

Letter of Interest

Veterans Administration Sausalito Property Public Private Partnership

From: ■ ■ ■ ■ ■ ■ ■ ■

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To: ◆ ◆ ◆ ◆ ◆ ◆ Development Team

Purpose of This Letter

This letter is to express my interest in investing in the Veterans Administration Sausalito Property Public Private Partnership (PPP).

Both I and my team have reviewed the detailed Conceptual Proposal and various financial projections and, having discussed them with your development team, believe the concept to have considerable merit and significant opportunity.

I would like to form a partnership with the VA, and the 3 developers working under the ◆ ◆ ◆ ◆ ◆ ◆ umbrella, to translate this concept into a profitable operation that is a win for the VA, the development team, myself, the City of Sausalito, and the citizens of Sausalito.

Validation of Concept

I understand that the current major components of the project will be; developing the property so that the VA has some form of office space on the second floor, and developing one or more business models for the first floor.

As an initial business model, a classic/luxury car storage business and a restaurant are envisioned for the first floor.

Understanding of Projected Cost

The projected cost of the project is currently \$12M - \$15M).

I have the financial resources to fully fund this project.

I also understand this cost may change in Phase 2 of this project, based on a variety of factors.

Understanding of Phased Approach & Key Activities Per Phase

◆ Phase 1

- ◆ Fill out and submit the VA's RFQ
- ◆ Demonstrate a VA certified A&E firm and wider development team that is experienced and qualified to develop this project
- ◆ Demonstrate an interested and financially viable investor

◆ Phase 2

- ◆ Working with a wide array of stake holders, interested parties, and appropriate government agencies, finalize an acceptable concept, then develop a detailed design and redevelopment program plan
- ◆ Demonstrate the ability to fund the finalized proposal/plan
- ◆ Negotiate and agree to the specifics of the PPP by all partners

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Understanding of Key Team Members for this Partnership

I understand that the key partners in this PPP will include the appropriate representatives of the Veterans Administration, the ♦ ♦ ♦ ♦ ♦ A&E firm, and the other co-developers who originated this project

Understanding of Need to Validate Financial Resources

I understand that I will need to provide validation that I have access to the necessary investment funds that will be required for the project, both in Phase 1 and Phase 2

Understanding of Potential Project Changes/Decisions in Phase 2

I understand that there may be significant changes in the project during Phase 2. These include, but are not limited to;

- ♦ The business concept for the ground floor of the building may change, based on a variety of factors
- ♦ The VA may change its desired use of the property
- ♦ The VA may change its focus as to the structure of the PPP, or terms and conditions of the PPP, based on flexibility in its PPP guidelines and/or other factors
- ♦ The rough order of magnitude projected cost for the current proposal may change during Phase 2 (depending on various factors that will not be decided until that phase)

High Level of Interest in This Project

I have been following this project since its earliest inception/iterations, and have maintained a consistent belief in the potential of redeveloping the property, if the right PPP partners could be assembled.

I look forward to becoming an enabling partner in a highly successful PPP that can transform the Sausalito property into a unique and special location in the city.

Sincerely



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10/12/17