



Pre-Proposal Conference January 30, 2017

Request for Proposals Released January 9, 2017

Pittsburgh Public School District Properties

Questions and Answers

Q. Will additional property inspections/tours be permitted/facilitated?

A. We will schedule one additional tour for **Conference attendees only**. Tuesday February 14th Arlington Middle - 9:00; Bon Air – 10:15; Beltzhoover – 11:00. Thursday February 16th Belmar – 8:00; Fort Pitt – 9:15; McNaugher – 10:30; Mann – 11:15. Conference attendees must confirm their tour participation with Pat Morosetti via phone call.

Q. Horace Mann – Is the playfield still used by the public and, if so, will that be a condition of sale?

A. The playfield is still utilized for some activities including little league teams and is currently being maintained by the District. We are unaware of any formal agreement covering the use of the playfield. Bidders may want to investigate further. The local community should be consulted when bidder's conduct their outreach.

Q. Can a bidder submit a proposal with a sales price below the Minimum Reserve Sales Price (MRSP) if the bidder believes that a specific MRSP is above fair market value?

A. MRSPs were set by the District and will be a key factor in evaluating proposals. The District policy is that the sales price must cover property debt and closing costs. The School Board may waive this requirement for a non-profit 501 (c) 3 bidder who (1) proposes a use for the property that has wide acceptance as a community enhancement and (2) demonstrates strong financial and operational capability. However, the School Board has not made this waiver to-date.

Q. What is the procedure if multiple proposals are received at or near the same price?

A. All proposals will be considered and evaluated using the criteria detailed in the RFP. Sales price is only one of the numerous components to be considered. Community support weighs heavily as a factor and would be very influential when price, terms and other factors are basically equal. The School Board makes the final decision at their sole discretion.

Q. What is the recommended form of "Community Support"?

A. Bidders should conduct the widest possible outreach to all community stakeholders including, but not limited to, community organizations/groups, City Council members, state legislators, etc., to present your proposed plans and to seek written expression of support from these stakeholders. This can be in the form of a letter or email.

Q. Beltzhoover – The Hazardous Materials report covers asbestos and lead issues but does not address possible issue with the roofing materials. Is there information available for the roof?

A. All improved properties have a Hazardous Material report but these are not meant to be all inclusive and only address asbestos and lead issues. No study was conducted on the roofing material for Beltzhoover. A bidder should consider requesting a “due diligence period” in their proposal in which to evaluate the roof and roofing materials if concerned.

Q. Will the School District publish the level of debt on the properties?

A. No, this is proprietary information

Q. Will the School District publish a list of recent major capital improvements made to the properties (prior to closing)?

A. We will ask the District if this information is available and, if they are willing to release it.

Q. How will the proposals be evaluated?

A. A committee will be formed to evaluate all proposals using the criteria established in the RFP.

Q. Will we estimate the buyer’s closing costs?

A. No, this is the bidder’s responsibility.

Q. What costs does the successful bidder have to include in addition to the proposed sales price?

A. The sales price stands alone as an evaluation factor; however, in all cases, the successful bidder will be responsible for all closing costs including escrow costs, title charges, etc.

Q. How much detail must be provided for the proposed use of a property?

A. Refer to Section V and Exhibit A of the RFP for minimum requirements. More detail provided will allow for a better understanding of the project and the bidder’s ability and capability, which will reflect favorably in the evaluation process.

Q. Describe the bidder selection process.

A. Proposals received. Review Committee evaluates proposals. Review Committee makes recommendations to District Superintendent/School Board. School Board votes to approve or reject proposals. Negotiations begin on an Agreement of Sale (District standard form) once a proposal is approved. Agreement of Sale is executed and due diligence period (if any) begins leading to a Closing as agreed upon.

Q. How long does it take for Board approval?

A. This depends on how long it takes to evaluate all proposals and prepare recommendations and how this fits into the School Board’s agenda schedule. We will attempt to have the Review Committee recommendations on the School Board’s agenda for late April; however, this is always subject to change.

Q. What is the status of offers previously submitted on certain properties and what effect will these have on the RFP process?

A. There are offers on two of the Group A properties that the District has received prior to release of the RFP. The District has not made a determination on these offers and has instructed Fourth River Development to include these properties in the RFP. These offers remain under review by the District. The School Board may elect to withdraw a property and negotiate a sale based on a previous offer or reject the previous offer and continue to offer these properties under this RFP. We will advise all parties of the decision of the District Board as soon as available. We recommend that all parties proceed with the proposal process as a safeguard.

Q. Will these previous offers be given preferential treatment in the RFP process?

A. All proposals will be evaluated using the criteria as outlined in the RFP.

Q. Will we identify which properties have previously submitted offers?

A. Not at this time but the District will notify all interested parties if/once a decision is made on these previously submitted offers. We anticipate this decision in a very timely manner considering the RFP timeline.

Q. Will a proposal be given favorable consideration if it covers multiple properties?

A. The detailed response required dictates that proposals only include one property. Multiple proposals for individual properties are welcome. Multiple proposals from individual bidders will be given favorable consideration.

Q. What is the filing fee required if a proposal covers multiple properties?

A. Bidders should present one proposal for each property. A non-refundable fee of \$250 is required for each proposal.

Q. How did the existing previous offers know of the property details in order to prepare their offers?

A. All of the properties have been offered for sale on the open market for some time with signs on the property and complete information contained on the Fourth River Development website.

Q. Why not remove the properties with previous offers from the RFP?

A. The District decided to include these properties in the RFP pending a decision on the offers made on these properties.

Q. What happens if a non-profit bidder offers less than MRSP?

A. The School Board may waive policy and accept a price from a non-profit entity that is less than its debt; however, the District's focus has been to NOT approve offers less than MRSP. All proposals will be evaluated based on District policy and RFP criteria,

Q. Will the School District release its appraisals?

A. No. This may change under special circumstances; but only after the property is under a fully executed Agreement of Sale.

Q. Can a proposal contain a contingency for approval of an appraisal?

A. No, not if the sale is contingent on the value of an appraisal.

Q. Has the School District conducted a title review of the properties?

A. No. This is the buyer's responsibility. The District will deliver marketable title to each property.

Q. What is the typical or acceptable Due Diligence period?

A. This is negotiable. Historically, the typical transaction has ranged from 30 to 90 days. Proposed Due Diligence Periods in excess of 90 days may be viewed unfavorably..

Q. Will 4 years of continued interest by a bidder influence the approval process?

A. All proposals will be evaluated using the same criteria as outlined in the RFP.

Q. How long does it take to finalize the Agreement of Sale?

A. This varies with each deal but should be less than 30 days after School Board approval.

Q. Will the School District require proof of funds as part of the approval process?

A. Yes. Section V and Exhibit A of the RFP sets minimum requirements for the proposal. Additional information is welcome and may be required before a final decision is reached.

Q. What is the typical time for closing after the due diligence period?

A. This varies with each deal but historically this has been 30 to 45 days.