

135 W Green St Suite 200 Pasadena, CA 91105 t: 323 223 .0441 f: 626 204 .4444 tplorg October 19, 2021

Ms. Grace Lee
City of Garden Grove, Office of Economic Development
11222 Acacia Parkway
Garden Grove, CA 92840
gracel@ggcity.org

RE: Sale/Lease of the property located at 3017 W. 5th Street, Santa Ana, CA 92703 per the Surplus Land Act.

Dear Ms. Lee,

In response to your email dated October 1, 2021 requesting additional information pertaining to our proposal to acquire the Willowick Golf Course, I have included the responses set forth below. We note that the request for information is framed to treat all prospective buyers as proposing to buy the property for development. The request for information does not contemplate/address a prospective buyer proposing to buy the property for continued use as open space.

1. Provide the specific items that need to be satisfied during the developer's due diligence period.

TPL is not a developer; the acquiring public agency/ultimate land steward is not a developer. In connection with the proposed acquisition, TPL will conduct all appropriate due diligence of the title, physical and environmental conditions of the subject property, including contracting for title searches, surveys, environmental inspections and other activities required by TPL. The title, physical and environmental conditions of the property must be satisfactory for the acquiring public agency to continue the use of the property as public recreational open space.

2. If a deposit is proposed, provide the amount of deposit that is non-refundable.

TPL would be willing to negotiate a non-refundable deposit commensurate with the other proposers bidding on the project if we can come to an agreement with the City of Garden Grove on an acquisition price. 1% of fair market value or \$25,000, refundable until due diligence contingencies are lifted, once contingencies are lifted, deposit becomes non-refundable and applicable to purchase price.

3. If a deposit is proposed, provide a schedule of when the balance of the deposit will be due and at what point it will become non-refundable.

Our proposal is to purchase the property outright after completion of due diligence, for all cash at closing. Once contingencies are lifted we have 60 days to close.

4. How many acres of the 101.5 does the proposal anticipate selling off to other developers?

None. TPL proposes to purchase the 101.5 acres of land for open space. TPL does not foresee selling any portion of the property to other developers but rather, and contingent upon an upzone of a portion of the property by the City of Santa Ana, the ultimate land steward may consider leasing up to 14 acres of land to Clifford Beers for development of 100% affordable housing.

- 5. If you will consider a long-term lease of the Site, provide a detailed description and project schedule for a proposed land lease, along with the following information:
  - a. Terms of lease,
  - b. Schedule of payments,
  - c. Amount of land required to be sold, if any,
  - d. Include pro formas for the proposed land lease scenario and project schedule/timeline.

Not applicable. The acquiring public agency will take title to the property.

If you will consider a long-term lease of the Site either with or without an option to acquire and sell a portion of the Site, please provide the above information for both options (i.e., with land sales and without land sales).

N/A

6. Provide the acreage to be allocated to public open space and whether the open space use will be reserved only for project residents and businesses.

All the 101.5 acres will be open to the public for open space uses, given this will be a purchase for continued use as public recreational open space.

7. Please provide an overall project schedule. If you intend to proceed in phases, also provide sub-schedules for each development phase.

Based on the deposit and anticipated selling price, six months due diligence period; upon lifting of due diligence contingencies, 60 days to close escrow.

- 8. If your proposal is contingent on development approvals or revenue/income stream, please provide the following:
  - a. Development pro formas that will be added to the City's SLA Website,
  - b. Proposed project cash flow pro forma that will be added to the City's SLA Website.

N/A

- 9. Provide a detailed breakdown of all residential units, including the following:
  - a. number of bedrooms per unit,
  - b. square footage of each unit,
  - c. number of for sale units,
  - d. number of for rent units,
  - e. number of units that will be affordable.

N/A; purchase for continued use as public recreational open space.

- 10. Provide a detailed breakdown of all affordable residential units, including the following:
  - a. level of affordability of each unit,
  - b. size of each unit, broken down by affordability level,
  - c. number of bedrooms per unit, broken down by affordability level,
  - d. number of for rent and for sale units, broken down by affordability level,

N/A; purchase for continued use as public recreational open space.

11. Provide a proposed purchase price for the Site with no contingencies and "as-is." Fair market value as determined by independent appraisal that can be reviewed and approved by DGS.

If you have any questions or would like to speak further about this letter, please contact me at, <a href="mailto:robin.mark@tpl.org">robin.mark@tpl.org</a> or 323.333.6310.

Respectfully,

Robin Mark

Los Angeles Program Director

The Trust for Public Land