



## Legislation Text

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### MEMORANDUM

**TO:** Board of Supervisors

**FROM:** Carol J. Huchingson, County Administrative Officer

**DATE:** June 26, 2018

**SUBJECT:** Consideration and Approval of Lucerne Hotel RFP Proposer's Recommendation by Proposal Evaluation Panel

#### EXECUTIVE SUMMARY:

On December 19, 2017, your Board approved staff's recommendation to make the Lucerne Hotel available for purchase, lease to purchase, or long-term lease agreement through a Request for Proposal (RFP) Process. That RFP was issued February 2, 2018 with a closing deadline for proposals of April 25, 2018.

Two proposals were received, and per the Consultant Selection Policy, a panel was convened to review. One proposal was for purchase, one proposal was for long-term lease:

**The Romero Institute - New Paradigm College, a California-based 501(C) (3) as proposer.** The Romero Institute - New Paradigm College proposal for purchase intends to transform the Lucerne Hotel property into a four-year educational institution offering a Bachelor of Arts degree program in Integrative Global Studies, as well as a University Extension Program, and a Conference Center for Lake County and surrounding communities. These offerings would be made in partnership and with support of administration and faculty from the University of San Francisco and additional participation from Williams College, Rice University, Kansas State University, Loyola Marymount, and the University of Manitoba. The University Extension Program would be developed for broad general public appeal in the areas of environmental studies; architecture; transportation planning, entrepreneurship; community development; and others. The development of an entrepreneurial incubator to help students, faculty, and the community is also a key component of the proposal.

**Elizabeth Larson with John Jensen as proposers.** The proposers are also the founders of the Lucerne Area Revitalization Association (LARA) which is currently in the non-profit incorporation phase and would be integral in operation of the Lucerne Hotel property and components of this

proposal. Larson News Media, Elizabeth Larson and John Jensen's business, is also listed as assisting with the project as proposed. This proposal presents a long-term lease with a minimum of fifteen years and the possibility of coming to the County of Lake at a future date to negotiate a purchase of the building. This purchase is not reflected in this proposal. This proposal intends to have LARA act as the master tenant of the Lucerne Hotel, which would offer the site as a convention/event center venue with hotel rooms. The building would be made available to local businesses and the public for a wide variety of uses including but not limited to, commercial office space, general events, conferences, educational events, and fundraisers. LARA would work to establish hotel rooms, restaurant and/or pub, boutique shops, a business incubator, a drop-in business center. Other uses LARA may explore include a health club/day spa, after-school recreation activities and programs, visitor and information center, and more. Through fund-raising LARA looks to pursue upgrades to the building and grounds, with possibilities including refurbished swimming pool, basketball courts, a new tennis court, and other improvements. LARA intends to explore other potential partnerships and avenues for use of the Lucerne Hotel property which might include an attraction concierge service, gift shop of locally produced goods, museum and art exhibits, community initiatives, aquatic tourism, and others to be developed.

The Panel met May 9, 2018 to evaluate and rank the proposals based upon the evaluation criteria established within the RFP. The Panel met again May 24, 2018 to interview the two Proposers.

The panel unanimously recommends The Romero Institute - New Paradigm College proposal. The specific terms of the purchase have been redacted from said proposal to maintain the integrity of the sales process.

At the same time, the panel strongly urges both proposers to explore potential areas of collaboration, given that their mutual priorities show overlap and in fact, staff is encouraged to advise that the proposers informed us they have already had much communication with each other. The panel believes they share the goal of providing the greatest beneficial use and greater-good outcome for the local community and the entire Lake County community.

**FISCAL IMPACT:** ☒ None ☐ Budgeted ☐ Non-Budgeted

Estimated Cost:

Amount Budgeted:

Additional Requested:

Annual Cost (if planned for future years):

**FISCAL IMPACT (Narrative):** None

**STAFFING IMPACT (if applicable):** None

**RECOMMENDED ACTION:** Direct staff to take all procedural steps to prepare the property for sale and then return to your Board for the necessary approvals.