

**City-owned Hamilton Properties
Community Meeting
March 20, 2017**

Questions & Answers

Will we get multiple proposals?

Staff will endeavor to craft any Requests for Proposals to maximize the chances of receiving multiple proposals. However, there is no way to guarantee the number of proposals that will be submitted.

What is the reality for the Commissary site?

The Commissary parcel is probably the most viable candidate for economic redevelopment of any of the Hamilton FLP sites and may be desirable for any number of uses, including residential, hotel and possibly retail. An RFP process may reveal other options.

Why the rush? Is 90 days enough time (for developers to hear about the RFP & to respond)?

90 days is a typical response time allowed for RFPs such as those contemplated for the Hamilton properties and it allows adequate time for potential proposers to respond.

How will the RFP be distributed?

RFPs will be posted on the City's website as well as other relevant websites (ex: oppsites.com) as well as in local newspapers, distributed to any parties that have expressed interest in the sites to the City, and will be directly marketed to qualified, reputable real estate developers.

Could there be non-profit interest in these sites?

Yes. However, other than affordable housing groups, no non-profits have expressed an active interest in any of the sites.

Was there zoning assigned to these sites as part of the Hamilton FLP Exchange?

No.

Does the Town Center have to have housing?

It does not. However, a residential use of some kind is the most likely economic driver to fund public amenities on that site. There might also be other viable options revealed via an RFP process.

Can we identify 3-6 criteria that the proposals adhere to?

The draft RFP process for the BOQ and Town Center parcels currently contemplate 3 mandatory criteria for any proposal:

- 1) That they restore any historic structures to Sec. of Int. Standards.
- 2) That they maintain or replace in kind any City facilities currently on the site.
- 3) That they allow for parking for any City facilities currently utilizing the RFP area for parking.

Can the Hamilton Trust funds be used (to rehabilitate the Hamilton properties)? How much is in the fund?

The Hamilton Trust is a \$32 million permanent, irrevocable trust whose principal can never be spent, per the trust document. The principal must be invested in qualified investment vehicles in accordance with the City's investment policy and state code. The City is the beneficiary of the Trust, with most of the interest / investment earnings from the trust going to the City's General Fund. The Novato Public Financing Authority (NPFA), a joint powers authority, is the trustee and directs the investments of the trust.

Several times since the Trust was created, the NPFA has chosen to invest a portion of its funds as an interest-bearing loan to the City in order to finance a City project. This occurred in 2004 with the renovation project at the City's Corporation Yard and more recently in 2016/2017 with the financing of the Downtown SMART Station Phase 1. In both instances, the City's General Fund was the repayment source for such financings, which were used as an alternative to publicly issued bonds or privately-placed bank loans.

It is theoretically possible that an additional loan from the Hamilton Trust could be used as part of a financing strategy for the renovation of properties in Hamilton. However, the City must identify a repayment source for such loans. Without an alternative repayment source, the City's General Fund would be obligated to repay the loan from the Trust.