STAFF REPORT

MEETING
DATE: October 30, 2018

TO: City Council

FROM: Regan M. Candelario, City Manager
Laura McDowall, Management Analyst II

SUBJECT: CONSIDER AND ADOPT A RESOLUTION APPROVING AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT WITH HOMEWARD BOUND OF MARIN FOR THE HUD PARCEL IN HAMILTON, APN 157-970-07 AND AUTHORIZE THE CITY MANAGER TO EXECUTE SAME

REQUEST

Consider and adopt a resolution approving an exclusive right to negotiate (ERN) agreement by and between the City of Novato and Homeward Bound of Marin for the HUD Parcel in Hamilton, APN 157-970-07 for the potential development of a veteran’s housing project and authorize the City Manager to execute same.

DISCUSSION

In 1995, the City of Novato and the Marin Continuum of Housing and Services entered into a Homeless Facilities Agreement through which the parties agreed that a homeless service center would be constructed at the Hamilton Army Airfield as part of the reuse process and the transfer of the Airfield property from the Department of the Navy to the City. The Homeless Facilities Agreement also provided that the homeless service center property would be leased to an entity which would construct and operate the service center. In 1999, while the Airfield property was still under Navy ownership but under lease to the City, the City and Homeward Bound entered into a sublease through which Homeward Bound constructed the 22,000 square foot facility now known as the New Beginnings Center. In 2001, the Navy transferred the Airfield property to the City and in 2005 a ground lease was negotiated and approved by the City and Homeward Bound. Amendments to the ground lease were approved in 2006.

In 2005 the City entered into a ground lease with Homeward Bound for the construction and operation of an employment and training center for persons transitioning from homelessness. The employment and training center, commonly known as Next Key, consists of 32 units of transitional housing, a culinary job training facility, a conference training facility and administrative offices.
Homeward Bound has now proposed a project on Assessor’s Parcel Number (APN) 157-970-07 which is adjacent to the New Beginnings Center and Next Key in Hamilton, commonly known as the “HUD Parcel.”

The new proposed project on the HUD Parcel would include 25 units of permanent supportive housing for unhoused veterans, 25 units of permanent supportive housing for people exiting homelessness and entering the local workforce, a manufacturing kitchen to create additional supportive employment opportunities for graduates of the Fresh Starts Culinary Academy workforce development program and the development of community facilities to provide additional commercial kitchen rental opportunities for small businesses in the community such as catering companies, food trucks and specialty food purveyors.

Homeward Bound held a community meeting introducing the project on April 25, 2018 at The Key Room at Homeward Bound of Marin. Homeward Bound publicized the meeting on the Hamilton 94949 Facebook Group, Nextdoor and on Homeward Bound’s website. There were approximately 40 attendees including three City Council members, two staff members from Senator McGuire’s office as well as County staff, Veterans Administration staff and a good turn out from local veterans and neighbors.

Homeward Bound’s project timeline has a target date to secure approvals, complete architectural design and secure site control documents by June of 2019 and to secure funding by June of 2020. In September 2018, Homeward Bound received $200,000 in pre-development funds for the HUD parcel site from the Marin Community Foundation and $100,000 in pre-development funds for the HUD parcel site from Tamalpais Pacific. Homeward Bound anticipates that the next round of Veterans Housing and Homelessness Prevention Program (VHHP) funding will open up in May 2019 and will apply for approximately $4 million dollars of funding through the program. The VHHP is a program which allocates $600 million in funds for the development of new affordable housing for veterans and their families.

An Exclusive Right to Negotiate Agreement has been identified as an appropriate agreement to allow Homeward Bound to pursue State funding and conduct its due diligence to determine the feasibility of developing the project.

The main provisions of the HUD Parcel Exclusive Right to Negotiate Agreement are as follows:

- The City and Homeward Bound of Marin each agree they shall negotiate diligently and in good faith to determine if a further agreement(s) between the parties can be negotiated and approved through which Homeward Bound of Marin shall acquire the Property from the City by ground lease for the development of the Project on the Property. The City agrees to negotiate exclusively with the Homeward Bound of Marin and not with any other person nor entity with regard to the acquisition or the development of the Property.

- The duration of the Agreement (the “Exclusive Negotiation Period”) shall be 365 days from the date of execution of the Agreement by the City unless extended or earlier terminated.

- During the due diligence period, Homeward Bound will provide the City with a timeline of the pre-development activities necessary for the development of the Project and
its financing plan. Homeward Bound shall also provide the City with a business plan which identifies the uses Homeward Bound has proposed for the Property and a conceptual site plan disclosing the allocation of space in the Property for the proposed uses.

Homeward Bound will provide a cash deposit with the City to defray City expenses in responding to Homeward Bound requests for assistance in the performance of their due diligence.

During the Exclusive Negotiation Period, the parties will work on creating a ground lease modeled after the New Beginnings and Next Key Ground Leases. This ground lease will return to the City Council for approval.

**FISCAL IMPACT**

There are no costs associated with adopting the resolution approving the Exclusive Right to Negotiate agreement.

**RECOMMENDATION**

Adopt the resolution approving the Exclusive Right to Negotiate agreement with Homeward Bound of Marin and authorize the City Manager to execute same.

**ALTERNATIVES**

1. Adopt the resolution approving the Exclusive Right to Negotiate agreement with Homeward Bound.
2. Do not adopt the resolution approving the Exclusive Right to Negotiate agreement; provide additional direction to staff.

**ATTACHMENTS**

1. Resolution with Exhibit A - Exclusive Right to Negotiate by and between the City of Novato and Homeward Bound
2. HUD Parcel Veterans Housing Proposed Project Description
CITY COUNCIL OF THE CITY OF NOVATO

RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NOVATO APPROVING AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT BY AND BETWEEN THE CITY OF NOVATO AND HOMEWARD BOUND FOR THE HUD PARCEL IN HAMILTON, APN 157-970-07 AND AUTHORIZING CITY MANAGER TO EXECUTE SAME

WHEREAS, in 1995, the City of Novato and the Marin Continuum of Housing and Services entered into a Homeless Facilities Agreement through which the parties agreed that a homeless service center would be constructed at the Hamilton Army Airfield as part of the reuse process and the transfer of the Airfield property from the Department of the Navy to the City. The Homeless Facilities Agreement also provided that the homeless service center property would be leased to an entity which would construct and operate the service center; and

WHEREAS, in 1999, while the Airfield property was still under Navy ownership but under lease to the City, the City and Homeward Bound entered into a sublease through which Homeward Bound constructed the 22,000 square foot facility now known as the New Beginnings Center; and

WHEREAS, in 2001 the Navy transferred the Airfield property to the City and a ground lease was negotiated and approved by the City and Homeward Bound in 2005 and amended in 2006; and

WHEREAS, in 2005, the City of Novato entered into a Ground Lease with Homeward Bound for the construction and operation of the Next Key Project consisting of 32 units of transitional housing, a culinary job training facility, a conference training facility, and administrative offices; and

WHEREAS, Homeward Bound has now proposed a project Assessor’s Parcel Number (APN) 157-970-07 which is adjacent to the New Beginnings Center and Next Key in Hamilton, commonly known as the “HUD Parcel”; and

WHEREAS, the proposed project includes 25 units of permanent supportive housing for unhoused veterans, 25 units of permanent supportive housing for people exiting homelessness and entering the local workforce, a manufacturing kitchen to create additional supportive employment opportunities for graduates of the Fresh Starts Culinary Academy workforce development program and the development of community facilities to provide additional commercial kitchen rental opportunities for small businesses in the community such as catering companies, food trucks and specialty food purveyors; and
WHEREAS, Homeward Bound’s project timeline has a target date to secure approvals, complete architectural design and secure site control documents by June of 2019 and to secure funding by June of 2020; and

WHEREAS, in September 2018, Homeward Bound received $200,000 in pre-development funds for the HUD parcel site from the Marin Community Foundation and $100,000 in pre-development funds for the HUD parcel site from Tamalpais Pacific; and

WHEREAS, the Veterans Housing and Homelessness Prevention Program (VHHP) is a program which allocates $600 million in funds for the development of new affordable housing for veterans and their families and Homeward Bound anticipates applying for approximately $4 million dollars of funding through the program when the next round of VHHP funding opens in May of 2019; and

WHEREAS, an Exclusive Right to Negotiate Agreement has been identified as an appropriate agreement to allow Homeward Bound to pursue State funding and conduct its due diligence to determine the feasibility of developing the project.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Novato does hereby approve the Exclusive Right to Negotiate Agreement with Homeward Bound of Marin for the HUD parcel in Hamilton, APN 157-970-07, attached hereto as Exhibit A, and authorizes the City Manager to execute same.

* * * * * * * * * *

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the City Council of the City of Novato, Marin County, California, at a meeting thereof, held on the 30th day of October, 2018, by the following vote, to wit:

AYES: Councilmembers
NOES: Councilmembers
ABSTAIN: Councilmembers
ABSENT: Councilmembers

________________________________
City Clerk of the City of Novato

Approved as to form:

________________________________
City Attorney of the City of Novato
EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT

THIS EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT (the “Agreement”) is made and entered into this ____ day of ____, 2018 by and between the CITY OF NOVATO, a municipal corporation, (the “City”) and Homeward Bound of Marin, a California non-profit corporation (“Homeward Bound”), on the terms and provisions set forth below (“Agreement”).

RECITALS

A. The City is the owner of certain real property known as the HUD Parcel in the former Hamilton Army Airfield Base, City of Novato (the “Property”). The Property is shown as parcel #157-970-07 on the assessor’s map attached hereto and incorporated herein as Exhibit A.

B. Homeward Bound is interested in entering into a ground lease for the Property with the City for the purpose of developing the Property as a veteran’s housing project (the “Project”).

C. The City and Homeward Bound desire to enter into an exclusive agreement to allow (i) Homeward Bound time to conduct its due diligence to determine the feasibility of developing the Project and (ii) City and Homeward Bound time to negotiate in good faith towards the execution of a ground lease agreement through which Homeward Bound shall develop the Project.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Homeward Bound agree as set forth below.

1. Good Faith Negotiations. The City and the Homeward Bound each agree, that for the period set forth below, they shall negotiate diligently and in good faith to determine if a further agreement(s) between the parties can be negotiated and approved through which Homeward Bound shall have a long term ground lease of the Property from the City for the development of the Project on the Property. For the period herein provided the City agrees to negotiate exclusively with Homeward Bound and not with any other person or entity with regard to the ground lease, acquisition or the development of the Property.

2. Duration of this Agreement. The duration of this Agreement (the “Exclusive Negotiation Period”) shall be 365 days from the date of execution of this Agreement by the City unless the Exclusive Negotiation Period or this Agreement is either (1) mutually extended in writing by the City and Homeward Bound, (2) replaced by a
further agreement between the City and Homeward Bound, (3) terminated by either party for breach or because of the failure of the other to negotiate diligently and in good faith in accordance with the terms of this Agreement.

3. **Right of Entry On Site.** The City and Homeward Bound acknowledge that Homeward Bound may need to gain entry to the Property in order to determine the feasibility of the Project. Homeward Bound agrees that before entering the Property for any purpose Homeward Bound shall obtain the prior written approval and consent of the City. In seeking such approval, Homeward Bound shall provide the City with information regarding the purpose of the entry, and identification of any tests Homeward Bound wants to perform on or to the Property, and the date, time and duration of such entry. Homeward Bound’s activities on the Property shall conform to the scope of the City’s written consent and approval and Homeward Bound shall restore the Property to its same condition it was in prior to Homeward Bound’s entry onto the Property. Homeward Bound agrees to indemnify, defend and hold the City, its officers, employees and agents harmless from any and all claims for damages to persons or property which result from on-site activities of Homeward Bound, its employees, officers, agents, representatives, contractors, subcontractors or consultants. In the event Homeward Bound conducts any tests to the Property, Homeward Bound shall provide the City with copies of all test reports and analyses of such testing within 10 days of Homeward Bound’s receipt of such test reports and analyses.

4. **Homeward Bound’s Obligations**

   A. Prior to the execution of this Agreement, Homeward Bound shall provide the City with full disclosure of its current principals and officers authorized to act on behalf of Homeward Bound and the key managerial employees responsible for this Project and all other material information concerning Homeward Bound and the Project. Any significant changes in the identity of such persons which occur during the Exclusive Negotiation Period shall be promptly disclosed to the City in writing.

   B. Within 60 days of the execution of this Agreement, unless such period is extended in writing by the parties, Homeward Bound shall provide the City with:

      1. A time line of the pre-development activities necessary for the development of the Project, including, but not limited to, an identification of the permits and entitlements Homeward Bound will require in order to develop the Project.
2. Homeward Bound’s financing plan for the development of the Project. A conceptual site plan, disclosing the allocation of space in the Property for the proposed uses.

C. Within 120 days of the execution of this Agreement, unless such period is extended in writing by the parties, Homeward Bound shall provide the City with:

1. Preliminary cost estimates, sources and uses of funds, and a financing plan that demonstrates that Homeward Bound has the financial ability to complete the Project.

2. A development schedule/time line that reflects the tasks necessary to complete the Project from submittal of an application to the City through completion of construction and occupancy.

D. Despite the time lines and timed obligations contained above, upon reasonable notice, as from time-to-time is requested by the City, Homeward Bound agrees to make monthly oral and written progress reports to the City regarding activities in connection with the Property and the Project.

E. At the expiration of the term of this agreement and any extensions thereof (if any) and if the City and Homeward Bound are unable to successfully agree on terms for the ground lease of the Property, Homeward Bound shall provide the City with copies of the all plans, cost analysis, income and expense projections, studies, reports and estimates, pertinent to the Property and/or connected with and/or arising out of Homeward Bound’s performance under this Agreement (“Homeward Bound’s Documents”) obtained and/or prepared by and/or for Homeward Bound.

5. City’s Obligations

1. The City shall cooperate in providing Homeward Bound with appropriate information and public documents in regards to the Property and development of the Project which are requested by Homeward Bound.

2. The City shall promptly review the reports, plans, studies, time lines, etc. submitted by Homeward Bound pursuant to this Agreement and shall notify Homeward Bound in writing if such reports, plans, studies, time lines, etc., if any, comply with the terms of this Agreement. In the event the City determines that such documents do not comply, the City shall provide Homeward Bound with a written list of deficiencies and corrections which Homeward Bound must make to such documents in order that they shall conform.
6. Cost Recovery Deposit

   A. Upon execution of this Agreement, Homeward Bound shall deposit $25,000 with the City which will be used solely by the City to defray its expenses in responding to Homeward Bound’s reasonable requests for assistance in the performance of Homeward Bound’s due diligence.

   B. The City shall charge against and pay from said deposit the fully burdened hourly rate of those City personnel, the actual costs of those consultants retained by the City, and the actual costs of legal counsel retained by the City whose assistance is reasonably necessary to respond to Homeward Bound’s reasonable requests for information. Also to be charged against said deposit will be the City’s and its consultant’s and counsel’s out of pocket costs incurred in providing the information Homeward Bound requests in the conduct of its due diligence.

   C. If said deposit is exhausted such that there remain less than $1,000 on deposit with the City, then, within 10 days of receiving a written demand therefor from the City, Homeward Bound shall replenish the deposit to $5,000.

   D. Upon request, Homeward Bound shall be entitled to review and obtain copies of all invoices and bills charged against the deposit, except those that are privileged, such as the bills submitted by the City’s legal counsel. As to such privileged billings, summaries of the amounts charged to the City for the work performed by such advisors and consultants shall be provided to the Homeward Bound upon request.

   E. In the event that Homeward Bound fails to replenish the deposit or otherwise timely pay the costs and fees it is required to pay hereunder, then this Agreement shall automatically terminate, the parties shall have no further rights or obligations under this Agreement unless otherwise expressly provided herein and the City shall be under no obligation to provide any information or assistance to Homeward Bound with respect to Homeward Bound’s efforts to conduct its due diligence or otherwise.

   F. In the event funds from the deposit are not expended, and subject to Section 8, below, the balance shall be retained by the City when a lease is executed between the City and the Homeward Bound or at the expiration of the Exclusive Negotiating Period if the Homeward Bound elects not to lease the Property.
7. **Exclusive Negotiation Period’s Purpose.** In addition to the purpose described in Section 1, above, it is Homeward Bound’s objective and intent during the Exclusive Negotiation Period to obtain sufficient information and data in order to determine whether it is feasible to lease the Property and thereafter operate it as the Project.

8. **Default and Termination.** In the event either party fails to negotiate diligently and in good faith, or otherwise breaches its obligations as contained in this Agreement, the non-breaching party may terminate this Agreement by first providing written notice to the breaching party identifying the alleged breach caused or committed. The parties shall then meet to discuss the alleged breach if one of the parties desires such a meeting. If the breach is curable, the breaching party shall have 10 days from the receipt of such notice to cure the alleged breach.

The non-breaching party may terminate the Agreement if the breaching party fails to cure the breach to the satisfaction of the non-breaching party with this 10-day period. Upon termination of the City’s uncured breach, the City shall refund the full deposit specified in Section 6, less any funds expended to Homeward Bound within 60 days of the date the Agreement was terminated. Within this same 60-day period, Homeward Bound shall provide the City with electronic copies of all Homeward Bound’s Documents which have not previously been provided to the City.

9. **Term.** Except as is expressly provided elsewhere in this Agreement, this Agreement and all the rights and obligations hereunder shall terminate and be of no further force and effect at the end of the Exclusive Negotiation Period or upon Homeward Bound’s delivery to the City of a written notice advising the City that Homeward Bound is no longer interested in acquiring any interest in the Property, whichever comes first.

10. **Exclusivity.** During the term of this Agreement, the City agrees and warrants that the City shall not negotiate with any other person or entity regarding the development, sale, lease, disposition or any type of conveyance of the Property or any portion thereof. Notwithstanding the preceding sentence, nothing in this Agreement shall be deemed to limit the City’s authority to negotiate or enter agreements with other public agencies pertaining to (i) activities those other public agencies wish to conduct on or in the Property, and/or (ii) improvements and/or the maintenance and repair of improvements on or near the Property. The parties expressly acknowledge that the parties may obtain injunctive relief to enforce this provision, if necessary.

11. **Notice.** The principal officers of the Homeward Bound and City are located at:

   **Homeward Bound:**
   Homeward Bound of Marin  
c/o Paul Fordham, Deputy Executive Director  
1385 N. Hamilton Parkway, Novato, CA 94949
All communications shall be delivered to Homeward Bound and City by (a) first class U.S. mail, postage prepaid, (b) overnight courier, or (c) by facsimile and email at their respective above addresses or fax numbers, as the case maybe. Communications delivered by first class mail shall be deemed received two days after posting. Communications delivered by facsimile and email shall be deemed received on the day the communication is faxed and emailed, as long as the identical communication is, on that same date, mailed first class mail, postage prepaid. Communications delivered by overnight courier shall be deemed received when actually delivered. The above addresses and facsimile numbers may be changed by using any of the communication methods described herein.

12. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of California, and any action brought to enforce its terms and conditions shall be brought in the Superior Court of the County of Marin.

13. **Assignment.** Homeward Bound shall not transfer or assign this Agreement or any part hereof without the prior written consent of the City, which consent may be withheld for any or no reason. Action by Homeward Bound to assign or transfer this Agreement and any part hereof, without the prior written consent of the City shall constitute the termination of this Agreement.

14. **Integration.** This writing is intended both as the final expression of the Agreement between the parties hereto and a complete and exclusive statement of the terms of the Agreement pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by the City and Homeward Bound.

15. **Authorization.** The persons who execute this Agreement warrant that they have been duly authorized to do so and that by signing this Agreement the party which they represent is bound by the terms and conditions hereof.

16. **Real Estate Commissions.** The City shall not be liable for any real estate commissions or brokerage fees which may arise herefrom. The City represents that it has engaged
no broker, agent or finder in connection with this transaction. Each party (“first party”) shall defend, indemnify and hold the other party (“second party”) harmless from any and all claims for commissions or brokerage fees made by any broker, agent or finder retained by the first party. This indemnity shall survive the termination of this Agreement.

17. Waiver of Lis Pendens. It is expressly agreed by the parties that no lis pendens shall be recorded against any portion of the Property with respect to this Agreement or any dispute or act arising from it.

18. Attorney’s Fees. In the event any action shall be instituted between the parties arising out of the enforcement of interpretation of this Agreement, the party prevailing in such action shall be entitled to recover from the other party all of the former’s costs, including attorneys’ fees.

19. Limitations of this Agreement. By its execution of this Agreement, the City is not committing itself to or agreeing to the disposition of and transfer of the Property to Homeward Bound either by sale or lease. In addition, the City is not committed to or agreeing to undertake any acts or activities requiring the subsequent independent exercise of discretion by the City or any agency or department thereof, other than as specifically set forth and agreed to by the City under this Agreement. This Agreement does not constitute a disposition of the Property by the City or a right bestowed upon the Homeward Bound of control over the Property. Execution of this Agreement by the City is merely an agreement to enter into a period of exclusive negotiations with the Homeward Bound according to the terms hereof; reserving final discretion and approval by the City as to future agreement and proceeding and decisions in connection therewith and therefore, the approval and execution of this agreement is not a project under the California Environmental Quality Act.

20. Recitals Incorporated. The Recitals are hereby incorporated by this reference as though fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set opposite their signatures. The effective date of this Agreement shall be the date this Agreement is signed by the City.

Date: __________  “CITY”

THE CITY OF NOVATO, a municipal corporation

By: _____________________________________

Regan M. Candelario, City Manager
Date: ________  “HOMEWARD BOUND”

HOMEWARD BOUND OF MARIN

By: _____________________________________

Paul Fordham, Deputy Executive Director

APPROVED AS TO FORM:

By: _________________________________

Veronica Nebb, Assistant City Attorney
DESCRIPTION: Homeward Bound of Marin, in partnership with the City of Novato and the Department of Veterans Affairs, proposes development of the 2.8-acre site on the former Hamilton Army Airfield, now known as the “HUD Parcel,” for the following uses:

I. END VETERAN HOMELESSNESS IN MARIN COUNTY – BUILDING 25 UNITS OF PERMANENT SUPPORTIVE HOUSING FOR HOMELESS VETERANS

These 25 units, in conjunction with HUD-VASH, and the VA per diem transitional beds already located at our adjacent New Beginnings Center, will end veteran homelessness in Marin County.

There are an estimated 94 veterans experiencing homelessness on any given night in Marin, according to the 2017 Homeless Census & Survey. The survey also shows that veterans remain homeless for longer periods of time than non-veterans, and 89% have a disabling condition—significantly higher than 57% of non-veterans who have disabilities. At Homeward Bound last year, a third of all veterans in our programs were chronically homeless adults with disabilities, making them one of the most vulnerable groups we serve.

Development of these critically-needed permanent supportive housing units dedicated to veterans will allow Marin to be one of the first counties in California to bring an end to veteran homelessness, and to do so on a former military base is particularly fitting.

II. EXPAND SUCCESSFUL PROGRAMS – BUILDING 25 SUPPORTIVE HOUSING UNITS FOR PEOPLE EXITING HOMELESSNESS AND ENTERING THE LOCAL WORKFORCE

We will build 25 units of permanent supportive housing to expand on the successful workforce housing and training programs offered by Homeward Bound for people exiting homelessness and entering the local labor force.

Current examples of Homeward Bound’s successful workforce housing programs include our Next Key Apartments and Oma Village family housing community. Through these programs, residents stabilize and become self-sufficient, strengthening Marin’s workforce by filling local labor needs for industries such as restaurants, hospitals, assisted living, higher education, correctional facilities, automotive shops, and landscaping companies.

III. INCREASE EMPLOYMENT OPPORTUNITIES

We will add a manufacturing kitchen to give our social enterprises much-needed room to grow, while also creating additional supportive employment opportunities for students of our successful culinary job training program.
IV. DEVELOPMENT OF COMMUNITY FACILITIES

This site will also provide additional commercial kitchen rental opportunities for small businesses in our community, such as food trucks, catering companies, and specialty food purveyors. Homeward Bound will charge rental fees for these uses, which will help generate revenue for our housing and job training programs. Our current kitchen has several rental clients, but we often turn down new rental requests for lack of space.

SITE CONTROL: An ERN is currently being negotiated. The City of Novato will lease the land to Homeward Bound at $1/year for 99 years as part of the “Hamilton Reuse Plan.” This plan includes the Legally Binding Agreement stipulating that the “Commissary Triangle”—the parcel described by this proposal—be designated for public benefit homeless service use, including provisions for homeless facilities, housing, support services, and job training.

FUNDING REQUEST TO TAMALPAIS PACIFIC:
Homeward Bound respectfully requests your consideration of a $100,000 grant from Tamalpais Pacific for pre-development costs that will launch this exciting new project, including engineering studies, architectural plans, application costs, and permit fees.

Thank you for considering this funding request.

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<th>STEPS</th>
<th>TARGET DATE</th>
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<tr>
<td>-Secure Approvals</td>
<td>July 2018 - June 2019</td>
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<td>-Complete Architectural Design</td>
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<td>-Secure Site Control Documents</td>
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<td>-Secure Funding</td>
<td>July 2018 - June 2020</td>
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<td>-Construction Phase</td>
<td>July 2020 - June 2021</td>
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<tr>
<td>-Grand Opening</td>
<td>Summer 2021</td>
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<td>-Residents Move In</td>
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Funding Summary and Sources
The overall cost to develop this site is estimated to be $20 million. Homeward Bound will take the lead in raising funds.

Pre-Development Costs - $300,000
$200,000 – Marin Community Foundation: Pre-Development Funding

$100,000 – Tamalpais Pacific

Capital Costs - $20,000,000
$4,000,000 – Marin Community Foundation: Capital Funding

$4,000,000 – California Veterans Housing & Homelessness Prevention Program (HCD)

$8,000,000 – Debt-financing (covered by $80,000 per month from Project-based Housing Choice vouchers)

$1,000,000 – County of Marin Housing Trust Funds

$1,000,000 – County of Marin HOME Funds

$1,000,000 – County of Marin General Funds

$750,000 – Other Foundations, Individual Contributions

$250,000 – U.S. Department of Veterans Affairs

Operational Sustainability
Project-based Housing Choice vouchers will ensure affordability for residents and provide critical funding for operational sustainability and debt financing.