

EXHIBIT "A"

Oak Park Properties Strategic Plan Amendment – June, 2018

6/14/18

Introduction

The County of Contra Costa (the “County”) owns two parcels in South Pleasant Hill, and controls a portion of a third parcel. The parcels have either (i) been deemed surplus to County needs, and the Board of Supervisors has directed the Public Works Department (“Public Works”) to pursue the sale of the property to realize its asset value; or (ii) are being pursued by various public agencies for public facilities to serve the citizens of Pleasant Hill and Central County. The subject properties are referred to as 1700 Oak Park Boulevard (or Sites 1 and 2 on Map 1) and 1750 Oak Park Boulevard (Site 3 on Map 1) in this document. Collectively these properties are referred to as the “Oak Park Properties”.

On November 14, 2017 the County approved a contract with Bates Stringer – Oak Park, LLC for entitlement services related to 1700 Oak Park Blvd., Pleasant Hill. The contract included the Oak Park Properties Strategic Plan. Since that time changed circumstances related to the land use program have made it necessary to amend the Strategic Plan. This Amendment reflects a change in the park use from Site 3 to Site 1, and the residential development site from Site 1 to Site 3. Other conforming changes to reflect new information have also been made.

The administrative unit of the County responsible for the Oak Park Properties is the County Public Works Department. They will be assisted by the consulting firm of JK² & Associates (the “Program Manager”) and Bates-Stringer Oak Park LLC (the “Project Manager”).

Because of the numerous parties and the interrelated nature of their interests the County has prepared a Strategic Plan to:

- Identify goals;
- Identify issues and the steps/time required to address these issues;
- Identify the parties needed to implement the activities required to fulfill the Board directive; and
- Set forth a budget for the proposed activities.

The Strategic Plan includes a discussion of the following:

- Setting/site characteristics & existing/previous/surrounding area characteristics;
- A statement of Strategic Plan objectives;
- A summary of planning issues, including CEQA;
- A summary of County activities contemplated to achieve Strategic Plan objectives for both subject properties;
- Set forth a recommended program for achieving success in the land use approval processes with the City of Pleasant Hill (the “City”); and
- Set forth a proposed property disposition strategy for 1700 Oak Park Boulevard (Sites 1 and 2) and 1750 Oak Park Boulevard (Site 3).

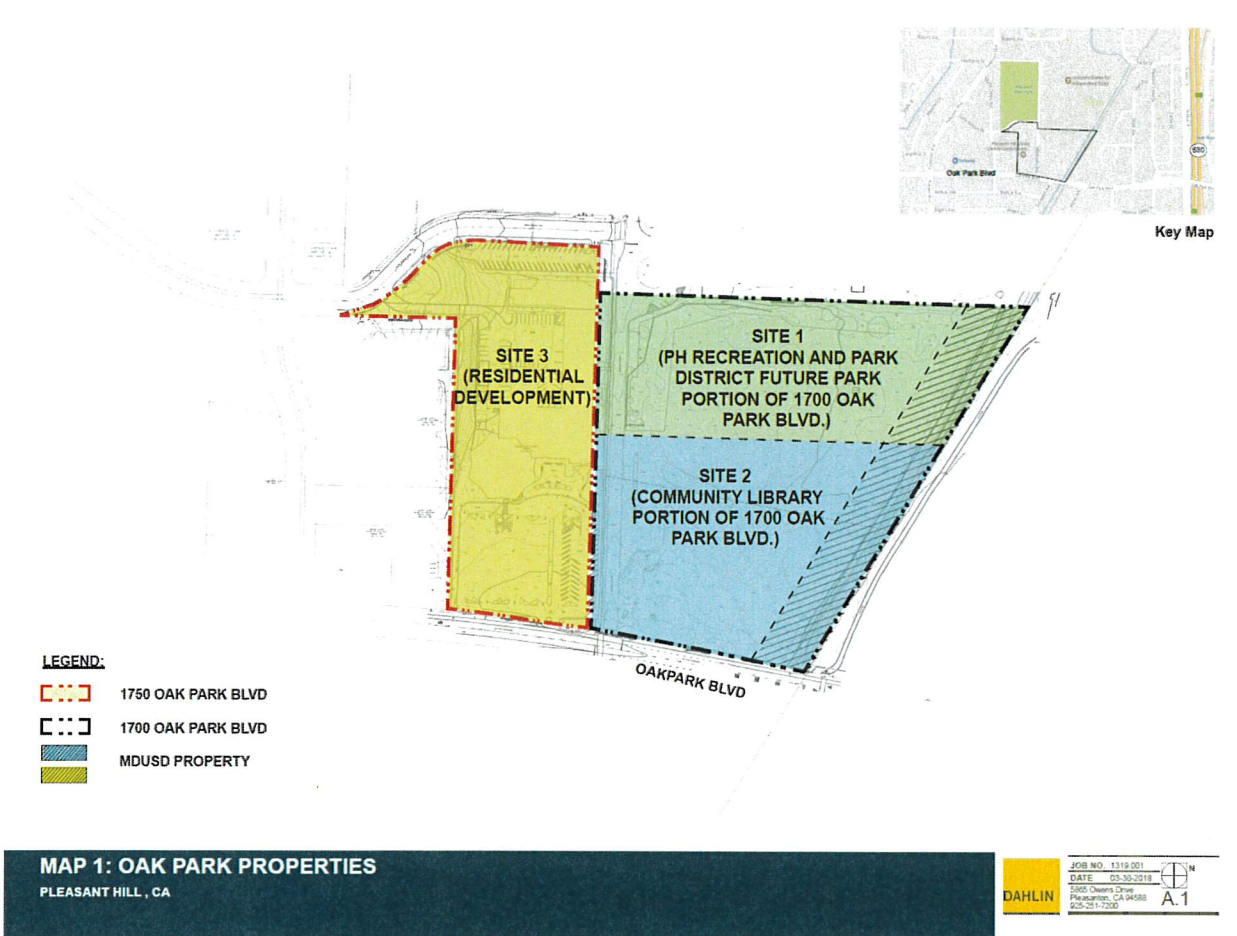
The Strategic Plan follows the Executive Summary of this document.

Executive Summary

Contra Costa County owns or has property rights for three properties totaling approximately 15 acres in South Pleasant Hill. The Strategic Plan outlines a comprehensive approach for determining and achieving the ultimate use of the properties by multiple parties, and for the County achieving its goals with respect to realizing asset value.

The Oak Park Properties are depicted on Map 1 and listed below:

- 1700 Oak Park Boulevard is a 10-acre property (Sites 1 and 2 on Map 1) that is comprised of two pieces:
 - An 8-acre parcel (APN 149-230-005) owned by the County in fee title (portions of Site 1 and 2 on Map 1) and
 - A 2-acre portion of a parcel (APN 149-230-008) owned by the Mount Diablo Unified School District (the “School District”) over which the County owns an access easement (A portion of Site 1 and 2 on Map 1);



- 1750 Oak Park Boulevard is a 4.8-acre parcel (APN 149-230-005) owned by the County (Site 3 on Map 1). The property is currently occupied by the Pleasant Hill Library and the former County Library Administration building. Both uses are subject to an extreme level of deferred

maintenance and would be eliminated with the implementation of this Strategic Plan. The Pleasant Hill Library is proposed to be replaced and the Library Administration function has already been relocated, and the building is substantially unoccupied.

The activities covered in this Strategic Plan are:

1. Site Considerations

- Site 1
 - An approximate 5.0 gross acre portion of 1700 Oak Park Boulevard is proposed for sale to the Park District for recreation and park purposes. An Option Agreement for the Purchase and Sale of the property (the “Park District Option Agreement”) would give the Park District the right to purchase the property on or before December 31, 2019 for \$3,000,000. The Option Agreement is the successor agreement to the Option Agreement and Settlement Agreement dated as of April 18, 2017 (the “Option and Settlement Agreement”) between the County and the Park District. An approximate 1.0 gross acre portion of Site 1 would be conveyed to the Park District by the School District contemporaneous with the County’s sale of its portion of Site 1; and
 - A portion of Site 1 (approximately 0.4 acres) would be used for Monticello Avenue reconstruction;
- Site 2
 - An approximate 5.0 gross acre portion of 1700 Oak Park Boulevard is proposed to be conveyed by the County at no cost to the City to facilitate development of a new community library. The site is comprised of approximate 4.0 gross acre portion of Site 2 which would be conveyed by the County to the City via an Option Agreement with a Purchase and Sale Agreement (the “City Option Agreement”), would give the City the right to purchase the property when conditions precedent have been fulfilled; and an approximate 1.0 gross acre portion of Site 2, which could be conveyed by the School District to the City.
 - A portion of Site 2 would be used by the City for the reconstruction of Monticello Avenue and the widening of Oak Park Boulevard.
- Site 3
 - 1750 Oak Park Boulevard is an approximate 4.79 gross acre parcel (APN 149-230-008). It is proposed for residential development. The residential use would be single family detached units at a net density of 8.3 units/acre, which is consistent with the City’s General Plan land use category of Multi-Family-Very Low Density. The County will be pursuing land use approvals (General Plan Amendment, Specific Plan, Rezoning, Vesting Tentative Map, Design Review, and CEQA Clearance) from the City, after which the County would offer the property for-sale to a home builder for development purposes.
 - A portion of Site 3 estimated at 0.1-acre would be dedicated by the County or its successor to the City to widen Oak Park Boulevard.

2. Financial Considerations

- 1700 Oak Park Boulevard
 - Sale of Site 1 for park and recreation purposes will generate \$3 million in revenue less expenses as currently set forth in the Joint Powers Agreement between the County and the School District; and
 - Site 2 for community library purposes is proposed to be a no-cost conveyance by the County and the School District to the City.

- 1750 Oak Park Boulevard
The Sale of Site 3 for residential development purposes is estimated to generate an estimated \$12-\$14 million in net asset value. The School District would receive 10% of the revenue less expenses from the sale of Site 3 to honor the principal set forth in the Joint Powers Agreement between the County and the School District. The County may proceed to demolish the existing improvements to expedite the development of Sites 1, 2 and 3, or it may opt to defer demolition of the improvements and transfer that responsibility to the buyer of Site 3.

3. Land Use Planning Considerations

- 1700 Oak Park Boulevard
 - Site 1, the Park District site, is subject to a Use Permit approved by the City, and the proposed park use will be part of a Specific Plan for both 1700 & 1750 Oak Park Boulevard. The proposed use will also be subject to CEQA, which will be part of the Master EIR. The Park District will be engaging in a community visioning process in the fall of 2018 prior to submitting its Use Permit application.
 - Site 2 is the new community library site. It will not be subject to a formal land use approval process because it is a City initiated project; however it will be subject to CEQA, which will occur as part of the Master EIR for the Oak Park Properties. The Library Program will be included in the Specific Plan for 1700 & 1750 Oak Park Boulevard. The City intends to engage in a robust community visioning process to inform the design program.
- 1750 Oak Park Boulevard (Site 3)
 - Site 3 is subject to land use approvals from the City. The proposed use—approximately 35 single family detached homes—will require an Amendment to the City’s General Plan (see Figure 1 for representative site plan and elevations), a Specific Plan, a rezoning to Planned Unit Development (PUD) zoning, a Vesting Tentative Subdivision Map, Design Review approval, lot line adjustment(s), and possible Final Subdivision Map. The County would be the applicant. The land use approval process (Vesting Tentative Map) could take 18-24 months, including an EIR, and cost approximately \$2,000,000 including consultant costs and City planning fees. The securement of land use approvals is estimated to improve the value of this property by \$3.5-\$4.5 million, making the investment of additional funds a wise choice.
- CEQA is expected to be handled as part of one Master EIR covering the activities contemplated for Sites 1, 2 and 3 as set forth in Section 5.0 of the Strategic Plan.

4. Property Disposition Strategy – Site 3

The intent is to utilize a brokered disposition strategy in which likely buyer candidates are identified, informed of the opportunity, and requested to submit offers. A negotiation process to finalize business terms for recommendation to the Board of Supervisors will be employed. The process is set forth in more detail in Section III of the Strategic Plan.

STRATEGIC PLAN FOR THE OAK PARK PROPERTIES

I. Setting

Property Description: Contra Costa County (the “**County**”) owns or controls the two (2) properties that are the subject of this Strategic Plan (the Oak Park Properties). Site 1 and Site 2 (see Map 1) are largely part of one 8+/- acre parcel owned by the County (APN 149-230-005). Sites 1 and 2 also includes the 2+/- acre portion of APN 149-230-008, which is owned in fee by the Mount Diablo Unified School District (the “**School District**”) and is encumbered with an access easement to the benefit of the County. Sites 1 & 2, and Site 3 are collectively are referred to as the “Oak Park Properties” The County and the School District have entered into a Joint Powers Agreement to enable the County to dispose of the School District portion of Sites 1 and 2 contemporaneous with the County portion. The Joint Powers Agreement is being amended to conform to the revised land use program described herein. The remaining property, Site 3, is anticipated to be developed with single family detached residences.

The County and the Pleasant Hill Recreation and Park District (the “**Park District**”) are negotiating an agreement to convey the northern portion of the Oak Park Properties (approximately 5.0 gross acres) to the Park District (Site 1) for potential future recreation and park purposes. The County and the Park District would enter into a Purchase and Sale Agreement (the “**Park District Purchase and Sale Agreement**”) to effectuate the transaction. The Park District Purchase and Sale Agreement grants the Park District the right to purchase Site 1 through December 31, 2019. The Purchase and Sale Agreement would be a successor to the Option and Settlement Agreement dated as of April 18, 2017.

Additionally, the County and the City of Pleasant Hill (the “**City**”) are negotiating an agreement to convey the southern portion of the Oak Park Properties (approximately 5.0 gross acres fronting on Oak Park Boulevard) for a new community library (Site 2). The County and the City would enter into a Purchase and Sale Agreement (the “**City Agreement**”) to effectuate the transition. The City Agreement grants the City right to purchase Site 2 at no cost subject to fulfilling conditions precedent. Site 2 includes approximately 4.0 acres of County property and 1.0 acre of School District property.

1750 Oak Park Boulevard (“**Site 3**”) is an approximately 4.79-acre parcel (APN 149-271-014-8) that is the current site of the Pleasant Hill Library and the former County Library Administrative offices. The County intends to pursue land use approvals for a single family detached residential development prior to offering the property for sale.

1.0 Site Characteristics

	Sites 1 & 2 -- 1700 Oak Park Blvd.	Site 3 -- 1750 Oak Park Blvd.
Condition	Approximately 10 acres. Vacant and flat. The County owns approximately 8 acres in fee title and has an easement over the remaining approximately 2 acres owned in fee by the Mt. Diablo Unified School District.	Approximately 4.79 acres. Currently developed with the Pleasant Hill Library and former Library Administration building. Total square footage of the uses is 58,381 SF.

General Plan/Zoning	Mixed use General Plan Land Use designation, as presently defined, which combines residential with retail, commercial, office and/or public uses with flexible parking and setback requirements. Sites 1 & 2 are currently zoned Planned Unit Development (PUD). Zoning would need to be updated for anticipated public uses. A Specific Plan would be prepared that would include these sites.	The General Plan designates the property as Semi-Public and Institutional reflecting its current use. The Zoning for Site 3 is single-family residential R-10. Site 3 would require a General Plan Amendment, Specific Plan, rezoning, design review and vesting tentative map/final map for development purposes.
General Plan Housing Element	Property identified as an opportunity site for affordable housing. The city has an Inclusionary Housing Program. The proposed public uses would not be subject to the City's Inclusionary Ordinance.	Site 3 is not an opportunity site for affordable housing however development of the site for residential purposes would be subject to the City's Inclusionary Ordinance.
Environmental Review	A land use applications to update the PUD zoning, a Specific Plan, and a Use Permit for Site 1 will be filed with the City by the Park District. Site 2, the Community Library, is not subject to the City's land use ordinances, but would be included in the Specific Plan for the properties. Other public actions are proposed and will be subject to environmental review pursuant to the California Environmental Quality Act (CEQA). The City will be the Lead Agency with respect to preparation of the CEQA document, with the County, the Park District and the School District as Responsible Agencies for their respective activities. A Master EIR is expected to be prepared to cover the array of contemplated activities on Sites 1 & 2 and the adjacent Site 3.	A land use application for single family residences, including a General Plan Amendment, a Specific Plan, a Rezoning to Planned Unit Development (PUD), a Vesting Tentative Map, Design Review, and a possible Final Subdivision Map will be filed with the City by the County. This land use application and other public actions are subject to environmental review pursuant to the California Environmental Quality Act (CEQA). The City will be the Lead Agency with respect to the CEQA document, with the County and the Park District as Responsible Agency for their respective activities. A Master EIR is expected to be prepared to cover the array of contemplated activities on Site 3 and the adjacent Sites 1 & 2.

2.0 Existing, Previous and Surrounding Land Uses

2.1 1700 Oak Park Boulevard (Sites 1 & 2)

- Site of the former Oak Park Elementary School (buildings and playground)
- Improvements removed in 2009
- Surrounding land uses include:
 - **East** – Grayson Creek, East Bay Municipal Utility District right-of-way, a senior citizen retirement facility and single-family residences;
 - **South** – Detached single family residences (Pleasant Hill and Walnut Creek);

- **West** – Current Pleasant Hill Library and former County Library Administration Building and the offices of the Contra Costa County Superintendent of Schools; and
- **North** – Pleasant Hill Middle School (Mt. Diablo Unified School District) including a wireless telecommunications tower near the southern edge

2.2 1750 Oak Park Boulevard (Site 3)

- Current Pleasant Hill Library and former County Library Administration Building;
- Both buildings were built around 1965 and are subject to extreme levels of deferred maintenance;
- The current Pleasant Hill Library is to be relocated to a new facility on a portion of the 1700 Oak Park Boulevard property;
- The Library Administration Building is substantially vacant as the Library Administration function has been relocated.
- Surrounding land uses are substantially identical to those uses surrounding 1700 Oak Park Boulevard.

3.0 Objectives of the Oak Park Properties Strategic Plan

The following primary objectives are interdependent:

1. Facilitate the transfer of property between the City, the Park District, the County and the School District.
2. Collaborate with the relevant agencies to facilitate achievement of the community library and park and recreation facilities.
3. Obtain entitlements necessary to maximize the asset value of Site 3 and disposal of the property at a price approved by the County. It has been determined that a development program for approximately 34 single family detached homes (see Figure 1 for a representative site plan and elevations) with a density range of 8-12 units/acre maximizes land value to as much as \$12-\$14 million, an increase of up to \$4 million from previous estimates assuming townhome development.

The plan also seeks to achieve the following public policy objectives:

- A new community library to serve the citizens of Pleasant Hill and the vicinity;
- To increase and enhance recreation and park facilities for users of the Park District's services;
- To develop a new source of revenue that assists the County in delivering mandated services related to health and human services, public protection and environmental protection to County residents by using the realized asset value from the sale/conveyance of the surplus properties; and
- To develop a new source of revenue for the School District through the use of the School District's portion of the realized asset value from the sale and conveyance of 1750 Oak Park Boulevard for improvements within the School District.

4.0 Neighborhood Objectives

Neighborhood objectives include:

- Creation of a lively village atmosphere anchored by a variety of civic/public uses including recreation and park facilities, library services and a public school complemented by a

residential program with high-quality architecture, a walkable environment and a mix of incomes; and

- Infill development of underutilized sites in an area served by adequate infrastructure and services in proximity to neighborhood shopping and public transit.

5.0 Discretionary Actions under CEQA:

It is proposed that a single CEQA Determination (the “Master EIR”) cover the proposed activities (the “Project”). The City of Pleasant Hill will be the Lead Agency. The other public agencies—the County, the School District and the Park District—would be Responsible Agencies.

The activities subject to CEQA, along with their respective agencies are set forth below:

5.1 The City of Pleasant Hill, as a Lead Agency, for:

- Land use approval actions related to Sites 1, 2 and 3, including any resource agency permits, if needed; and
- Acquisition of property and subsequent development of an approximately 5.0 gross acre Site 2 for a new Community Library;

5.2 The County of Contra Costa, as a Responsible Agency, for:

- Entitlement and subsequent conveyance of Site 3 to a residential home builder, including all required discretionary approvals from Pleasant Hill and resource agency permits;
- the sale/conveyance of a portion of Site 2 to the City for construction/operation of a new Community Library;
- the sale/conveyance of Site 1 to the Park District for expansion of Pleasant Oaks Park;
- the vacation by the County of various easements on Site 1 and Site 2; and
- the acquisition of the portion of Site 1 and 2 being conveyed by the School District to the County (or potentially directly to the City or the Park District for Sites 1 and 2);

5.3 The Pleasant Hill Recreation and Park District, as a Responsible Agency, for:

- The acquisition of Site 1 from the County;
- The securing of land use approval from the City in the form of a use permit to allow recreation and park use; and
- The development of Site 1 for recreation and park purposes.

5.4 The Mount Diablo Unified School District, as a Responsible Agency, for:

- Sale of a portion of Sites 1 and 2 to the County [and possibility a portion to the City and Park District directly]; and
- Possible improvements to schools in the immediate vicinity;

6.0 Other Planning Considerations:

Portions of the Project may require review and approval by several public and quasi-public agencies with jurisdiction over specific aspects of the Project. It is anticipated that these other agencies will rely upon

the environmental documentation for this Project in their review and decision-making process. A list of these other agencies and their jurisdictional permits and approvals may include the following:

- 6.1 US Army Corps of Engineers (USACE)
 - US Army Corps of Engineers Section 404 Permit
- 6.2 California Regional Water Quality Control Board (RWQCB)
 - Section 401 Water Quality Certification
 - Acceptance of a Notice of Intent to obtain coverage under the General Construction Activity Storm Water Permit (General Construction Permit) and Notice of Termination when complete;
- 6.3 US Department of the Interior Fish and Wildlife Service (USFWS)
 - Biological Opinion
- 6.4 California Fish and Wildlife
 - Streambed Alteration Permit (1602)
- 6.5 Bay Area Air Quality Management District (BAAQMD)
 - Compliance with Regulation 2, Rule 1 (General Requirements) for all portable construction equipment subject to that rule and permits for gas-powered emergency generators;
- 6.6 Utilities (CCWD, Central San, PG&E, cable, satellite and/or telecommunication companies)
 - Approval of new, relocated, or expanded facilities and, where required, new meter installations.
 - Public and private utilities that would serve the Project include the Contra Costa Water District (CCWD), Central Contra Costa Sanitary District (Central San), PG&E, cable, satellite and/or telecommunication companies.

7.0 County activities with respect to the Oak Park Properties

Given (1) the setting as outlined above and (2) the existing agreement between the County and the Park District and (3) the Joint Powers Agreement between the County and the School District, the County plans to engage in the following activities:

7.1 County activities with respect to 1700 Oak Park Boulevard

Site 2

- 7.1.1 Conveyance of an approximately 4.0-acre portion of Site 2 fronting on Oak Park Boulevard to the City for the development of a new Community Library. The City would be the lead agency with respect to

the design, engineering and construction of the Pleasant Hill Community Library. The School District may convey a portion of Site 2 for the community library to the City directly;

- 7.1.2 The School District will be conveying to the County (or the City directly for a portion) the fee title to the 1.0-acre portion of its holdings in the area (Site 2) to accomplish the activities described in Section 7.1.1 above; and

Site 1

- 7.1.3 Conveyance of Site 1 to the Park District for the development of recreation and park facilities.
- 7.1.4 The School District will be conveying to the County (or the Park District directly) the fee title to the 1.0-acre portion of its holding in the area (Site 1) to accomplish the activities described in 7.1.3 above;
- 7.1.5 The Park District would acquire the approximately 5.0-acre parcel for the development of field and park facilities with required parking and support facilities on the property.
- 7.1.6 The Park District would be the Lead Agency with respect to the filing of a use permit application with the City to allow recreation and park use on Site 1.
- 7.1.7 The two projects described above would include improvements to Oak Park Boulevard and Monticello Avenue.

7.2 County activities with respect to 1750 Oak Park Boulevard

- 7.2.1 To secure land use approvals to enable the development of a single-family detached residential project of approximately 35 units on approximately 5.0 acres of Site 3 (see Figure 1 for a representative site plan and elevations). Upon securing entitlements, the County intends to convey the development Site 3 to a home builder for development. The land use approval process could take 18-24 months, including an EIR, and cost approximately \$2,000,000 including consultant costs and City application fees. Securing land use approvals is estimated to increase the value of this property by approximately \$3.5 - \$4.5 million, making the investment of additional funds a wise choice.
- 7.2.2 Development of Site 3 would also include improvements to Oak Park Boulevard and Monticello Avenue.

7.3 County, City and Park District activities with respect to all the Oak Park Properties

- 7.3.1 The County, the City and the Park District will enter into one or more cost-share reimbursement agreements such that each agency pays its pro-rata share of environmental review and horizontal development costs.

County Goals: To simultaneously maximize the asset value of the residential portion of Site 3 and facilitate the conveyance and CEQA review of all three Sites such that the public policy goals outlined in Section 3.0 are accomplished.

In line with the County's Option Agreement with the Park District, the entitlement process will be executed such that CEQA clearance is obtained for the potential park expansion. CEQA clearance is also needed to enable activities related to a new community library.

II. Entitlement Process—Implementation of the Strategic Plan

The existing conditions outlined in Part I, along with the extensive infill development experience of Bates Stringer Oak Park LLC (the “**Project Manager**”) will guide the implementation of the strategic plan as outlined below. The credentials of the Project Manager are included as Appendix A. The Project Manager's work will be directed by the County's Public Works Department – Real Property Division. The Department has also retained the services of JK² & Associates (the “**Program Manager**”) to act as the Program Manager for all activities related to the Oak Park Properties.

Land Use Approvals necessary for the Oak Park Properties are expected to include, for Site 3 the following:

- A General Plan Amendment for Site 3 to permit residential densities in the 8-12 du/acre (MFR-Low Density);
- A Specific Plan for Sites 1, 2 and 3 to provide additional detail as it relates to design standards, landscaping standards, infrastructure requirements, and a plan of finance to accomplish the projects;
- An update to the Planned Unit Development (PUD) zoning for Sites 1 and 2, as needed, and a Rezoning of Site 3 to PUD. The County would be the applicant for the rezoning of Site 3; the City and the Park District would be the proponents of the Site 1 & 2 applications, as applicable;
- A Vesting Tentative subdivision map reflecting the single family detached residential program deemed optimal for Site 3;
- Design Review for the proposed improvements;
- A Final Subdivision Map (to be determined; needs to be determined to enhance value substantially); and
- Any Lot Line Adjustments determined to be required to implement the land use program.
- Resource Agency Permits (as required)

1.0 Proposed Approach

The experience of the Project Manager suggests that gaining the support of the neighborhood will be paramount to obtaining the requisite land use approvals. As such, an extensive community outreach program is to be conducted, including neighborhood meetings, and requests for comments via social media and community websites. The public outreach efforts will be coordinated with the activities of the City for its community library, and the Park District for its proposed recreation and park use.

Pursuant to the California Environmental Quality Act (CEQA), an environmental determination will be made of the various activities proposed and the appropriate level of environmental documentation will be prepared to achieve CEQA clearance for the activities described in Part I, Section 5.0. The CEQA

document is likely to be a full environmental impact report (EIR) that will cover the proposed activities on Sites 1, 2, and 3. The parties to these land use activities will share in the cost of preparing the EIR with the Park District assuming 20% of the cost (up to a cap of \$60,000), the City, for the community library, assuming 30% of the costs, and the County for the residential development proposal covering 50% of the costs. The estimated costs for a full EIR are approximately \$225,000.

1.1 Building the team

The Project Manager has identified and received proposals from qualified professionals with experience and expertise relevant to the development project at hand. A list of these consultants, the consultants' anticipated project scope and their budgets can be found in the attached consultant budget (Appendix B).

1.2 Due Diligence (60 - 90 days) – this activity has been completed as of the date of the Amendment

The due diligence period will consist of detailed site reconnaissance including:

- Review of Surveys and Title Reports
- Site Inspection of key view sheds and visual resources
- Biologic Assessment
- Historical resource survey
- Public service impact analysis
- Legal Review
- Phase I Environmental Review
- Geotechnical Study
- Traffic study
- Infrastructure capacity assessment
- Building permit and impact fee estimates
- New and Resale home competitive market analysis
- Horizontal development cost estimates

At the end of the Due Diligence period, the Project Manager will have a more precise understanding of the physical and legal development constraints and opportunities. It is then, with these constraints and opportunities understood, that the Project Manager moves on to the project visioning process.

1.3 Project Visioning Process (Approximately 3 months)

The end goal of the project visioning process is to establish a preferred plan. Towards that end, the Project Manager will conduct a thorough analysis and evaluation process which includes:

- 1.3.1 **Proforma analysis:** the marketing consultant, in conjunction with the Project Manager, will analyze the various site plans and products to determine the highest and best use based on current construction costs, projected home sales revenue and required return thresholds.
- 1.3.2 **Consultant Visioning:** along with the relevant consultants, the Project Manager will develop conceptual site plans and architectural elevations for further visioning with community members, government agencies and project stakeholders.

1.3.3 **Outreach and Community Visioning:** the Project Manager and the relevant consultants will conduct meetings with government agencies and community members. This is expected to entail:

- Neighborhood conception meetings and open houses
- Governmental outreach meetings
- Stakeholder outreach meetings with the City of Pleasant Hill, the Park District and the School District

1.3.4 **Establish Preferred Plan:** with input from the foregoing agencies and community members, the Project Manager will establish a preferred plan. With the plan established, we move into project application and environmental review.

1.4 Governmental Review and Approval Process (9 – 12 months)

1.4.1 CEQA Approval: EIR Process

The governmental review and approval process is anticipated to include an Environmental Impact Report (EIR). The EIR will be prepared such that CEQA clearance is achieved for all parcels included in the Oak Park Properties project.

1.4.2 City of Pleasant Hill Approval

Additionally, the Project Manager and the relevant consultants will submit the preferred plan, conduct workshops as needed and gain approval with the appropriate municipal agencies including:

- Architectural Review Commission (ARC)
- Planning Commission (PC)
- City Council (CC)

After obtaining CEQA clearance and discretionary approval from the City of Pleasant Hill, the project will move into the post entitlement phase.

1.5 Post Discretionary Entitlement (6 - 12 months)

During the Post Discretionary Entitlement phase the Project Manager and the consultant team will secure any required Resource Agency Permits. Presently no Resource Agency permits are expected to be required for the County Project. Additionally, the Project Manager, marketing consultant, Program Manager and County staff will begin to formalize the disposition strategy. This phase could also include processing of grading and subdivision improvement plans and/or processing of the Final Subdivision Map.

III. Property Disposition Strategy

In consideration of Part I and II, the Project Manager, Program Manager and County staff proposes a sale of the residential portion of the Oak Park Properties (the “**Property**”) after receipt of all discretionary

entitlements. This disposition strategy provides the County its best chance to maximize the value of the Property while minimizing risk.

1.0 Disposition Strategy and Implementation

To handle the disposition of the Property, the Project Manager proposes to engage Land Advisors Organization (“**Land Advisors**”). Land Advisors is the largest real estate brokerage firm in the nation focused exclusively on the sale of residential development properties and is uniquely positioned to help the Project Manager and County navigate through the complicated issues of land economics to successfully close this sale at the highest possible price.

Land Advisors’ disposition strategy will be based on their experience with projects of similar characteristics within the region, and will be implemented as follows.

1.1 Pre-Marketing Period

The goal at the start of the marketing campaign is to ensure that (1) the marketing plan is consistent with the County’s goals and objectives and (2) to make certain that prospective buyers have all the information necessary to assist them in underwriting all aspects of the residential portion of the Oak Park Properties during the bid process.

These goals will be accomplished by:

- Conducting a series of strategy meetings with the County staff, the Program Manager, and the Project Manager
- Conducting a series of strategy meetings with the project consultants to better understand the project and its development issues
- Preparing an Offering Brochure and Confidentiality Agreement for prospective bidders

1.2 Targeted Audience

The Property is in a highly desirable area in Pleasant Hill. Because the location is well-known, the Property is an attractive asset to local and regional Buyers. To maintain confidentiality, the goal will be to expose the asset to a limited number of the most qualified buyers to increase the chance of a closed transaction. Land Advisors in consultation with the Project Manager, Program Manager and County staff will create a list of primary targeted buyers which will consist of well capitalized Northern California home builders that are currently active in the market.

1.3 Pre-Bid Diligence

The goal is to provide prospective bidders sufficient information for the County to evaluate their local market knowledge, and interest in the Property.

This goal will be accomplished by:

- Providing an Offering Brochure with all pertinent information about the Property, so that all Buyers are working with the same information and the resultant offers are based on “apples to apples” assumptions.
- Providing information sessions and site tours conducted by LAO representative and project consultants
- Upon completion of the Confidentiality Agreement, providing an Offering Materials Virtual Data Room (“VDR”) with all pertinent studies reports, cost estimates, etc.

1.4 Bid Review and Buyer Selection

With an established bid due date, Land Advisors will review and summarize the initial offers based on the selection criteria set forth below, then interview the top bidders. Following those interviews, Land Advisors will request best and final offers and begin the final phase of the selection process.

The ultimate buyer should be selected by the County based on several factors, including but not limited to:

- The price and terms of the purchase offer
- Experience and track record with developing similar property
- Experience with relevant or similar regulatory agencies
- Access to capital and other financing sources
- The proven ability to close on a timely basis
- Comments on the draft Purchase and Sale Agreement prepared by County legal counsel

All prospective buyers should be requested to include the following information:

- Underwriting assumptions including: cost assumptions, proposed product pricing, CFD assumptions, etc.
- Qualifications and development experience
- Ownership structure and membership
- Financial capacity and/or funding sources
- A proven track record of similar residential development

The provision of the above information reduces the probability of experiencing a failed escrow due to buyer’s faulty or unrealistic assumptions.

1.5 Contract Negotiation, Due Diligence and Closing

After buyer selection, Land Advisors will work with the Project, Manager, Program Manager and County staff to finalize the Purchase and Sale Agreement and assist the Buyer in completing due diligence and closing the transaction.

FIGURE 1

Representative Site Plan



JOB NO. 1319.001
DATE 03-30-18
5665 Owens Drive
Pleasanton, CA 94588
925-251-7200



SITE PLAN
PLEASANT HILL, CA
DAHLIN GROUP ARCHITECTURE | PLANNING