation. Consultant shall assume full responsibility for payment of all federal, state and local taxes or contributions, including but not limited to, Unemployment Insurance, Social Security and federal and state income taxes with respect to Consultant's employees.
- 1.8 **Labor, Materials and Equipment.** Consultant shall provide and furnish, at its own expense, all labor, materials, equipment and other items necessary to carry out the terms of the Agreement.
- 1.9 **Additional Consultant Services.** Services not included in the Consultant Services are Additional Consultant Services. Without invalidating this Agreement, the District may make changes to the Consultant Services by adding, deleting or modifying the Consultant Services described herein by written notice to the Consultant Firm. If Additional Consultant Services are authorized by the District which do not result from the Consultant's Firm's fault or neglect, the Consultant Firm will be compensated for authorized Additional Consultant Services in accordance with this Agreement. Prior to the performance of any Additional Services, all requests for Additional Services must be submitted to and approved by the District in writing.
- 1.10 **Consultant Firm Standard of Care.** The Consultant Services and authorized Additional Consultant Services; if any, shall be performed and provided by Consultant Firm: (a) using the Consultant Firm's best skill, professional judgment and attention; (b) with due care and in accordance with applicable standards of professional care; and (c) in accordance with all applicable federal, state and local laws.
- 1.11 **Health and Safety.** All Consultant Firm personnel who will visit District school sites may be required to be fingerprinted and to sign certifications prohibiting the use of drugs or tobacco products on school sites.

1.12 **Ownership of Documents.** All Documents and materials prepared by the Consultant Firm shall become, upon their creation, the property of the District. The District shall hold all copyrights or other intellectual property rights relating to the Documents.

2. DISTRICT RESPONSIBILITIES.

2.1 **Services and Facilities for Consultant.** At the District’s sole discretion and if the District deems it necessary to carry out the terms of this Agreement, the District may choose to provide temporary office space during the course of the Consultant Services.

2.2 **Project Information.** At the District’s sole discretion and if the District deems it necessary to carry out the terms of this Agreement, the District will provide the Consultant Firm all with available documentation and materials regarding the Sites as may be necessary or desirable for discharge of the Consultant Firm’s obligations hereunder.

3. COST OF SERVICES.

3.1 **Cost of Services for Consultant Services.** The Cost of Services for completion of the Consultant Services and other obligations of the Consultant Firm under this Agreement shall be:

Service	Fee
PHASE I: DEVELOPMENT FEASIBILITY	
<p>1. Strategic planning with District staff and legal counsel to determine methods to maximize value, community benefit and highest and best use for the Sites.</p> <ul style="list-style-type: none"> ▪ Analysis of local real estate market ▪ Coordination with appraisers or use of in-house staff for broker’s opinion of value. ▪ Identifying suitable buyers, lessors or users for the surplus properties and innovative uses for the site based on value and location. ▪ Assistance with analyzing and preparing development options, including assessing timing of entitlement and development of the sites. 	<p>\$25,000 for each site studied. Total of \$150,000 for the 6 studied Sites (Phase I Fee).</p> <p>❖ \$10,000 additional per-site cost for architectural fees, if deemed feasible for development (upon District approval).</p>

<p>2. Prepare and conduct presentations for, and do ongoing work with, the District's Facility Advisory (7/11) Committee.</p>	<p>Rate of \$350 per hour. (7/11 Committee Fee)</p>
<p>PHASE II: BROKERAGE SERVICES*</p>	
<ul style="list-style-type: none"> ❖ Soliciting interest from nonprofit entities, community groups, developers, commercial companies or other parties intertest in purchase, lease or other use of the Sites. ❖ Evaluating developer or other entity offers and proformas. ❖ General support in interaction with City officials, City planning agencies and other officials involved in the development and entitlement process. 	<p>3% of purchase price or 5% of gross lease revenue over initial term of lease; however, not to exceed \$350,000 per site. These commission percentages will be solely paid to DCG Strategies. (Brokerage Fees)</p>

* Consultant and District mutually acknowledge that the services to be provided under this Agreement are divided into two (2) phases. Consultant will proceed with the Phase I Services upon execution of this Agreement. While at the time of this Agreement the District seeks to proceed with Consultant for both the Phase I and Phase II Services, the Phase II Services will only be provided by Consultant subject to the District's discretion and with prior written consent for Consultant to proceed. The District and Consultant will enter into a separate listing agreement for any one or all of the Sites prior to commencement of any work associated with Phase II. The District shall have sole discretion as to whether Consultant will proceed with Phase II Services. Should the District not proceed with Consultant for the Phase II Services, Consultant shall not be entitled to any actual or consequential damages as related to the Phase II Services.

Except for authorized Reimbursable Expenses, if any, the Cost of Services set forth for the Consultant Services represents the full amount due from the District to the Consultant Firm for the Consultant Services, including the Consultant Firm's fee, personnel expenses (including all benefits and burdens), travel for the Consultant Firm, its employees and others providing any part of the Consultant Services, profit and administrative and overhead costs (including without limitation insurance) arising out of or associated with this Agreement, and any patent fees, royalties, and changes on any patented article or process to be furnished or used in the prosecution of the Services.

3.2 **Additional Consultant Services.** If the District authorizes Additional Consultant Services, the District's payment of such Additional Consultant Services shall be based upon a mutually agreed upon lump sum fixed price or not-to-exceed fee based on Consultant Firm's fee rate schedule.

- 3.3 **Reimbursable Expenses.** There are no Reimbursable Expenses except for those authorized in advance by the District. Failure to obtain such advanced approval shall result in the cost of such an item being borne by the Consultant, without reimbursement by the District. If the District authorizes any Reimbursement Expense, the Consultant Firm will be paid the direct actual costs (including credits for trade discounts) of the authorized Reimbursable Expense item without mark-up. All Reimbursable Expenses directly related to the Project; third party printing; reproduction and reprographics directly related to deliverables, including reimbursement for shipping, overnight mail, postage and mileage for business travel (excluding travel from residence to the Site or Consultant's home or branch offices or between Consultant's home office and branch office) shall be at a rate established by the Internal Revenue Service. Approved reimbursements are paid by the District at cost when proper documentation accompanies the invoice.

The District will be responsible for the cost of third-party expenses such as architectural and appraisal fees, as approved in advance, in its discretion. Third parties will not be paid Reimbursable Expenses.

- 3.4 **Consultant Firm Billings for Payment of Cost of Services.**

Phase I Services:

Within ten (10) business days of execution of this Agreement, Consultant Firm shall submit an initial billing invoice ("Initial Invoice") to the District for payment of an initial installment of \$50,000 toward the Phase I Fee.

Consultant Firm shall submit a second billing invoice to the District on or about January 1, 2023, for payment of a second installment of \$50,000 towards the Phase I Fee ("Second Invoice"). This Second Invoice may also contain authorized Additional Consultant Services and allowable Reimbursable Expenses performed or incurred since issuance of the Initial Invoice, which billings shall be in such form and format as may be reasonably requested by District, and shall be supported by substantiating data.

Consultant Firm shall submit a final billing invoice ("Final Invoice") for the remainder of the Phase I Fee upon completion of all Phase I Services.

Consultant Firm will also invoice for all 7/11 Committee Fees upon completion of all hourly services provided to prepare for or present in front of the District's 7/11 Committee. These 7/11 Committee Fees may be included in the Second Invoice, or in subsequent, separate invoices before the Final Invoice.

Phase II Services:

If the District decides to proceed with Phase II, payment of all Brokerage Fees associated with the Phase II Services, shall be invoiced and paid after completion of the Phase II Services.

- 3.5 **District Payment of Cost of Services.** Within thirty (30) days of receipt and acceptance of Consultant Firm's billing invoices, District will make payment to Consultant Firm of undisputed amounts of the Cost of Services due for Consultant Services, authorized Additional Consultant Services and authorized Reimbursable Expenses. No deductions shall be made or withheld from payments due Consultant Firm hereunder on account of

any penalty, assessment, liquidated damages or other amounts withheld by the District from payment to any District contract or other consultant engaged by the District for the Project. The District may, however, withhold or deduct from amounts otherwise due Consultant Firm hereunder if Consultant Firm fails to timely and completely perform material obligations to be performed on its part under this Agreement, with the amounts withheld or deducted being released after Consultant Firm has fully cured such failure of performance, less costs, damages or losses sustained by the District resulting therefrom. Invoicing shall be submitted in accordance with the above-specified schedule.

3.6 Consultant Firm's Payments. The Consultant Firm shall promptly pay its employees, and Sub-Consultant Firms, if any, and others performing or providing Consultant Services or authorized Additional Consultant Services upon receipt of payments of the Cost of Services from the District.

4. INSURANCE; INDEMNITY.

4.1 Consultant Firm Insurance. At all times during performance of Consultant Services and authorized Additional Consultant Services, the Consultant Firm shall maintain policies of insurance in the minimum coverage amounts set forth herein. Prior to the execution of this Agreement, proof of insurance at the levels specified hereunder shall be required.

4.2 Workers' Compensation and Employers Liability Insurance. The Workers' Compensation Insurance shall cover claims under workers' or workmen's compensation, disability benefit and other similar employee benefit acts may be liable. The Employer's Liability Insurance shall cover bodily injury (including death) by accident or disease to any employee which arises out of the employee's employment by Consultant Firm. The Employer's Liability Insurance may be obtained as a separate policy of insurance or as an additional coverage under the Workers' Compensation Insurance policy. The minimum coverage amount of the Workers Compensation Insurance policy shall be in accordance with applicable federal, state and local laws. The minimum coverage amount of the Employers Liability Insurance policy shall be One Million Dollars (\$1,000,000). The requirement for obtaining and maintaining Workers Compensation and Employers Liability insurance is waived if the Consultant Firm employs no employees and the Consultant is self-employed by the Consultant Firm.

4.3 Commercial General Liability and Automobile Insurance. The Commercial General Liability and Property Insurance shall cover the types of claims set forth below which may arise out of or result from services under this Agreement and for which Consultant Firm may be legally responsible: (a) claims for damages because of bodily injury, occupational sickness or disease or death of their employees; (b) claims for damages because of bodily injury, sickness or disease or death of any person other than their employees; (c) claims for damages insured by usual personal injury liability coverage; (d) claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom; (e) claims for damages because of bodily injury, death of a person or property damages arising out of ownership, maintenance or use of a motor vehicle; and (f) contractual liability insurance applicable to obligations under this Agreement. Such insurance must also cover liability arising out of a motor vehicle, including owned, hired, and non-owned motor vehicles, assigned to or used in connection with this Agreement. The District shall be an additional named insured to Consultant Firm's commercial general liability insurance policy. The minimum coverage amount of the Commercial General Liability and Automobile insurance policy shall be combined One

Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate.

- 4.4 **Policy Endorsements; Evidence of Insurance.** The Consultant Firm shall deliver to the District Certificates of Insurance evidencing each of the policies of insurance in the coverage amounts required hereunder. All policies of insurance required hereunder shall be issued by insurer(s) admitted to issue insurance by the State of California and to the reasonable satisfaction of the District. Coverages under each policy of insurance required hereunder, whether by endorsement or otherwise, shall provide that such policy will not be modified, canceled or allowed to expire without at least thirty (30) days advance written notice to the District.
- 4.5 **District General Liability Insurance.** The District will maintain General Liability Insurance covering the District for claims of bodily injury or death of persons and property damage. The District may at its sole election obtain such liability insurance from a commercially available source, a Joint Powers Authority or by self-insurance.
- 4.6 **Indemnity.**
- 4.6.1 Consultant Firm Indemnity of District. To the fullest extent permitted by applicable federal, state and local laws, the Consultant Firm shall indemnify, defend and hold harmless the District and its employees, officers, Board of Education, agents and representatives from any and all claims, demands, losses, responsibilities or liabilities for: (a) injury or death of Consultant Firm's employees arising out of this Agreement; (b) injury or death of persons, damage to property; or (c) other costs or charges arising out of or attributable, in whole or in part, to the negligent or willful acts, omissions, errors and/or other conduct negligent of Consultant Firm, its Sub-Consultant Firms or the employees, agents and representatives of the Consultant Firm or any Sub-Consultant Firms in performing or providing any of the obligations, services or other work product contemplated under this Agreement. The foregoing shall include without limitation, attorney's fees and costs incurred by the District and shall survive the completion of obligations under this Agreement or termination of this Agreement until any such claim, demand, loss, responsibility or liability covered by the provisions hereof is barred by the applicable Statute of Limitations.
- 4.6.2 District Indemnity of Consultant Firm. The District shall indemnify and hold harmless Consultant Firm from all claims arising out of bodily injury (including death) and physical damage which solely arise out of the negligent or willful acts or omissions of the District.

5. TERMINATION.

- 5.1 **Termination by Either Party.** This Agreement may be terminated either Party notifying the other Party, in writing, no less than thirty (30) days prior to the day of termination. In such event, the District shall make payment of the Cost of Services to Consultant Firm for Consultant Services, authorized Additional Consultant Services or allowable Reimbursable Expenses provided or incurred through the date of termination plus actual costs incurred by Consultant Firm directly attributable to such termination. Except as set forth above, the Consultant Firm shall not be entitled to other compensation, including but not limited to, costs for

any delays or additional costs, if the District exercises the right to terminate hereunder.

- 5.2 **Consultant Firm Obligations Upon Termination.** Upon the District's exercise of the right of termination hereunder, the Consultant Firm shall take action as directed by the District relative to on-going performance of Consultant Services. If requested by the District, the Consultant Firm shall within five (5) days of such request, assemble and deliver to the District all work product, instruments of service and other items of a tangible nature (whether in the form of documents, drawings, samples or electronic files) prepared by or on behalf of the Consultant Firm under this Agreement. The Consultant Firm shall deliver the originals of all work product, Project records and other items of a tangible nature requested by the District pursuant to the preceding sentence; provided, however, that the Consultant Firm may, at its sole cost and expense, make reproductions of the originals delivered to the District.

6. MISCELLANEOUS.

- 6.1 **Governing Law; Interpretation.** This Agreement shall be governed and interpreted in pursuant to the laws of the State of California and in accordance with its fair meaning and not strictly for or against the District or Consultant Firm. If any provision of this Agreement is deemed illegal, invalid unenforceable or void by any court of competent jurisdiction, such provision shall be deemed stricken and deleted here from, but all remaining provisions will remain and continue in full force and effect.
- 6.2 **Compliance with Applicable Law.** The Consultant Firm and each of its Sub-Consultant Firms shall comply with all applicable federal and California laws, including, but not limited to, Title VII of the Civil Rights Act 1964, the California Fair Employment Practices Act, and any other applicable federal and state laws and regulations hereinafter enacted, including the Americans with Disabilities Act (ADA). The Consultant Firm shall not discriminate against any prospective or active employee based on race, color, ancestry, national origin, religious creed, sex, sexual orientation, age, or marital status. The Consultant Firm shall comply with all applicable federal, state and local laws and guidelines, and any District policies and procedures, regarding COVID-19 and/or any other epidemic or pandemic. Consultant Firm shall cause the above provisions to be inserted in all contracts with its Sub-Consultant Firms for any work covered by this document so that such provisions will be binding upon each Sub-Consultant Firm.
- 6.3 **Time.** Time is of the essence to this Agreement. The time for performance of any obligation hereunder by either Party shall be extended if performance of such obligation is delayed or prevented by conduct of the other Party, acts of God, or other unforeseeable events.
- 6.4 **Successors; Non-Assignability.** This Agreement and all terms hereof are binding upon and inure to the benefit of the respective successors of Consultant Firm and the District. Neither Consultant Firm nor District shall assign rights or obligations hereunder without the prior consent of the other, which consent may be withheld or granted in sole discretion of the Party requested to grant such consent.
- 6.5 **Project Records.** Records, documents and other materials generated or received by Consultant Firm in the course of performing services hereunder shall be delivered to the

District. Consultant Firm may, at its sole cost, make copies of such records for its own files.

- 6.6 **Notices.** Notices under this Agreement shall be addressed and delivered as set forth as follows:

If to District:

Latasha Jamal
Assistant Superintendent of Business Services
Azusa Unified School District
546 S. Citrus Avenue
Azusa, California 91702

If to the Consultant:

Landis Graden
Chief Executive Officer
DCG Strategies
7600 Dublin Boulevard, Suite 275
Dublin, California 94568

- 6.7 **Cumulative Rights; No Waiver.** Duties and obligations imposed by this Agreement and rights and obligations hereunder are in addition to and not in lieu of any imposed by or available at law or in equity. No action or failure to act by District shall be deemed a waiver of any right or remedy afforded hereunder or acquiesce or approval of any breach or default of the Consultant Firm.

6.8 **Definitions.**

6.8.1 Sub-Consultant Firms. Sub-Consultant Firms are persons or entities under contract with the Consultant Firm to provide a portion of the Consultant Services or authorized Additional Services. If required by applicable federal, state and local laws, Sub-Consultant Firms shall be properly licensed for the Consultant Services provided or performed by as Sub-Consultant Firm. The Consultant Firm is responsible for the adequacy, timeliness and quality of the services provided or performed by a Sub-Consultant Firm. The foregoing notwithstanding no portion of the Consultant Services or authorized Additional Consultant Services shall be performed or provided by a Sub-Consultant Firm to the Consultant Firm without the prior consent and written approval of the District which may be withheld, limited or conditioned in the sole discretion of the District.

6.9 **Disputes.**

6.9.1 Consultant Firm Continuation of Services. Except in the event of the District's failure to make an undisputed payment of the Cost of Services due the Consultant Firm, notwithstanding any disputes between District and the Consultant Firm hereunder, the Consultant Firm shall continue to provide and perform Consultant Services and authorized Additional Services pending a subsequent resolution of such disputes.

6.9.2 Mandatory Mediation. All claims, disputes and other matters in controversy between the Consultant and the District arising out of or pertaining to this Agreement shall be submitted for resolution by non-binding mediation conducted under the auspices of the Judicial Arbitration and Mediation Services ("JAMS") or American Arbitration Association ("AAA") and the Construction Mediation Rules of JAMS or AAA in effect at the time the Demand for Mediation is filed. The commencement and completion of mediation proceedings pursuant to the foregoing is a condition precedent to either the District or the Consultant Firm commencing arbitration pursuant to Section 6.9.3 below.

- 6.9.3 **Arbitration.** All claims, disputes or other matters in controversy between the Consultant Firm and District arising out of or pertaining to this Agreement which are not fully resolved through the mandatory mediation set forth in Paragraph 6.9.2 above shall be settled and resolved by binding arbitration conducted under the auspices of either JAMS or the AAA and the corresponding JAMS or AAA Construction Industry Arbitration Rules and in effect at the time of the filing of a Demand for Arbitration, as modified herein. The foregoing notwithstanding, an express condition precedent to the Consultant Firm's commencement of arbitration proceedings hereunder, the Consultant Firm shall comply with all applicable requirements of Government Code § 900, *et seq.* The award rendered by the Arbitrator(s) ("Arbitration Award") shall be final and binding upon the District and the Consultant only if: (i) the Arbitration Award is supported by law and substantial evidence pursuant to California Code of Civil Procedure § 1296; (ii) the Arbitration Award is accompanied by written findings of fact and conclusions of law. Any Arbitration Award that does not include findings of fact and conclusions of law in conformity with California Code of Civil Procedure §1296 and Rule R-47 of the AAA, or applicable JAMS, Construction Industry Arbitration Rules shall be invalid and unenforceable. The District and Consultant Firm hereby expressly agree that the Court shall, subject to California Code of Civil Procedure §§ 1286.4 and 1296, vacate the Arbitration Award if, after review of the Arbitration Award, the Court determines either that the Arbitration Award is not supported by substantial evidence or that it is based on an error of law. In connection with any arbitration proceeding commenced hereunder, the discovery rights and procedures provided for in California Code of Civil Procedure § 1283.05 shall be applicable, and the same shall be deemed incorporated herein by this reference. If any claim or dispute is relating to the Project, the Sites or arising in whole or in part out of this Agreement or the services provided by or through the Consultant Firm hereunder, the Consultant Firm and District agree that any arbitration proceedings initiated between the Consultant Firm and District hereunder shall be consolidated with any arbitration proceedings initiated in connection with such other claim or dispute. Any arbitration hereunder shall be conducted in the JAMS or AAA Regional Office closest to the Site.
- 6.9.4 **Entire Agreement.** The attached **Exhibit "A"** (Site Identification) and **Exhibit "B"** (Consultant Proposal) and the foregoing constitute the entire agreement and understanding between the District and Consultant concerning the subject matter hereof, replacing and superseding all prior agreements or negotiations, whether written or verbal. If there are conflicts or inconsistencies in either Exhibit "A" or Exhibit "B" and the terms of this Agreement, the terms of this Agreement shall govern. No term or condition of this Agreement shall be modified or amended except in writing executed by the District and Consultant. This Agreement and the documents enumerated below, if any, are all of the documents forming a part of the Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the District and Consultant have executed this Agreement as of the date set forth above.

“DISTRICT”

AZUSA UNIFIED SCHOOL DISTRICT
546 S. Citrus Avenue
Azusa, California 91702


“CONSULTANT”

DCG Strategies
7600 Dublin Boulevard, Suite 275
Dublin, California 94568

By: _____
Latasha Jamal

Title: Assistant Superintendent of Business Services

Date: _____

By:  _____
Landis Graden

Title: Chief Executive Officer

Date: 9/13/2022

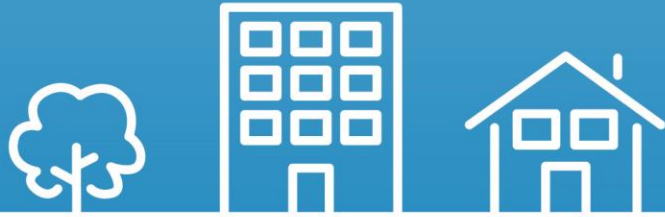
Exhibit "A"

Azusa Unified School District Surplus Properties for Consultant Review

- 1. Mountain View Elementary School**
201 N. Vernon Avenue, Azusa, California 91702
- 2. Powell Elementary School**
1035 E. Mauna Loa Avenue, Azusa, California 91702
- 3. Ellington Elementary School**
5034 N. Clydebank Avenue, Covina, California 91722
- 4. Center Middle School**
5500 N. Cerritos Avenue, Azusa, California 91702
- 5. Slauson Middle School**
340 W. 5th Street, Azusa, California 91702
- 6. Former Sierra High School Site/Adult Education Center (AEC/SHS)**
1134 S. Barranca, Glendora, California 91740

Exhibit "B"
DCG Strategies Proposal

675-128/6430164.1



STATEMENT OF QUALIFICATIONS FOR

DEVELOPMENT CONSULTING SERVICES

IN RESPONSE TO AZUSA UNIFIED SCHOOL DISTRICT'S RFQ

DCG Strategies, Inc. 7600 Dublin Blvd., Suite 275, Dublin, CA 94568

P 925.479.1350 | F 925.241.4212 | E connect@dcgstrategies.com | DCGStrategies.com | BRE#01521674



JULY 8, 2022

Azusa Unified School District
Attn: Latasha Jamal, Assistant Superintendent of Business Services
546 S. Citrus Avenue, Azusa, CA 91702

DEAR MS. JAMAL,

DCG Strategies, Inc., is pleased to provide this proposal in consideration for providing development consulting services to Azusa Unified School District. DCG Strategies (“DCG”) specializes in serving the real estate needs of education-based organizations, and regularly provides real estate services and consulting for California school districts.

What separates DCG from most other firms is our deep understanding and experience providing the specialized real estate services needed to accommodate the structure and constraints of public education institutions. DCG realizes that the best solution often takes time, out-of-the-box thinking, and is always driven by our client’s mission, not necessarily the highest profit or quickest resolution.

In this proposal, you will see that DCG has been engaged by a number of California school districts to provide real estate services, and specifically, development consulting services. We have worked with a number of school districts to identify solutions and opportunities for their districts as they explore the feasibility of alternative disposition options for underutilized and surplus school sites, including Pomona Unified School District, La Mesa-Spring Valley School District, Norwalk-La Mirada Unified School District, Riverside County Office of Education and more on the same scope of services being requested via this RFQ. Over the past 17 years, our team has worked with more school districts in service of their real estate needs than any other firm in the state.

In good standing with the California Department of Real Estate, BRE#01523674, our team is made up of full-service development consulting, property planning and commercial real estate professionals, but our passion lies in bringing education, hope and healing to area communities by helping our clients realize the full potential of their real estate assets.

We welcome the opportunity to provide additional information that may be helpful, and look forward to the opportunity to be of assistance to you on your real estate needs.

Sincerely,



Landis Graden

Chief Executive Officer, DCG Strategies, Inc.
BRE# 01461409 | P: 707-304-4340 | E: LGraden@dcgstrategies.com

EXECUTIVE SUMMARY

As a certified Benefit Corporation, DCG specializes in providing comprehensive real estate and land use services to education institutions. In this statement of qualifications, you will see that DCG has been engaged by a number of California school districts to provide real estate services, including development consulting services, to analyze their real property assets in determining the feasibility of using them more effectively and efficiently in pursuit of both fiscal sustainability and the realization of key district initiatives.

The DCG team regularly conducts briefing and training series for County Offices of Education and on how school districts can more effectively manage their real estate, including how to turn your real estate assets into resources for your students. As the exclusive real estate services provider for The California School Boards Association (CSBA), DCG partnered with CSBA to offer Property Planning Solutions, a real estate services product available to CSBA members statewide.

With over 17 years of experience serving public school districts, our team has a deep understanding of the California Education Code and the requirements placed upon public school districts as it relates to their real property and the re-use and/or disposition of these sites.

LONG-TERM PROPERTY PLANNING

DCG Strategies is a full-service real estate firm providing education institutions with the resources and tools needed to effectively manage their real estate from strategic planning and evaluation through to the successful execution of that plan. We provide services throughout all stages of a district's real estate needs which allows us to work with districts on their long-term property planning needs.

As with most of our clients, our engagement with public school districts is relational versus transactional. As an example, our firm was originally hired by Hayward Unified School District in 2011 to service their real estate needs and has worked on various projects with the District over the past ten years with a relationship that continues to this day. In 2011, our team was hired to complete a Strategic Asset Analysis on 16 district sites and provide recommendations on how the district could use them more effectively. This initial engagement led to further analysis and a long-term planning effort on how the district can utilize their assets over the next 10 years. Of the 16 sites analyzed, DCG represented the district on a long-term lease of two of the sites, the sale of one site and an ongoing asset management agreement. Our team prides ourselves on our long-standing relationships with our clients and our ability to provide consulting throughout the lifecycle of their real estate needs.

From our experience, the completion of a Strategic Asset Analysis is best practice for districts looking to analyze their real property assets. A Strategic Asset Analysis is an analysis completed on multiple properties (similar to the scope requested via this RFQ) as it allows us to create a road map for the District to view its sites holistically. This road map will assist in understanding how all District sites work together toward a common goal rather than looking at sites individually.

We believe long-term property planning must be integrated across the District. Locations, values and uses vary and as such, a micro and macro view into assets is key. Decisions will interplay and cause and effect will impact value and land use. Best practice would be to use real estate in a manner that maximizes academic outcomes first and maximizes financial resources second, both of which are in the best long-term interest of students and families. It is vital that the long-term planning be done systematically and not episodically. We commend the District on embarking on this important endeavor.

HIGHEST AND BEST USE ANALYSIS

Our team's priority is to work to accomplish the objective of ensuring maximum value is realized from real property while simultaneously accounting for a project that can be supported. We do this by establishing the highest and best use of a property, then mapping those uses that generate the greatest support and triangulating on them until we have achieved the greatest value that also corresponds with the most supportable and compatible use.

When it comes to property valuation, it is important to not only value property at its current use, but to value property at its maximum potential; we call this a property's Highest and Best Use. According to the Appraisal Institute, the Highest and Best Use of a property is defined as: "The reasonably probable and legal use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

When conducting a property valuation, our team completes a Highest and Best Use Analysis on each site to determine its maximum potential. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may be determined to be different from the existing use. In most cases, especially with school district property, this is the case and completing this analysis can create significant value for a school district.

The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Implied in this definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. The Highest and Best Use determination is a function of neighborhood land use trends, property size, shape, zoning, and other physical factors, as well as the market environment in which the property must compete.

Once the highest and best use of a property is determined from a real estate perspective, our team is then able to incorporate the goals of the surrounding community, the District, and its stakeholders and provide recommendations to the District on how to best use the property in a way that is consistent with the California Education Code. This includes meeting with key political players in the City or County having jurisdiction over the property to ensure the highest and best use recommendations have the potential for obtaining governmental approvals. DCG is then able to manage the completion of all Education Code requirements with the District to see these recommendations through to completion.

Lastly, the valuation will be greatly informed by what the ultimate use will be. We are working with another public school district at present but must remain confidential as negotiations are still ongoing. The highest value for their site is for residential development and they have elected to sell to a non-residential developer for millions less than its highest value. Ultimately, District policy will have a great influence over value.

7-11 COMMITTEES

As a District advisor, DCG has experience working with 7-11 Committees and adhering to all Education Code requirements, guiding the District through the 7-11 committee process and, in some cases, managing the entire 7-11 Committee process on behalf of the District.

BROKERAGE SERVICES

DCG understands, firsthand, the importance of maximizing revenue for our public school district clients while also being sensitive to the local community and their needs. Our team is frequently called on by our public school district clients to find users and uses for District property that will not only maximize the revenue received by the district, but will also be supported by the community and other key stakeholders. The main objective is to thread the needle by aligning the objective(s) of key stakeholders at a nexus that also maximizes revenue. While certain uses may achieve the highest possible economic return or other uses may achieve the highest possible community supported use, combining these two poles is key.

Our marketing strategy for listing and selling district sites is to develop a comprehensive marketing plan to distribute to interested parties. The marketing plan includes property and aerial photos of the site, conceptual development plans (if necessary), demographic / area amenities, property highlights, location maps and economic and market data. We deploy a host of proprietary strategies and tactics that maximize our disposition efforts to ensure our public school district clients are realizing their economic, social and academic outcomes as it relates to disposing of real property. Our team will pull this information to create a Request for Proposals (RFP) which will then be distributed to the leading regional developers, builders, brokers, investors and other interested parties.

DEVELOPMENT CONSULTING

DCG Strategies has provided development consulting for numerous school districts. DCG is uniquely experienced at assembling the full team of consultants needed to complete a project based on the site and District needs. Our role is to serve as the District’s Owner Representative and to arm the District with data to feel confident in their decisions.

Our experience with school district real estate, coupled with our real estate and development knowledge, provides a lens through which we approach development consulting services with our district clients.

COMMUNITY ENGAGEMENT

DCG understands firsthand the importance of real estate and development transactions and being proactive in setting the narrative for each project. As such, DCG regularly provides stakeholder outreach and community engagement services to our school district clients. Our consulting services can range from high level narrative setting to a full-blown engagement process. We create a comprehensive work plan that optimizes each site analyzed, while also meeting the goals and objectives of the District, the City, nearby communities and other key stakeholders.

FIRM INFORMATION

ABOUT DCG STRATEGIES

Over a decade ago, successful real estate professional, Landis Graden, believed in the importance of giving back to the community through public service. He recognized that organizations providing support and resources to local communities all too often faced limited or declining revenues. So, in 2005, Landis formed DCG Strategies, Inc., a registered Benefit Corporation and real estate firm that provides these specialized clients with the knowledgeable, caring expertise they need to create healthier, more sustainable real estate management strategies.

An S Corporation, for 17 years, DCG Strategies has been a team of real estate professionals who puts people before property or profits. As specialists in managing real estate assets for education-based institutions, our people understand that the traditional rules of real estate change when viewed with an eye toward strengthening your community.

In good standing with the California Department of Real Estate, BRE#01523674, our team is made up of full-service development consulting, property planning and commercial real estate professionals, but our passion lies in bringing education, hope and healing to area communities by helping our clients realize the full potential of their real estate assets. The team at DCG offers a wide range of services to guide you through the often-complex world of non-traditional real estate management. Unlike standard commercial real estate agencies, we respect the collaborative focus that's unique to community-driven organizations and we adapt our approach accordingly to create the best possible solution for your needs.

A small sampling of the academic institutions we've assisted over the past 17 years include:

- Alameda County Office of Education
- Albany Unified School District
- Burlingame School District
- Campbell Union High School District
- Chabot-Las Positas Community College District
- Fremont Unified School District
- Hayward Unified School District
- La Mesa-Spring Valley School District
- Larkspur-Corte Madera School District
- Livermore Valley Joint Unified School District
- Monterey Peninsula Unified School District
- Napa Valley Unified School District
- New Haven Unified School District
- Newark Unified School District
- North Monterey County Unified School District
- Norwalk-La Mirada Unified School District
- Oakland Unified School District
- Peralta Community College District
- Pittsburg Unified School District
- Pomona Unified School District
- Rescue Unified School District
- Riverside County Office of Education
- San Lorenzo Unified School District
- San Mateo Union High School District
- San Rafael City Schools
- Santa Cruz City School District
- Solano Community College District
- South San Francisco Unified School District
- Twin Rivers Unified School District
- Vallejo City Unified School District

MISSION & VALUES

DCG Strategies is an alternative to conventional real estate firms with a distinct mission to serve California’s community-benefit organizations. DCG was founded under the premise that we could seek profits while also building value within our community. Our founder and employees have always believed that working at DCG is about building something bigger than ourselves.

DCG has adopted the Benefit Corporation designation and become independently certified as a socially responsible corporation. DCG joins the growing movement of companies across the United States, as well as globally, who see part of their corporate responsibility as contributing to a positive impact on society and the environment. The Benefit Corporation designation is a natural extension of our vision; that by optimizing opportunities and resources for our community-based clients, we can help create long-term gains that benefit and strengthen the communities we serve. We eagerly undertook the Benefit Corporation process to ensure our firm’s operations, management practices and governance were at the highest levels and to place us in the best position possible to effect change to benefit our community, our environment, our stakeholders and our clients.

Hiring DCG as a Real Estate Consultant is like choosing a dedicated partner who puts you first. The professionals at DCG believe that finding the perfect solution for your real estate needs should feel nothing like “business as usual.” Our goal is not only to provide a welcome alternative to the typical commercial real estate firm, but also to work as a committed partner for community-minded organizations like Azusa Unified School District.

When you work with us, your interests will be protected with the help of our comprehensive consulting, property planning and real estate services. You can feel confident that we’ll research all your options, offer expert advice and work as closely with you to guide you through your options. We help to mitigate and manage risk throughout the process. Our ultimate goal is to assist you in transforming your real estate into resources.

COMPANY INFORMATION

Headquarters and Main Office

DCG Strategies, Inc.
7600 Dublin Blvd., Suite 275
Dublin, CA 94568
P: (925) 479-1350
F: (925) 241-4212
Federal Tax ID: 20-3821956

Respondent Point of Contact

Landis Graden
Chief Executive Officer
BRE# 01461409
P: (707) 304-4340
F: (925) 241-4212
E: lgraden@dcgstrategies.com

BUSINESS LICENSES

The Real Estate Officer License to the right authorizes DCG Strategies to conduct real estate transactions throughout the State of California. In addition, DCG Strategies, Inc. is an active Corporation, California License Number C2810305, authorized to conduct business in California.



PROJECT TEAM

DCG's team consists of in-house development consultants, advisors and brokers who are licensed to perform the necessary real estate services required by the RFQ.

Lauren Jennings, our Vice President of Operations, would serve as the designated project manager responsible for the completion of all project components and deliverables. As the designated project manager, Lauren would serve as the key point person for the District and be available for questions and responsive within 48 hours by email and/or phone.

Our firm takes a team approach to each project and, as such, are able to bring the best minds of development, brokerage and consulting to our projects.

The following pages include our Key Team member resumes.



LANDIS GRADEN

FOUNDER, PRESIDENT & CHIEF EXECUTIVE OFFICER

Landis Graden is President, Chief Executive Officer and Founder of DCG Strategies. Landis is a serial entrepreneur having founded over 10 companies. Most recently, he is a Co-Founder and Board Member of United Tech Cities, a non-profit organization focused on preparing underrepresented youth and young adults for fulfilling careers in STEAM fields.

In 1997, Landis founded Penn & Graden Properties, a residential properties acquisition company, leaving behind a very successful career at a Fortune 500 company. At Penn & Graden, Landis managed multiple real estate investment groups that were focused on acquiring, rehabilitating, and selling undervalued Bay Area properties, all of which resulted in positive returns for investors.

Landis currently serves on the Executive Board of Alignment Bay Area, the Advisory Board of the Solano African American Chamber of Commerce and has served prior as Board Member on the Vallejo Chamber of Commerce, Board Member for the Community Democratic Club of Solano County, Board Member for East Oakland Community Development Corporation, Board Member of Brighter Beginnings, Board Member of Glad Tiding's Community Development Corporation and the City of Hayward's Economic Development Committee.

As past Chair of the City of Vallejo's Planning Commission, Landis blends his business acumen with a local grasp of his community's needs and values. Fusing opportunity, understanding, and experience has enabled Landis to pursue projects that strengthen the community's economic base, attract new business and jobs, and work towards a sustained, healthy, robust future for the coming generation.

Landis currently coaches youth basketball and is an engaged and active member of his local community. Landis earned a Bachelor of Science Degree in Information Systems Management from the University of San Francisco, an MBA from Holy Names University and is currently pursuing a Master's of Divinity from Claremont School of Theology.

BRE #01461409



LAUREN JENNINGS

VICE PRESIDENT, OPERATIONS

Born and raised in Oakland, California, Lauren Jennings is passionate about supporting and creating communities of value and the advancement and empowerment of women. A graduate of Cornell University, Lauren is the Vice President of Operations at DCG Strategies and is responsible for the strategic implementation of daily business operations.

Lauren has invested significant time in volunteer and leadership activities over the years, including mentoring high school young women to build their self-esteem and empower them to fulfill their highest potential. Currently, Lauren serves as Worship Leader for Kingdom Builders Christian Fellowship in Oakland.

She serves on the board for the Cornell Hotel Society, Northern California Chapter and recently finished her term as 2020 President of CREW, East Bay, an organization dedicated to enhancing professional growth and business opportunities for women in commercial real estate. Lauren was nominated for and recognized in 2017 as a Rising Rockstar, an award given to exceptional women, thirty-five years and younger, who are influential, dynamic and show early promise as an industry leader.

Lauren is a member of and volunteers with Alpha Kappa Alpha Sorority, Incorporated, The Links, Incorporated and the Cornell Alumni Admissions Ambassador Network. Lauren earned her California Department of Real Estate License in 2015.

BRE # 01975174



JAMIL MUCHELL

VICE PRESIDENT, REAL ESTATE STRATEGY

Jamil Muchell joined DCG in 2010 and currently serves as DCG's Vice President of Real Estate Strategy. In his role, Jamil oversees real estate and development strategy and assists DCG's clients with understanding the options available to them through their commercial real estate.

Jamil specializes in creating unique real estate solutions for educational institutions, religious organizations, and non-profits. Several current and past clients include Chabot Las Positas Community College District, Alameda County Office of Education, United Methodist Church of California Pacific Conference, Presbytery of San Francisco, Lutheran Social Services of Northern California, Peralta Community College District, and multiple California public school districts. He has managed over \$250 million in transaction value with extensive experience in the following property types: office, educational, religious, land, warehouse, retail, and multi-family.

Jamil has a passion for basketball and working with youth. For over 10 years he was a coach and head trainer at Triple Threat Academy where he trained child, high school, and collegiate student athletes. He regularly directed weeklong summer basketball camps with up to 100 student athletes per week in attendance. In his free time, he also regularly speaks at various schools throughout the East Bay with a focus on speaking to male students about various topics focused around life skills, education, goal setting, perseverance, and managing both success and failure.

As an Oakland native, Jamil graduated from Bishop O'Dowd High school in 2003. He received a B.S. in Business Administration with a dual emphasis in Corporate Manage and Entrepreneurship from California State University East Bay as well as an MBA in Management and Leadership from Holy Names University. He earned his California Department of Real Estate License in 2006.

BRE # 01763115



CARL MORABITO

VICE PRESIDENT, REAL ESTATE DEVELOPMENT SERVICES

As DCG's Vice President of Real Estate Development Services, Carl works closely on large-scale development projects and supports DCG's mission and clients in all aspects of residential and mixed-use development. With Carl's knowledge and expertise, DCG is able to provide our clients with valuable development strategies.

As a veteran of the development community, Carl has managed residential and mixed-use projects throughout California since the mid 1990's. He has run divisions for large home builders in both Northern and Southern California and is passionate about providing housing for families and creating a strong sense of community in the neighborhoods he has developed and teams he has led.

Carl resides in the Bay Area with his wife and family. He holds a Bachelor of Science degree, with an emphasis in Entrepreneurship, from the University of Southern California.



CORT GROSS

AFFORDABLE HOUSING & FINANCIAL CONSULTING SERVICES

Cort Gross joined DCG Strategies in 2020 and brings a wealth of community development finance experience to the team.

Most recently serving as Executive Director and Senior Banker at JPMorgan Chase Community Development Bank, with a focus on affordable housing finance, Cort brings with him over 30 years of finance consulting and a true passion for working with faith-based entities.

Previously, Cort has worked with Self-Help Federal Credit Union on business development in California, as well as a host of other firms consulting on community asset management and development, community-based investment, and the financing and development of real estate.

In addition, he was the prior Chief Financial Officer of nonprofit housing developer BRIDGE Housing Corporation, Vice President of Affordable Housing with mortgage banker TRI Capital Corporation, and Program Manager for Lending with nonprofit financial intermediary the Low-Income Housing Fund.

He chairs the finance committee of Mandela Partners, a food justice business incubator in West Oakland, and serves on the Executive Credit Committee of the Nonprofit Finance Fund, a national CDFI. A former Coro Fellow in public affairs, Cort received his A.B. in history at Stanford University and his M.Div. Degree in liberation theology at Yale University.

RACHAEL MOY



PROJECT COORDINATOR

As a Project Coordinator, Rachael provides administrative support throughout all aspects of DCG and brings over 10 years of hospitality and operations experience to the team.

Rachael began her career honing in her skills in customer service and hospitality working with Starbucks for over ten years. As a certified barista trainer, Rachael served as a guiding force and mentor for baristas and shift supervisors. She sequentially worked for Crate and Barrel as a Merchandising Manager where she consistently looked for and collaborated on creative solutions to retail challenges in the dynamic and ever-changing market.

Rachael is passionate about giving back and is excited to bring functional solutions to community-oriented organizations. Rachael received her Bachelor of Arts in Psychology with a Minor in Advertising from California State University East Bay.

REFERENCES

DCG has assisted a number of public school districts throughout the years. On the following pages, we are highlighting similar work to that which is needed by Azusa School District.

POMONA UNIFIED SCHOOL DISTRICT

Primary Contact: Jim Moore, District Legal Counsel, Mundell, Odum & Haws, LLP

Phone: (909) 890-9500 **Email:** JMoore@mohlaw.com

Services Provided: Land use consulting, development consulting, brokerage

DCG was initially engaged by Pomona Unified School District in 2015 to assist in the analysis of District owned sites to determine the highest and best use of each surplus former school site. The analysis included a highest and best use of each site, an estimated residual land value and recommendations on how to monetize each site to provide necessary District revenue.

Following the initial land use consulting, the District engaged DCG to complete further development due diligence on one of the sites and clean up various development issues pertaining to this site.

In April 2018, the Board approved the release of three District owned sites for listing and sale for development. DCG prepared and distributed three separate Request for Proposals for each of the sites and received multiple offers on each site. Of the three properties, one was sold and closed escrow in 2019, the second sold to a residential developer and closed escrow in 2021 and the third sold to a residential developer and closed escrow in early 2022. DCG is currently assisting the District on various other real estate projects, as needed.

HAYWARD UNIFIED SCHOOL DISTRICT

Primary Contact: Allan Garde, Assistant Superintendent of Business Services

Phone: (510) 784-2680 **Email:** AGarde@husd.k12.ca.us

Services Provided: Land use consulting, brokerage, strategic asset analysis consulting, development consulting, asset management

DCG initially began working with Hayward Unified School District in 2011 and is currently still representing the District as their real estate advisor and broker. In 2011, the District had successfully passed a bond that led to the construction of a new school and the significant renovation of five others. They now wanted to continue to build on this momentum of creating a 21st century learning environment by updating their Demographic Studies and Facility Master Plan, and analyzing the merits of proceeding with a second Improvement Bond. The District was also facing declining enrollment and continual budget cuts, and needed to develop secure income streams to augment revenues.

With these goals in mind, the District solicited a Request for Proposal (RFP) for evaluation of their assets as a means of transitioning to this more efficient and effective model that would provide educational opportunities for students. The District's initial and primary focus was on potential long-term lease(s) of pre-selected schools, but, based on recent state legislation allowing Districts to use one-time funds realized through the sale of surplus assets for use in their General Fund, they were also open to potential land trades, partnerships or sale of assets.

After being selected through the RFP process, DCG performed an analysis of the 16 sites identified in the RFP that included, but not limited to, alternative land uses, highest and best use, stakeholder and policy leader engagement, market valuation (lease revenue and sales proceeds), disposition strategies and preferred land use and property recommendations.

Based on our findings, DCG was charged with conducting further review of five properties, as well as analysis of opportunities available for the District Office and Maintenance and Operations Yard. Through a thorough investigation, DCG was able to recommend strategies that best met those objectives as detailed in the original RFP, including opportunities for community partnerships with both the City, Park District and County.

While the financial benefits of leasing and/or selling underutilized assets were significant in terms of their ability to meet District goals as stated in the RFP, perhaps the greatest benefit was the ability of DCG to work with the City, Park District and County to develop key community partnerships (that would be key to garnering their support for other District goals) and collaboratively working with the Superintendent to meet broader organizational goals.

DCG has been advising the District on their real estate needs through an on-going engagement that is current to this day. DCG is currently working with the District on their real estate and asset management needs and recently assisted the District on the disposition of the former Bidwell Elementary School property which sold in December 2019. DCG is currently in contract with the District on an on-going asset management agreement covering multiple District sites as well as consulting services to assist the District in maximizing their real property.

SAN MATEO UNION HIGH SCHOOL DISTRICT

Primary Contact: Yancy Hawkins

Phone: (650) 558-2203

Email: YHawkins@smuhdsd.org

Services Provided: Development due diligence, brokerage

Following a thorough RFP and vetting process, DCG was hired by the San Mateo Union High School District in October 2019 to represent the District on the sale of 40+ acre, former school site in San Bruno. The former school site was deemed surplus in March 2019 and the Board subsequently directed staff to pursue the sale of the property in August 2019.

DCG STRATEGIES | REFERENCES

Prior to advertising the property for sale on the open market, DCG recommended the District complete internal due diligence on the site to ensure the District was fully aware of all opportunities and constraints of the site and arm the District with strong negotiating power. As such, from November 2019 to March 2020, DCG completed development due diligence on the site.

In March 2020, DCG initiated a two-phased Statement of Qualification and Request for Proposal process to market the site to the general public. In the first phase, Statements of Qualifications were due at the end of April 2020 for those firms to qualify to submit a formal proposal on the site. The next phase included the District receiving full purchase proposals from qualified developers and ultimately selecting a final buyer for the site. The District selected a buyer and is currently in escrow to sell the property for residential development. Escrow is scheduled to close in 2023.

ADDITIONAL K-12 SCHOOL DISTRICT EXPERIENCE

In addition to the above, below is a partial list of districts DCG has assisted over the past few years on development consulting.

MILPITAS UNIFIED SCHOOL DISTRICT

- **Services:** Development consulting on one District owned site
- **Project Dates:** Current

BURLINGAME SCHOOL DISTRICT

- **Services:** Development consulting on two District owned sites
- **Project Dates:** Current

SAN RAFAEL CITY SCHOOLS

- **Services:** Development consulting on five District owned sites
- **Project Dates:** Current

OAKLAND UNIFIED SCHOOL DISTRICT

- **Services:** Development consulting on two District owned sites
- **Project Dates:** 2021

SOUTH SAN FRANCISCO UNIFIED SCHOOL DISTRICT

- **Services:** Development consulting on one District owned site
- **Project Dates:** 2020

EAST SIDE UNION HIGH SCHOOL DISTRICT

- **Services:** Development consulting on one District owned site
- **Project Dates:** 2019

PROPOSED PROJECT PLAN

SERVICES FOR EDUCATION INSTITUTIONS

DCG Strategies has years of experience providing real estate services to California school districts. While most school districts and academic institutions understand and appreciate the benefits of Real Property Assessments, they often lack the time and resources to successfully manage the long, complicated, and controversial process from beginning to end. The experienced DCG team works closely with clients to ensure prudent planning, clear communication, timely action, and efficient management of all projects. Our consulting, asset management, brokerage and development services have helped our school district clients:

- Realign assets to better serve the overarching educational mission
- Realize operational efficiencies as a key strategy to fiscal sustainability
- Identify leasing opportunities to bring in passive investment income
- Create “win-win” community partnerships with other public and private entities

DCG is a full-service consulting, development, brokerage and commercial real estate company that specializes in partnering with community-based organizations. We are committed to assisting Azusa Unified School District on their various real estate needs as identified in the RFQ. Whether your district has a need to evaluate underutilized or surplus land, acquire or sell real property, lease or rent property, develop employee housing, or any other consulting or real estate related service, DCG has the needed experience to manage the real estate process from land use analysis, valuation, strategic planning, brokerage and asset management services. We have experience with all property types, including institutional, commercial, residential, industrial and mixed use.

Below, we have outlined our approach to each step of the process as identified in the RFQ. The goal of our work with each client is to holistically analyze the District’s opportunities in a way that minimizes risk, incorporates community and staff input and maximizes the use of underutilized properties.

PROPOSED SCOPE OF SERVICES

Property owners are often uncertain about what they want to do with their real estate assets and often are not aware of their options. DCG provides Development Consulting services to alleviate the stress associated with making the right decisions surrounding your real estate. As your Development Consultant, we will serve as an extension of your staff. We walk alongside you through the entire process and are committed to understanding your values and protecting your interests at all times.

Key Questions as a Development Consultant:

- What are our client's goals? Ideal scenario? Preferred alternatives?
- What is the likelihood of getting the project approved, and what are the potential issues the project faces?
- Who are the local players to inform local market research?
- What steps are needed to accomplish our client's goals?
- What is the best solution to achieve our client's goals?

Based on the District's goal of exploring the development feasibility of their surplus sites, DCG's proposed scope of services will include the completion of a development analysis on each site, including presentation of data and options to staff and the Board, followed by execution of the Board selected option. This will involve a Highest and Best Use Analysis to determine the highest and best of use of each site, yield studies to determine the maximum capacity for development including unit count and product type, a market assessment to determine applicable for sale and for lease values and a financial analysis to determine feasible project revenues and expenses.

DCG begins the process by looking at a property, identifying its current use, determining how the site can be utilized, and then developing strategic and sustainable long-term plans incorporating that underutilized or unused real estate asset as a benefit to the overall mission of an organization.

As with most projects, we anticipate this project to be a multi-phased approach throughout the development and implementation period. Each phase occurs one after the other and the project will only move to the next phase if certain milestones are met.

PHASE I

PROJECT SCOPING SESSION WITH DISTRICT

- Meet with the District to confirm our understanding of project goals, review the project schedule, discuss expectations of the planning process and work products
- Meet with staff selected by the District to gain background on community relations, relationships and policy guidance for the District's properties to be analyzed

DEVELOPMENT FEASIBILITY

DATA COLLECTION

Our team will undertake a data gathering effort to collect pertinent information to include, but not necessarily be limited to:

- General Plans and zoning ordinances
- Specific and/or concept plans
- Opportunity Zones
- Development standards

DCG STRATEGIES | PROPOSED PROJECT PLAN

- Design guidelines
- Outside previous legal analysis and consultant reports
- Title conditions and other issues affecting development potential

SITE VISIT

Our team will visit the surrounding areas and neighborhoods to identify existing conditions relevant to the project. Key issues to be assessed during this trip will include the locations, conditions, and relationships of current and planned land uses; the relationships between land uses and the existing and planned transportation infrastructure; and the relationships between the sites and the surrounding properties. We will then synthesize all contextual influences and present opportunities and constraints associated with the sites.

MARKET STUDY

Our team will review the surrounding market. This will be a critical part of fully evaluating the residential opportunities for the property and accurately estimating potential values. The market study incorporates data from neutral third-party sources to determine key information such as:

- Population trends including population and job growth,
- Economic conditions including household income and unemployment rates, and
- Housing costs - including key market needs, rental rates, closing prices and new home versus resale rates.

YIELD STUDY

A yield study by a licensed architect will assess the site's opportunities, constraints and development requirements to arrive at a realistic number of units on the site. This yield study presents a preliminary visual representation of development potential and unit count to inform the options for development. The main criteria to create a preliminary site plan and determine a unit count that we consider are:

- Site orientation
- Setbacks
- Nominal street sizes
- Variable unit sizes
- Unit sizes
- Slopes, if any
- Parking requirement

PRELIMINARY FINDINGS

A Memorandum will be developed to detail our findings relating to the sites. This will include meetings with district staff and presentation of our findings to the Board. The memorandum will be informed by the Highest and Best Use Analysis to provide options on the development potential of each site. These options will ultimately be provided to the Board to be able to make

an informed decision regarding next steps. Here, the Board can decide to move forward with one of the development options presented, choose to examine alternative options, or halt the process altogether.

PHASE II

Based on direction received from the Board following our presentation of development feasibility findings, our team will execute those options as selected by the Board. From the RFQ, our understanding is the District has identified six properties as surplus to District needs, however, the properties have not been deemed as surplus land per the Education Code.

7-11 COMMITTEE CONSULTING

As a District advisor, DCG has experience working with 7-11 Committees and adhering to all Education Code requirements, guiding the District through the 7-11 committee process and in some cases, managing the entire 7-11 Committee process on behalf of the District.

Typical consulting services can include:

- Monitoring agreement with Education Code, Sections 17387-17466, of the surplus property process (in conjunction with District legal counsel)
- Providing guidance on Education Code requirements on committee representation
- Developing public meeting agendas to be made available at least 72 hours in advance
- Advising and providing copies of key Committee Information Packets including property summaries of zoning and General Plan designations, site maps, etc., copies of the Brown Act and Conflict of Interest forms for the District to include in its Committee binders
- Advising on the current use of each site from a real estate perspective
- Advising on potential next steps in relation to the sale or lease of each property
- Assisting the Committee in developing their recommendation to the Board
- Assisting District legal counsel with finalizing the required resolutions

BROKERAGE SERVICES (DISPOSITION CONSULTING)

DCG has been engaged by a number of California school districts to provide commercial real estate brokerage services and have specifically worked with a number of school districts to market and sell and/or lease former school sites. DCG recently represented Pomona Unified School District on the sale of three surplus former school sites for residential development, with the third and final site closing escrow early 2022. DCG is also currently representing San Mateo Union High School District on the sale of a surplus former school site which is currently in escrow. The property consists of over 40 acres of land and is in escrow with a developer for residential development.

Our marketing strategy for listing and selling school sites is to first to determine the highest and best use of the site (as detailed above) and to develop a comprehensive marketing plan to distribute to interested parties. The marketing plan includes a customized webpage for the site,

photography of the site, property and aerial photos, conceptual development plans (if necessary), demographic / area amenities, property highlights, location maps and economic and market data. We also deploy a host of proprietary strategies and tactics that maximize our disposition efforts to ensure our public school district clients are realizing their economic, social and academic outcomes as it relates to disposing of real property. Our team will pull this information to create a Request for Proposals (RFP) which will then be distributed to the leading regional developers, builders, brokers, investors and other interest parties.

Following receipt of proposals, our team reviews each proposal received and provides a data matrix upon which the Board can understand each proposal and how proposals compare to other proposals. DCG provides advice and counsel as the Board contemplates which proposal to accept and which to negotiate further on.

With our extensive development experience, our team is able to provide recommendations to the board on best strategies and outcomes. This includes reviewing developer proformas and offers to ensure they are in line with market. We will know this information from our completion of the Highest and Best Use Analysis in Phase 1. This allows us to know what the developers know and therefore be confident in our recommendations to the board.

STAKEHOLDER OUTREACH AND COMMUNITY ENGAGEMENT

To set the District up for success, effective and timely communication is vital. Maintaining open, transparent and relevant dialogue with stakeholders is a building block for positive outcomes.

While generally, stakeholder outreach and community engagement falls on the end user (ie: the buyer / developer), the District can play an active role in this effort to further help to ensure project success. DCG is available to assist the District and developer in this work, which will focus on introducing the proposed development to the wider community and educating external stakeholders including neighbors and political allies on the unique development process.

Setting up an inclusive and collaborative process in which all voices are valued is a best practice learned over the years of providing these services. In addition, our CEO served as Chair of his local Planning Commission so our team also have expertise and perspective as policymakers and how real estate projects are perceived from a city and community perspective. DCG is available to support the developer's engagement effort as necessary.

- Identify up front any challenges or issues that could create tension towards success and create a plan to resolve the challenges early in the process
- Increase community awareness of the District as a trusted community partner and social asset through strategic outreach, partnerships and education
- Create a compelling narrative to control messaging and misinformation

DCG STRATEGIES | PROPOSED PROJECT PLAN

- Identify local champions inside and outside the District that will help inform the process and engender broad-based support for identified priorities and objectives
- Attempt to overcome vocal opposition to development by creating broad-based understanding, support and excitement for the social, educational and community benefits that will be achieved
- Pinpoint venues for future informational presentations
- Create support by identifying groups with complementary interests and developing collaborations to achieve maximum project benefits

The engagement strategy could include hosting community meetings (including targeted meetings for faculty and neighbors), email updates to key stakeholders and creating fact sheets for Districts leaders to easily reference.

FEE PROPOSAL

Our philosophy is that prior to project initiation, we meet with each client to discuss their needs and together draft an agreed upon Scope of Services, since as in most cases, the scope can change as needs evolve. Based on the final agreed upon Scope of Service, our team creates a schedule, budget and flat fee to be reviewed and approved by the District.

Per the request of the RFQ, below is a proposed fee schedule based on tasks outlined in the RFQ and DCG's prior experience in providing these services for school districts. While the final fee will be dependent on the District's timeline and final scope of work, an outline of each section and corresponding estimated cost is provided.

The District will be responsible for the cost of all third-party expenses (architect fees, and any others, if any), subject to prior District authorization. The District shall reimburse DCG for all consultant expenses including printing of materials and meeting supplies as specifically requested by the District. Request of reimbursement shall be made with proof of receipt and payable within 30 days of reimbursement request. DCG's fees include travel and travel will not be billed or requested for reimbursement.

Based upon the Scope of Services in RFQ, below is a sample flat fee proposal. Our final fee will be based upon the final agreed upon scope of work and timeline. The order of the line items was adjusted based off of the sequential order of tasks.

Upon review, some of the requested tasks in the scope fall under development consulting, however, others fall under brokerage services. The State of California regulates certain real estate activities requiring persons and entities to hold a valid California real estate license. Soliciting for interest to lease or purchase a property is one of those activities that requires a valid real estate license. Given the required services as defined in the RFQ, the District is requesting both licensed and unlicensed activities.

Traditionally, brokerage services are paid on a commission fee basis. Per the RFQ stating the fee proposal should not be commission based, DCG has included flat fees for this work, however, would be open to adjusting this to a commission basis, based on further conversation with the District.

Service	Fee
PHASE I: DEVELOPMENT FEASIBILITY	
1. Strategic planning with District staff and legal counsel to determine methods to maximize value, community benefit and highest and best use of the six (6) identified sites.	\$25,000 for each site studied. Should a site be deemed feasible for development, the District should anticipate spending an additional estimated \$10,000 per site for architecture fees, for a total spend of \$35,000 per site.
2. Analysis of the local real estate market.	Included in the flat fee item 1 above.
3. Coordination with appraisers or use of in-house staff to prepare informal appraisal or broker's opinion of value.	Included in the flat fee item 1 above.
4. Developing innovative approaches to identifying suitable buyers, lessors or users of the of surplus properties and innovative uses for the sites based on value and location.	Included in the flat fee item 1 above.
5. Assistance with analyzing and preparing development options, including assessing timing of entitlement and development of the sites.	Included in the flat fee item 1 above.
PHASE II: BROKERAGE SERVICES	
6. Prepare and conduct presentations for, and do ongoing work with, the District's Facilities Advisory (7/11) Committee.	Hourly rate of \$350 per hour; based on time spent.
7. Soliciting interest from nonprofit entities, community groups, developers, commercial companies, or other parties interested in purchase, lease or other use of the applicable surplus properties.	Based on value of property, however, not to exceed \$350,000 per site.
8. Evaluating developer or other entity offers and proformas.	Included in the flat fee item 7 above.
9. General support in interaction with city officials, city planning agencies and other officials involved in the development and entitlement process.	Included in the flat fee item 7 above.

**AZUSA UNIFIED SCHOOL DISTRICT
RFQ – Development Consultant
Non-Collusion Certification**

The party making the foregoing proposal, affirms that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the proposer has not directly or indirectly induced or solicited any other proposer to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any proposer or anyone else to put in a sham proposal, or that anyone shall refrain from proposing; that the proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the proposer or any other proposer, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the proposal are true; and further, that the proposer has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

Name of Firm/Proposer: DCG Strategies, Inc.
Signature: 
Printed Name: Landis Graden
Title of Signatory: Chief Executive Officer

[See required certification on next page.]

**AZUSA UNIFIED SCHOOL DISTRICT
RFQ – Development Consultant
RFQ Certification**

I certify that I have read the attached **REQUEST FOR QUALIFICATIONS FOR DEVELOPMENT CONSULTANT** and the instructions for providing a response. I further certify that I must submit a completed written submission, as set forth herein, to this request and that I am authorized to commit the firm/proposer to the qualifications submitted.



Signature

Landis Graden

Type or Print Name

Chief Executive Officer

Title

DCG Strategies

Company

7600 Dublin, Blvd, Ste 275, Dublin, CA 94568

Address

925-479-1350

Telephone

lgraden@dcgstrategies.com

Email

7/8/2022

Date

If you are responding as a corporation, please provide your corporate seal here:

