

ATTACHMENT C

Legally Binding Agreement (HAS Exhibit 4)

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 2.

1 **WHEREAS**, if HUD determines that the HAS and Redevelopment Plan adequately
2 address the needs of the homeless in the surrounding community and balance the needs of the
3 homeless with the needs of the community for economic redevelopment, then HUD will approve
4 the HAP and the Redevelopment Plan and notify the DoD and the LRA of such approval;

5
6 **WHEREAS**, pursuant to the screening process set forth in the Redevelopment Act and
7 the Base Closure Act, each Provider submitted a Notice of Interest (“**NOI**”) to the LRA, to use
8 portions of the AFS Property to carry out each Providers proposed homeless assistance program
9 (individually, a “**Program**” and collectively, the “**Programs**”);

10
11 **WHEREAS**, MidPen and Charities Housing submitted to the LRA revised NOIs to
12 consolidate their proposed homeless programs to construct permanent supportive housing for the
13 homeless (“**Consolidated Program**”) on approximately four and six-tenths (4.6) acres of land
14 located on the southern portion of the AFS Property (the “**Provider Property**” more particularly
15 described at Exhibit A);

16
17 **WHEREAS**, the LRA and the Providers wish to enter into this Agreement to set forth the
18 terms and conditions for the Providers to implement the Consolidated Program, comply with
19 applicable Federal laws, address the needs of the homeless, and to further the reuse and
20 redevelopment of Onizuka AFS.

21
22 **NOW, THEREFORE**, the Parties hereby agree as follows:

23 24 **ARTICLE 1. LRA OBLIGATIONS.**

25
26 **1.1 Redevelopment Plan.** The LRA will complete and file with DoD and
27 HUD on or before the federally mandated filing date, as such date may be extended, a HAS and
28 Redevelopment Plan that includes the use of the Provider Property by the Providers at no cost for
29 the purposes set forth in the Consolidated Program.

30
31 **1.2 Pre-Development Costs.** Following execution of this Agreement, the LRA
32 will reimburse each Provider up to fifty thousand (\$50,000.00) dollars for eligible administrative
33 and out-of-pocket costs associated with predevelopment activities approved by the LRA for
34 acquiring and developing the off-site accommodation, whether or not the LRA delivers to the
35 Providers an Election Notice all in accordance with Section 1.5 below.

36
37 **1.3 Acquisition of the Provider Property.** Following HUD approval of the
38 Redevelopment Plan, the LRA shall seek to acquire title to the Provider Property from the Air
39 Force at no cost pursuant to a Government deed to the Provider Property (“**Government Deed**”)
40 for Homeless Purposes, as hereinafter defined, in accordance with the Base Closure Act, the
41 Redevelopment Act, the Redevelopment Plan, the Consolidated Program and this Agreement.

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 3.

1 **1.4 Conveyance of the Provider Property.** Immediately upon receiving title to
2 the Provider Property from the Air Force, the LRA will execute and tender to each Provider
3 separate ninety (90) year ground leases for that Provider's allocated portion of the Provider
4 Property in accordance with the preliminary lease terms set forth at Exhibit B ("**Provider**
5 **Property Lease**") in accordance with the Base Closure Act, Redevelopment Act, the
6 Redevelopment Plan, the Consolidated Program and this Agreement so the Providers may
7 implement the Consolidated Program at the Provider Property in a manner that will serve
8 homeless persons who meet the definition of "homeless persons" as set forth in the McKinney-
9 Vento Act (42 U.S.C. § 11301 et seq.) ("**Homeless Purposes**") for the term of the leases. Each
10 Provider shall execute its Provider Property Lease no later than the later of June 30, 2013 or the
11 date the Air Force conveys the Provider Property to the LRA, with the ability to request an
12 extension at the discretion of the City of Sunnyvale City Manager.
13

14 **1.5. Off-Site Accommodation:** MidPen and Charities Housing submitted to the
15 LRA a proposed affordable housing program to construct permanent supportive housing for
16 persons of various income levels on property owned by the City of Sunnyvale ("**Affordable**
17 **Housing Program**"). Following the satisfaction of all of the contingencies set forth in Section
18 3.1, the LRA, at its sole discretion, may provide to the Providers an off-site accommodation
19 ("**Off-Site Accommodation**") to implement the Affordable Housing Program at the former
20 National Guard Armory site located at 620 E. Maude Avenue described more fully in Exhibit C
21 ("**Armory Property**"), by providing the Providers with a notice ("**Election Notice**") as follows:
22

23 **1.5.1** Together with the Election Notice, the LRA shall deliver to each Provider
24 an executed (a) ninety (90) year ground lease for that Provider's allocated portion of the
25 Armory Property in accordance with the preliminary Armory lease terms set forth at
26 Exhibit D ("**Armory Property Lease**") and (b) a regulatory agreement with the City, all
27 in accordance with the Base Closure Act, Redevelopment Act, the Redevelopment Plan,
28 the Affordable Housing Program and this Agreement so the Providers may implement,
29 among other homeless programs, the Affordable Housing Program at the Armory
30 Property. Each Provider shall execute its Armory Property Lease no later than December
31 30, 2013, or 21 months after the date of the Election Notice, whichever date is later.
32 However, the ability to request an extension for additional reasons shall be at the
33 discretion of the City Manager.
34

35 **1.5.2** As part of the Off-Site Accommodation, the LRA will provide each
36 Provider with a financial contribution in the amount of four million and one hundred
37 thousand (\$4,100,000.00) dollars ("**Financial Contribution**"), to be used by the Provider
38 for the predevelopment, entitlement and long-term lease of the Armory Property and the
39 construction of suitable facilities ("**Facilities**"). Collectively, the Armory Site and
40 Facilities are referred to as the "**Project**." All aspects of each Provider's Project shall
41 comply with the terms and conditions contained in the Armory Property Leases and the
42 Regulatory Agreement.

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 4.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41

1.5.3 The total Financial Contribution shall be comprised of:

(a) A non-recourse fifty thousand (\$50,000.00) dollar loan paid to each Provider to reimburse eligible administrative and out-of-pocket costs associated with predevelopment activities set forth in Section 1.2 above.

(b) Not more than ninety (90) days after the LRA delivers the Election Notice, and the Providers execute the Armory Property Leases and the Regulatory Agreement, the LRA will reimburse each Provider a non-recourse three hundred fifty thousand (\$350,000.00) dollar loan for eligible costs approved by the LRA for each Provider’s Project, for performing necessary technical studies, obtaining land use entitlements, preparing construction documents and cost estimates, paying development and permit fees, performing site remediation and clearance and constructing the Project.

(c) Not more than ninety (90) days after the City approves the land use entitlements and Regulatory Agreement for the Armory Property, and the Providers execute the Armory Property Lease and the Regulatory Agreement, and contingent upon the sufficiency of the City’s Housing Assistance Fund balance, the LRA shall make a three million seven hundred thousand (\$3,700,000.00) dollar contribution in the form of a deferred or residual receipts loan to each Provider. This \$3,700,000.00 shall be used by the Providers to make one-time lump sum rent payments to the City under the terms of the Armory Property Leases and Regulatory Agreement.

1.6 Environmental Condition of Property. In the event that an environmental analysis undertaken by the Air Force (or any other environmental regulator, as applicable), indicates that the Provider Property or the Armory Property, as appropriate, is not suitable for its intended homeless purposes set forth in the Consolidated Program or the Affordable Housing Program, as appropriate, then the Parties agree to make best efforts to negotiate an alternative arrangement to accommodate the Consolidated Program.

ARTICLE 2. PROVIDER OBLIGATIONS.

2.1 Consent to NOI Objectives. In consideration for the long-term leases of the Provider Property to the Providers, or the long term leases of the Armory Property to the Providers, as appropriate, the Providers covenant and agree to lease, develop, improve and use the Provider Property or the Armory Property, as appropriate, as the preferred means to accomplish the goals set forth in the Consolidated Program in accordance with the Redevelopment Plan, or the Affordable Housing Program, as appropriate, and this Agreement in a manner that will serve Homeless Purposes for the term of the leases.

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 5.

1 **2.2 Effect of Election Notice.** In the event the LRA delivers the Election Notice to
2 the Providers, the Providers immediately will process through the City the required General Plan
3 Amendment, zoning and project entitlements and approvals necessary to construct the Project
4 and implement the Affordable Housing Program on the Armory Property.
5

6 **2.3 Costs.** Providers shall be responsible for costs and expenses associated with the
7 design, construction and operation of the Provider's Project to implement the Consolidated
8 Program on the Provider Property or the Affordable Housing Program on the Armory Property,
9 as appropriate, from the effective date of the Provider Property Leases or the Armory Property
10 Leases, as appropriate, using their own resources together with resources made available to the
11 Providers under this Agreement.
12

13 **2.4 Insurance.** From the effective date of, and in accordance with, the Provider
14 Property Leases or the Armory Property Leases, as appropriate, the Providers shall maintain a
15 policy of commercial general liability, bodily injury/property damage insurance for the Provider
16 Property or the Armory Property, as appropriate, and shall name the LRA as an additional
17 insured.
18

19 **2.5 Acceptance of Property.** The Providers will accept possession of the
20 Provider Property by means of the Provider Property Leases or the Armory Property by means of
21 the Armory Property Leases, as appropriate, and agree to the terms, conditions, covenants and
22 use restrictions contained therein.
23

24 **2.6 Transfer or Conveyance.** Without the written consent of the LRA, which
25 consent shall not be unreasonably withheld, conditioned or delayed, the Providers may not
26 convey or transfer any portion of the Provider Property or the Armory Property to another party,
27 either in whole or in part, except to a wholly-owned affiliated entity or limited partnership of a
28 Provider that assumes all obligations of the Provider under this Agreement. The LRA shall have
29 sixty (60) days from receipt of such notice to object in writing to such a transfer or conveyance.
30 Failure of the LRA to so object in writing within such sixty (60) day period shall be deemed
31 consent.
32

33 **2.7 Communication by Providers** If any Provider makes any written
34 comments, or engages in any written communications, with any local, state, or federal agency
35 regarding the approval or implementation of any future development proposals, applications,
36 approvals or permits (including any related environmental documentation) relating to the AFS
37 Property, or any proposed, approved, or existing uses to the AFS Property or off-site
38 accommodation purchased by a Provider pursuant to the terms of this Agreement, upon request,
39 such Provider shall immediately provide complete copies of such written comments or
40 communications to the LRA; provided, however, that all Provider communications with HUD
41 shall be immediately provided to the LRA.
42

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 6.

1 **2.8 Indemnification.** The Providers shall indemnify and save the LRA harmless
2 against any and all claims, demands, suits, judgments of sums of money to any party accruing
3 against the LRA for loss of life or injury or damage to persons or property growing out of,
4 resulting from, or by reason of any act or omission or the operation of the Providers, their agents,
5 servants or employees while engaged in or about or in connection with the discharge or
6 performance of the Provider Project or the implementation of the Consolidated Program or the
7 Affordable Housing Program by the Providers hereunder (unless the foregoing results from the
8 intentional acts or negligence of the LRA). The Providers shall also hold the LRA harmless
9 from any and all claims and/or liens for labor, services, or materials furnished to the Providers in
10 connection with the performance of the Providers obligations under this Agreement and any
11 obligations of the Providers by reason of a default under this Agreement.
12

13 **ARTICLE 3. CONTINGENCIES**

14
15 **3.1 Contingencies.** The obligations of the Parties set forth under this
16 Agreement are contingent upon the following events occurring (the “**Contingencies**”):
17

18 **3.1.1** Approval of the LRA’s Homeless Assistance Submission, including this
19 Agreement and the Redevelopment Plan, by HUD;
20

21 **3.1.2** The closure of Onizuka AFS and the disposal of the Provider Property by
22 the Air Force in accordance with the Redevelopment Plan; and
23

24 **3.1.3** The designation by the Air Force (and any other environmental regulator,
25 as applicable) that the Provider Property is environmentally suitable for the intended
26 purposes set forth in the Consolidated Program.
27

28 **ARTICLE 4. FAILURE BY THE PROVIDERS TO USE PROPERTY FOR HOMELESS** 29 **PURPOSES.**

30
31 **4.1 Notifications to LRA.** If the Providers (i) determine that they will no
32 longer use the Provider Property or the Armory Property, as appropriate, for Homeless Purposes
33 or the Affordable Housing Program, as appropriate, (ii) are notified by the Air Force that they are
34 failing to comply with any Government Deed covenants on the Provider Property, or (iii) are
35 notified by an agency of the United States that they are failing to comply with the terms and
36 conditions of the Consolidated Program, the Affordable Housing Program, or this Agreement,
37 then the Providers shall promptly notify the LRA of such event in writing.
38

39 **4.2 Return of Property to the LRA.**

40
41 **4.2.1** In the event that the Providers determine that they will no longer use the
42 Provider Property in accordance with the Provider Property Leases, or the Armory

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 7.

1 Property in accordance with the Armory Property Leases, as appropriate, for Homeless
2 Purposes in accordance with the Consolidated Program, the Affordable Housing
3 Program, and this Agreement, then the Providers shall promptly relinquish possession of
4 the Provider Property or the Armory Property, as appropriate, to the LRA.
5

6 **4.2.2** In the event that the LRA alleges that the Providers (i) have abandoned the
7 Provider Property or the Armory Property, as appropriate, or (ii) are not using the
8 Provider Property in accordance with the Provider Property Leases, the Consolidated
9 Program, and this Agreement or are not in compliance with one or more restrictions
10 contained in the Government Deed, or (iii) are not using the Armory Property in
11 accordance with the Armory Property Leases, the Consolidated Program, the Affordable
12 Housing Program, or this Agreement (collectively, an “**Alleged Default**”), then the LRA
13 shall send written notice to the Providers specifying in detail the nature of such Alleged
14 Default (the “**Provider Default Notice**”). The Providers shall have ninety (90) days
15 from receipt of the Provider Default Notice to cure an Alleged Default. In the event the
16 Providers do not cure the Alleged Default within the time period, then there shall exist an
17 “**Event of Default**” and the LRA shall be entitled to seek any and all legal remedies
18 necessary to enforce the terms of this Agreement, including, but not limited to (i) the
19 rights set forth in Section 4.3 or (ii) any available action at law or in equity as required to
20 compel performance of the terms of this Agreement.
21

22 **4.3 Right to Property.** Upon the occurrence of an Event of Default, the LRA shall
23 have an immediate right of entry to all or any portion of the Provider Property or the Armory
24 Property, as appropriate, and, at the option of the LRA, possession of the Provider Property or
25 the Armory Property, as appropriate, shall vest immediately in the LRA, pursuant to the terms of
26 the Provider Property Leases or the Armory Property Leases, as appropriate.
27

28 **4.4 Acquisition of Property by LRA.** In the event the Providers rights under the
29 Provider Property Leases or the Armory Property Leases, as appropriate, are extinguished in
30 accordance with Section 4.2 or Section 4.3, and possession of the Provider Property or the
31 Armory Property, as appropriate, is vested in the LRA, the LRA shall take appropriate actions to
32 secure, to the maximum extent practicable, the utilization of the Provider Property or the Armory
33 Property, as appropriate, and the buildings and improvements located on such property, by other
34 representatives of the homeless to assist the homeless in accordance with the Base Closure Act,
35 the Redevelopment Act, the Redevelopment Plan and the Homeless Assistance Submission;
36 however, the LRA itself shall not be required to utilize the Provider Property or the Armory
37 Property, as appropriate, or the buildings and improvements located on such property to establish
38 and operate a program to assist the homeless.
39

40 **ARTICLE 5. EFFECT OF OFF-SITE ACCOMMODATION.** 41

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 8.

1 **5.1 Effect of Off-Site Accommodation.** If the LRA delivers the Election Notice
2 together with the executed Armory Property Leases and Regulatory Agreement and makes the
3 Financial Contribution to the Providers, all in accordance with Section 1.5 of this Agreement:
4

5 **5.1.1** Simultaneously with the execution of the Armory Property Lease, the
6 Providers shall each release all of their rights in and to the Provider Property by
7 executing a release in substantially the same form set forth in Exhibit E (“**Provider**
8 **Release**”).
9

10 **5.1.2** The LRA may dispose of the Provider Property in accordance with the
11 Redevelopment Plan without regard to the Providers need to use the Provider Property
12 for Homeless Purposes.
13

14 **ARTICLE 6. ENTIRE AGREEMENT, AMENDMENT, WAIVER**

15
16 **6.1** This Agreement contains the entire agreement and understanding of the Parties
17 with respect to all rights and responsibilities associated with the AFS Property, and may not be
18 amended, modified or discharged, nor may any of its terms be waived except by an instrument in
19 writing signed by the Party to be bound thereby. The Parties hereto shall not be bound by any
20 terms, conditions, statements, warranties or representations, oral or written, not contained herein.
21 This Agreement supersedes and replaces any prior agreements by the Parties.
22

23 **ARTICLE 7. NOTICES**

24
25 **7.1** Any notice, request, demand, instruction or other document to be given or served
26 hereunder or under any document or instrument executed pursuant hereto shall be in writing and
27 delivered personally (including by messenger) or sent by United States registered or certified
28 mail, return receipt requested, postage prepaid or by courier, postage prepaid and addressed to
29 the parties at their respective addresses set forth below, and the same shall be effective upon
30 receipt if delivered personally or by messenger or two (2) business days after deposit in the mails
31 if mailed. A party may change its address for receipt of notices by service of a notice of such
32 change in accordance herewith.
33

34 If to the LRA: City Manager
35 City of Sunnyvale
36 456 West Olive Avenue
37 P.O. Box 3707
38 Sunnyvale, CA 94088-3707

39
40 With a copy to: George R. Schlossberg, Esq.
41 Kutak Rock, LLP
42 1101 Connecticut Ave, NW, Suite 1000

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 9.

1 Washington, DC 20036

2
3 If to MidPen: MidPen Housing Corporation
4 303 Vintage Park Drive
5 Suite 303
6 Foster City, CA 94404
7 Attn: President

8
9 If to Charities: Charities Housing Development Corporation
10 1400 Parkmoor Avenue
11 Suite 190
12 San Jose, CA 95126
13 Attn: Executive Director

14
15 **ARTICLE 8. MISCELLANEOUS.**

16
17 **8.1 Survival and Benefit.** All representations, warranties, agreements,
18 obligations and indemnities of the Parties shall, notwithstanding any investigation made by any
19 Party hereto, survive the execution of the Provider Property Leases or the Armory Property
20 Leases, as appropriate, and the same shall inure to the benefit of and be binding upon the
21 respective successors and assigns of the Parties.

22
23 **8.2 Assignment.** Without written consent of the LRA, this Agreement is not
24 assignable by any Provider, either in whole or in part. The LRA may, in its reasonable
25 discretion, assign this Agreement to another public entity provided that such public entity
26 assumes and agrees to perform the LRA's obligations hereunder.

27
28 **8.3 Applicable Law.** This Agreement shall be governed by and construed in
29 accordance with federal law and the laws of the State of California, as applicable.

30
31 **8.4 Severability.** If any term or provision of this Agreement or the application
32 thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the
33 remainder of this Agreement, or the application of such term or provision to persons or
34 circumstances other than those as to which it is held invalid or unenforceable, shall not be
35 affected thereby, and each such term and provision of this Agreement shall be valid and be
36 enforced to the fullest extent permitted by law.

37
38 **8.5 Entire Understanding of the Parties.** This Agreement constitutes the entire
39 understanding and agreement of the Parties with respect to the implementation of those portions
40 of the Redevelopment Plan related to homeless needs and facilities pursuant to the Base Closure
41 Act and the Redevelopment Act. If any provision of this Agreement conflicts with a provision of

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 10.

1 the Consolidated Program, the Affordable Housing Program or the Redevelopment Plan, the
2 provisions of this Agreement shall control to the extent of such conflict.

3
4 **8.6 Title of Parts and Sections.** Any titles of the sections or subsections of this
5 Agreement are inserted for convenience of reference only and shall be disregarded in interpreting
6 any part of the Agreement’s provisions.

7
8 **8.7 Time is of the Essence.** In the performance of this Agreement, time is of the
9 essence.

10
11 **8.8 Multiple Originals; Counterparts.** This Agreement may be executed in
12 multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

13
14 **ARTICLE 9. EXHIBIT LIST**

15
16 **9.1** The following exhibits are attached hereto and made a part of this Agreement:

- 17 **Exhibit A Description of the Divided Provider Property**
- 18 **Exhibit B Preliminary Onizuka Lease Terms**
- 19 **Exhibit C Description of Divided Armory Property**
- 20 **Exhibit D Preliminary Armory Lease Terms**
- 21 **Exhibit E Form of Provider Release**

22
23
24

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 11.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

IN WITNESS WHEREOF, the Parties have approved this Legally Binding Agreement on the _____ day of _____, 2011.

CITY OF SUNNYVALE

By:

Date: _____

MIDPEN HOUSING CORPORATION

By:

Date: _____

CHARITIES HOUSING DEVELOPMENT CORPORATION

By:

Date: _____

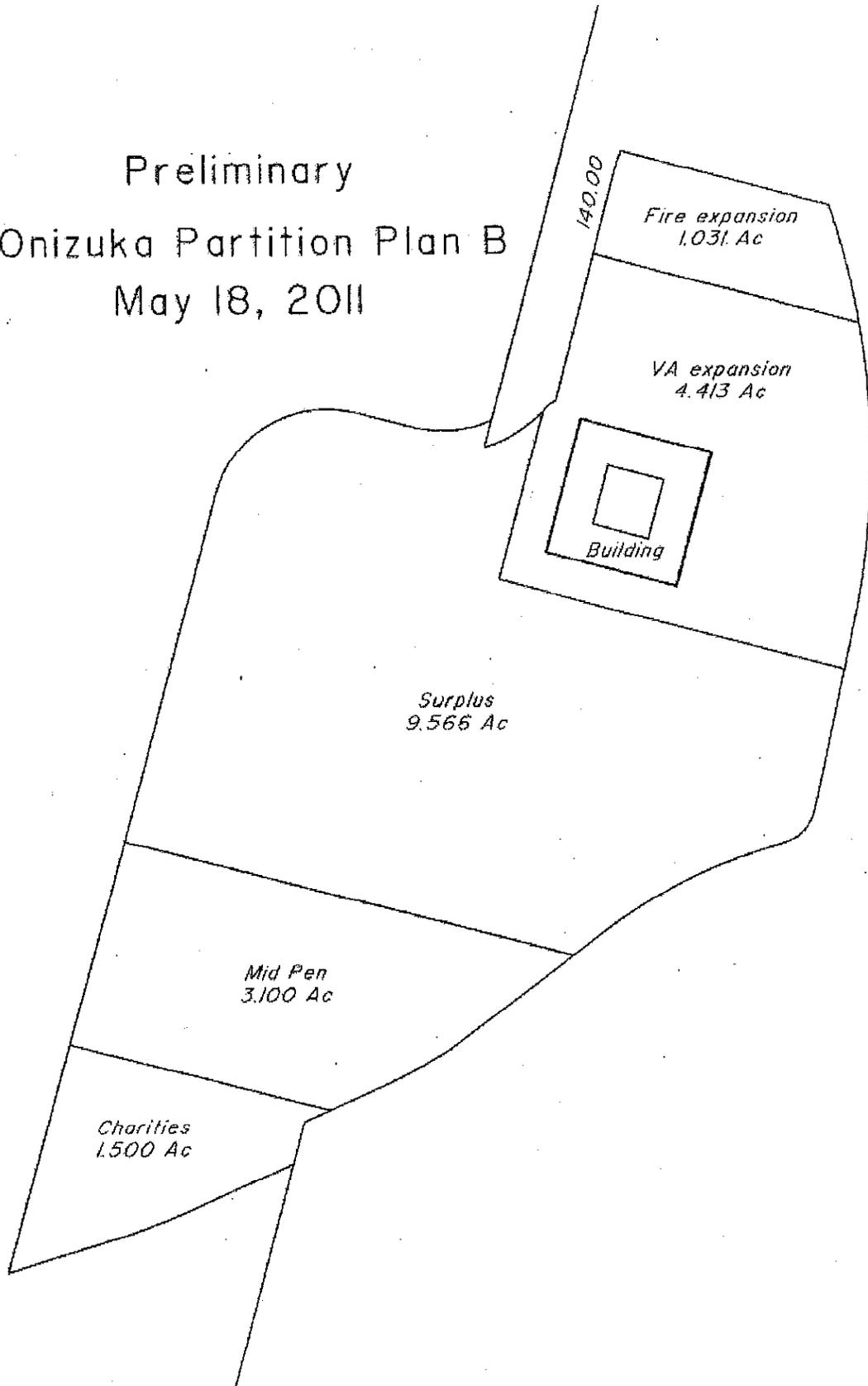
1
2
3

EXHIBIT A
Description of Divided Provider Property

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 13.

Preliminary
Onizuka Partition Plan B
May 18, 2011



1
2
3

EXHIBIT B
PRELIMINARY PROVIDER PROPERTY LEASE TERMS

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 15.

PRELIMINARY ONIZUKA LEASE TERMS

- 1
- 2
- 3 1. Property See Exhibit A (to be determined)
- 4
- 5 Title in improvements to vest in Lessee
- 6 during term of Lease
- 7
- 8 2. Term 90 years
- 9
- 10 3. Transfer of possession Lessee shall take possession pursuant to the
- 11 LBA terms
- 12
- 13 4. Rent \$1 per year
- 14
- 15 5. Use Property shall be used for the Lessee's
- 16 homeless assistance program as set forth in
- 17 the NOI and the Consolidated Program in a
- 18 manner that will serve homeless persons
- 19 who meet the definition of "homeless
- 20 persons" as set forth in the McKinney Vento
- 21 Act (42 U.S.C. Section 11301 et seq).
- 22
- 23 6. Taxes All taxes paid by Lessee. Lessor will
- 24 cooperate as necessary to allow Lessee to
- 25 obtain property tax exemption.
- 26
- 27 7. Insurance Customary and reasonable insurance to be
- 28 maintained by Lessee
- 29
- 30 8. Utilities Lessee responsible for all utility expenses
- 31 and utility connections to Property
- 32
- 33 9. Encumbrances Fee interest in land may not be encumbered.
- 34 Leasehold interest may be encumbered for
- 35 purposes of financing the improvements
- 36 without prior consent of Lessor
- 37
- 38 10. Default provisions Lessee shall have a defined period of time
- 39 to cure defaults
- 40
- 41 11. Mortgagee protections Lenders and investor shall have cure rights
- 42 and other standard protections in event of

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 16.

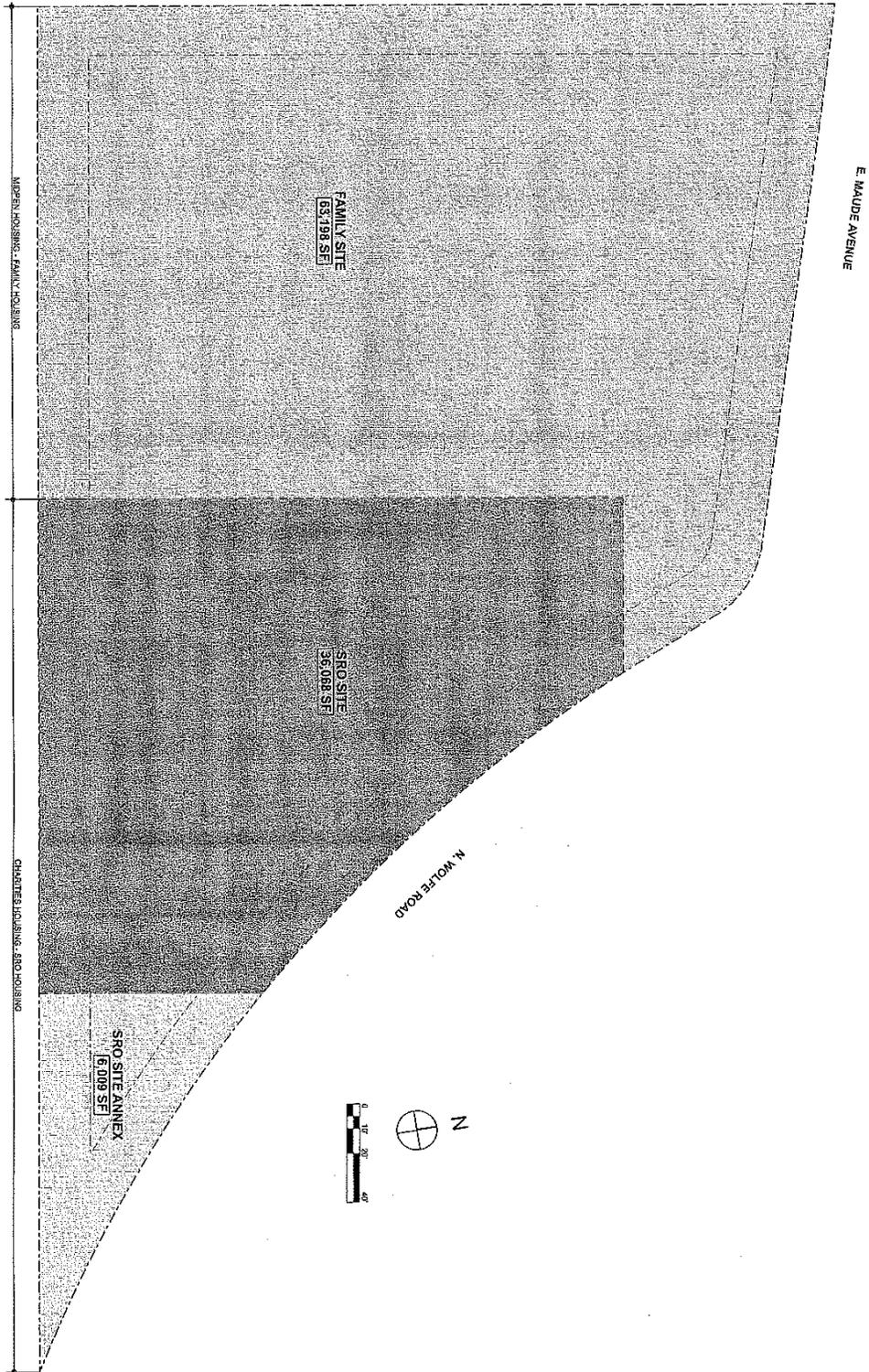
| | | |
|----|----------------------------|--|
| 1 | | Lessee default. [Language to be agreed upon |
| 2 | | by Lessor and Lessee] |
| 3 | | |
| 4 | 12. Maintenance and repair | Obligation on Lessor to maintain property |
| 5 | | until possession is transferred to Lessee |
| 6 | | |
| 7 | 13. Risk of loss | Risk of loss transfers upon delivery of |
| 8 | | possession to Lessee |
| 9 | | |
| 10 | 14. Indemnification | Standard Lessor indemnity provisions. The |
| 11 | | parties shall hold each other harmless for all |
| 12 | | losses caused by gross negligence or willful |
| 13 | | misconduct of the other party |
| 14 | | |
| 15 | | Additional provisions to address |
| 16 | | environmental indemnification |
| 17 | | |
| 18 | 15. Sublease/Assignment | Lessee to obtain prior written consent of |
| 19 | | Lessor for all transfers, assignments or |
| 20 | | subleases, except for permitted transfers to |
| 21 | | affiliates and leases to residential tenants |
| 22 | | |
| 23 | 16. Start of Construction | Failure to commence construction within 1 |
| 24 | | year from the commencement date of the |
| 25 | | Lease shall be an event of default unless |
| 26 | | extended by mutual agreement. |
| 27 | | |
| 28 | 17. Consents | Lessor agrees not to unreasonably withhold |
| 29 | | its consent. |
| 30 | | |
| 31 | 18. Reserves | Shall be maintained in accordance with |
| 32 | | the requirements of all lenders |
| 33 | | |
| 34 | 19. Estoppel certificates | Lessor shall provide estoppel certificates |
| 35 | | reasonably requested by lenders or investor |
| 36 | | |
| 37 | | |

1
2
3

EXHIBIT C
Description of Divided Armory Property

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 18.



1
2
3

EXHIBIT D
PRELIMINARY ARMORY PROPERTY LEASE TERMS

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 20.

PRELIMINARY ARMORY LEASE TERMS

- 1
2
- 3 1. Property See Exhibit C
- 4
- 5 Title in improvements to vest in Lessee
- 6 during term of Lease
- 7
- 8 2. Term 90 years
- 9
- 10 3. Transfer of possession Lessee shall take possession pursuant to the
- 11 LBA terms
- 12
- 13 4. Rent \$3.7 million lump sum
- 14
- 15 5. Use Property shall be used for the purposes as
- 16 set forth in the Lessee’s Affordable Housing
- 17 Program and as approved by the City.
- 18
- 19 6. Taxes All taxes paid by Lessee. Lessor will
- 20 cooperate as necessary to allow Lessee to
- 21 obtain property tax exemption.
- 22
- 23 7. Insurance Customary and reasonable insurance to be
- 24 maintained by Lessee
- 25
- 26 8. Utilities Lessee responsible for all utility expenses
- 27 and utility connections for Property
- 28
- 29 9. Encumbrances Fee interest in land may not be encumbered.
- 30 Leasehold interest may be encumbered for
- 31 purposes of financing the improvements
- 32 without the prior consent of Lessor
- 33
- 34 10. Default provisions Lessee shall have a defined period of time
- 35 to cure defaults
- 36
- 37 11. Mortgagee protections Lenders and investor shall have cure rights
- 38 and other standard protections in event of
- 39 Lessee default. [Language to be agreed upon
- 40 by Lessor and Lessee]
- 41
- 42 12. Maintenance and repair Obligation on Lessor to maintain property

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 21.

| | | |
|----|---------------------------|--|
| 1 | | until possession is transferred to Lessee |
| 2 | | |
| 3 | 13. Risk of loss | Risk of loss transfers upon delivery of possession to Lessee |
| 4 | | |
| 5 | | |
| 6 | 14. Indemnification | Standard Lessor indemnity provisions. The parties shall hold each other harmless for all losses caused by gross negligence or willful misconduct of the other party |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | Additional provisions to address environmental indemnification |
| 12 | | |
| 13 | | |
| 14 | 15. Sublease/Assignment | Lessee to obtain prior written consent of Lessor for all transfers, assignments or subleases, except for permitted transfers to affiliates and leases to residential tenants |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | 16. Start of Construction | Failure to commence construction within 1 year from the commencement date of the Lease shall be an event of default unless extended by mutual agreement. |
| 20 | | |
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | 17. Consents | Lessor agrees not to unreasonably withhold its consent. |
| 25 | | |
| 26 | | |
| 27 | 18. Reserves | Shall be maintained in accordance with the requirements of all lenders |
| 28 | | |
| 29 | | |
| 30 | 19. Estoppel certificates | Lessor shall provide estoppel certificates reasonably requested by lenders or investor |
| 31 | | |
| 32 | | |
| 33 | | |
| 34 | | |
| 35 | | |

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT
Page 22.

1
2
3

EXHIBIT E
Form of Provider Release

ONIZUKA AIR FORCE STATION LEGALLY BINDING AGREEMENT

Page 23.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**PROVIDER RELEASE UNDER
LEGALLY BINDING AGREEMENT
AMONG
THE ONIZUKA AIR FORCE STATION LOCAL REDEVELOPMENT AUTHORITY,
MIDPEN HOUSING CORPORATION
AND
CHARITIES HOUSING DEVELOPMENT CORPORATION**

In accordance with that certain *Legally Binding Agreement Among the Onizuka Air Force Station Local Redevelopment Authority, MidPen Housing Corporation and Charities Housing Development Corporation, dated _____, 2011* (“LBA”), the undersigned applicant for surplus property at the Onizuka Air Force Station, located in the City of Sunnyvale, California, pursuant to the homeless screening conducted by the Onizuka Air Force Station Local Redevelopment Authority (“LRA”) pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, hereby withdraws its Notice of Interest and any claim for surplus property at the Onizuka Air Force Station.

Dated: _____

[Signature of Authorized Official of Homeless Provider]

ATTACHMENT D

District Agreement

City Draft 9/27/2011

**MEMORANDUM OF AGREEMENT
BETWEEN
THE CITY OF SUNNYVALE, CALIFORNIA
AND
FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

1 **THIS MEMORANDUM OF AGREEMENT (“Agreement”)** is made as of the _____
2 day of _____, 2011 (“**Effective Date**”), between the City of Sunnyvale, California, the
3 Federally recognized local redevelopment authority for Onizuka Air Force Station, (the “**LRA**”
4 or “**City**”) and Foothill De-Anza Community College District (the “**District**”). The LRA and the
5 District may be referred to jointly as the “**Parties**” or individually as a “**Party**.”
6

WITNESSETH

7
8
9 **WHEREAS**, the Onizuka Air Force Station (“**AFS**”) located in the City was
10 recommended for closure by the 2005 Base Closure and Realignment Commission;
11

12 **WHEREAS**, the property on which AFS is located (the “**AFS Property**”) will be
13 disposed of by the Air Force Real Property Agency (“**AFRPA**”) pursuant to the Defense Base
14 Closure and Realignment Act of 1990, as amended (the “**Base Closure Act**”);
15

16 **WHEREAS**, the City is the Federally recognized local reuse authority required by the
17 Base Closure Act to prepare a final redevelopment plan (“**Redevelopment Plan**”) for the AFS
18 Property;
19

20 **WHEREAS**, the Base Closure Community Redevelopment and Homeless Assistance
21 Act of 1994, as amended (the “**Redevelopment Act**”) requires the LRA to submit to the United
22 States Department of Housing and Urban Development (“**HUD**”) for review and approval a
23 Homeless Assistance Submission (“**HAS**”) that includes the Redevelopment Plan, and a copy of
24 all legally binding agreements that the LRA proposes to enter into with homeless providers
25 selected by the LRA to implement homeless programs that fill gaps in the existing continuum of
26 care;
27

28 **WHEREAS**, pursuant to the screening process set forth in the Redevelopment Act and
29 the Base Closure Act, the District submitted a Notice of Interest (“**NOI**”), set forth as Exhibit
30 “A” to acquire approximately nine (9) acres of AFS Property (the “**District Property**” as more
31 particularly described at Exhibit “B”) pursuant to a United States Department of Education
32 (“**DoEd**”) sponsored public benefit conveyance (“**DoEd PBC**”).
33

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**
Page 2.

1 **WHEREAS**, the NOI submitted by the District proposed and provided for, among other
2 uses, an educational program that would provide significant benefits to the community. The
3 educational program described in the NOI and the District’s DoEd PBC application is hereinafter
4 referred to as the “**District Plan**”;

5
6 **WHEREAS**, the LRA and the District wish to enter into this Agreement to set forth the
7 terms and conditions for the LRA to include the District Plan as part of the Redevelopment Plan
8 for the AFS Property and for the District to implement the District Plan on the District Property
9 in accordance with applicable law and to further the reuse and redevelopment of Onizuka AFS.

10
11 **NOW, THEREFORE**, the Parties hereby agree as follows:
12

13 **ARTICLE I. LRA OBLIGATIONS.**
14

15 **1.1 Redevelopment Plan.** The LRA will complete and file with AFRPA and HUD a
16 Redevelopment Plan that includes the District Plan as a preferred use on the District Property
17 and the conveyance of the District Property to the District pursuant to a DoEd PBC in
18 accordance with the PBC Application filed by the District.
19

20 **1.2** The LRA reserves the right to consider and adopt alternate non-educational uses
21 on the District Property that are inconsistent with the District Plan if the District’s DoEd PBC
22 Application is rejected by the DoEd or not acted upon by DoEd in a timely manner, if the
23 District Property is not conveyed to the District pursuant to a DoEd PBC, if the District for any
24 reason is unable or chooses not to implement the District Plan as set forth in the NOI and the
25 District’s DoEd PBC Application, or if the District for any reason is unable to comply with this
26 Agreement.
27

28 **1.3** The LRA will keep the District informed in a timely manner as to all activities
29 related to the Redevelopment Plan, the development and disposal of the AFS Property, and the
30 implementation of the HAS. Should the LRA acquire title and subsequently dispose of any
31 portion of the AFS Property, it will inform the District of such eventuality prior to the LRA
32 making any final disposal decision.
33

34 **ARTICLE II. DISTRICT OBLIGATIONS.**
35

36 **2.1 Submission of the PBC Application.**
37

38 **2.1.1** Within thirty (30) days following the LRA’s approval of a Redevelopment
39 Plan consistent with the District Plan, the District shall submit to the DoEd a complete and final
40 DoEd PBC Application for the District Property consistent with such District Plan.
41

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

Page 3.

1 **2.1.2** The District shall provide to DoEd, on a timely basis, such responses,
2 updates or revisions to the DoEd PBC Application that are required or requested by DoEd.

3
4 **2.1.3** The District shall submit to the LRA copies of all material documents
5 submitted to or received from DoEd regarding the DoEd PBC Application for the District
6 Property within fourteen (14) days after the submission or receipt thereof. This obligation shall
7 continue until the DoEd PBC Application is either approved or rejected by the DoEd.

8
9 **2.1.4** The District understands and agrees that if DoEd denies, or fails to
10 approve the District's DoEd PBC Application on or before December 30, 2012, or before that
11 date the District abandons its efforts to secure a DoEd PBC for the District Property, then, at the
12 option of the LRA, this Agreement shall terminate and such termination shall be effective upon
13 the LRA providing written notice to the District.

14
15 **2.1.5** Upon DoEd's approval of the DoEd PBC Application, the District shall in
16 a timely manner proceed to implement the District Plan on the District Property on a schedule
17 that complies with the requirements of 34 CFR Section 12.12(a)(1), as interpreted and applied by
18 DoEd.

19
20 **2.2 Development and Reuse of the District Property/Modification of the District**
21 **Plan**

22
23 **2.2.1** Except as provided in the following sentence, LRA/City and District
24 Agree that development and use of the District Property shall be subject to the jurisdiction of the
25 Division of State Architect ("DSA") and the laws and regulations of the State of California
26 governing community colleges. To the extent not inconsistent with the foregoing, development
27 of the District Property, including maximum density and intensity of uses, the general location of
28 uses, the number and size of legal lots, the maximum height and size of the proposed
29 improvements, requirements for the dedication and reservation of land for public purposes, for
30 right of way and frontage dedications, utility easements, utility connections, storm drainage,
31 infrastructure, traffic mitigation requirements and other standards of development applicable to
32 the District Property shall be consistent with the Redevelopment Plan, the Sunnyvale Moffett
33 Park Specific Plan and those specific City of Sunnyvale regulations governing the matters
34 described in this sentence. The District acknowledges that its compliance with the
35 Redevelopment Plan and the City's Moffett Park Specific Plan was a primary inducement in
36 securing (1) the LRA's consideration and adoption of the Redevelopment Plan and (2) the LRA's
37 support and approval of such District DoEd PBC Application

38
39 **2.2.2** Prior to commencing the use of the District Property or the construction or
40 installation of any improvement on the District Property, the District shall prepare and submit to
41 the City for administrative review a Concept Plan.
42

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

Page 4.

1 **2.2.3** The District shall process all appropriate environmental documents for
2 individual projects as required by CEQA and its implementing regulations. The District shall
3 also notify the City of all projects on the District Property as that term is defined by CEQA.
4

5 **2.2.4** The District shall not construct or make or permit the construction or
6 making of any improvements on the District Property without providing the City with all
7 documents and information related to any such improvements (“Construction Documents”), to
8 ensure consistence with the Concept Plan, the Redevelopment Plan and the City’s Moffett Park
9 Specific Plan. The City may provide comments to any Construction Documents and the District
10 agrees to give full consideration to all such comments received by the District within thirty (30)
11 days following receipt of the applicable Construction Documents. The District shall not begin
12 construction of the improvement(s) under review by the City prior to the expiration of the thirty
13 (30) day review period.
14

15 **2.2.5** During the planning and development of the District Plan on the District
16 Property, the District shall hold regular meetings, at least quarterly, with City representatives, to
17 coordinate the planning, development, and operational issues of mutual concern, including the
18 preparation, submission and review of concept plans, short range and long range development
19 plans and Construction Documents. Such meetings shall serve as a forum for exchange of
20 information concerning the design and development of the District Plan as well as provide the
21 opportunity for the City to advise the District of other development issues which may affect
22 District Property or the AFS Property, as appropriate.
23

24 **2.2.6** The District shall be responsible for obtaining utility services to serve the
25 District Property. The District shall pay all service charges, and all initial utility deposits and
26 fees, for water, electricity, sewage, janitorial, trash removal, gas, telephone, pest control and any
27 other utility services furnished to the District Property and the improvements on the District
28 Property.
29

30 **2.2.7** The District shall not contest, oppose, or challenge, nor fund or assist in
31 any way any other person or entity to contest, oppose, or challenge before any local, state, or
32 federal agency, or file or maintain any actions or proceedings before a court or administrative
33 body to set aside, enjoin, challenge, appeal, or otherwise pursue any legal, equitable, or
34 administrative remedies regarding the approval or implementation of any proposals, applications,
35 approvals or permits (including any related environmental documentation) relating to the former
36 Onizuka Air Force Station, or any proposed, approved, or existing uses at the former Onizuka
37 Air Force Station that are consistent with the Redevelopment Plan, including but not limited to
38 development proposals on any other parcel abutting the District Property.
39

40 **2.2.8** The District may from time to time modify the District Plan; provided,
41 that such District Plan modifications are consistent with the general intent of the District Plan,
42 the Redevelopment Plan and the Moffett Park Specific Plan. The District will solicit and

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

Page 5.

1 consider, to the extent feasible, ongoing City input in connection with material modifications to
2 the District Plan that affect (1) site design and planning, (2) community design and development
3 principles or (3) the surrounding neighborhood.
4

5 **2.2.9** The District shall cooperate with the City and AFRPA to ensure that all
6 easements and dedications are obtained and granted with regard to Innovation Way such that
7 Innovation Way is open to the public.
8

9 **ARTICLE III. CONTINGENCIES**

10
11 **3.1 Contingencies.** The obligations of the Parties set forth under this
12 Agreement are contingent upon the occurrence of following events (the “Contingencies”):
13

14 **3.1.1** HUD approval of the LRA’s Homeless Assistance Submission, including
15 the Redevelopment Plan;
16

17 **3.1.2** The closure of Onizuka AFS and the disposal of the District Property by
18 the AFRPA in accordance with the Redevelopment Plan; and
19

20 **3.1.3** The designation by the Air Force, DoEd (and any State of California
21 environmental regulator, as applicable) that the District Property is environmentally suitable for
22 the intended purposes set forth in the District Plan.
23

24 **ARTICLE IV. ENTIRE AGREEMENT, AMENDMENT, WAIVER**

25
26 **4.1** This Agreement contains the entire agreement and understanding of the Parties
27 with respect to all rights and responsibilities associated with the AFS Property, and may not be
28 amended, modified or discharged, nor may any of its terms be waived except by an instrument in
29 writing signed by the party to be bound thereby. The Parties hereto shall not be bound by any
30 terms, conditions, statements, warranties or representations, oral or written, not contained herein.
31 This Agreement supersedes and replaces any prior agreements by the Parties.
32

33 **ARTICLE V. NOTICES**

34
35 **5.1** Any notice, request, demand, instruction or other document to be given or served
36 hereunder or under any document or instrument executed pursuant hereto shall be in writing and
37 delivered personally (including by messenger) or sent by United States registered or certified
38 mail, return receipt requested, postage prepaid or by courier, postage prepaid and addressed to
39 the Parties at their respective addresses set forth below, and the same shall be effective upon
40 receipt if delivered personally or by messenger or two (2) business days after deposit in the mails
41 if mailed. A party may change its address for receipt of notices by service of a notice of such
42 change in accordance herewith.

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

Page 6.

1
2 If to the LRA: City Manager
3 City of Sunnyvale
4 456 West Olive Avenue
5 P.O. Box 3707
6 Sunnyvale, CA 94088-3707
7

8 With a copy to: George Schlossberg, Esq.
9 Kutak Rock LLP
10 1101 Connecticut Ave. NW, Suite 1000
11 Washington, DC 20036
12

13 If to the District: Vice Chancellor, Business Services
14 Foothill – De Anza Community College District
15 12345 El Monte Road
16 Los Altos Hills, CA 94022
17

18 With a copy to: Executive Director of Facilities, Operations and
19 Construction Management
20 Foothill – De Anza Community College District
21 12345 El Monte Road
22 Los Altos Hills, CA 94022
23
24

25 **ARTICLE VI. MISCELLANEOUS**

26
27 **6.1 Survival and Benefit.** All representations, warranties, agreements,
28 obligations and indemnities of the Parties shall, notwithstanding any investigation made by any
29 party hereto, survive closing and the same shall inure to the benefit of and be binding upon the
30 respective successors and assigns of the Parties.
31

32 **6.2 Assignment.** Without written consent of the LRA, this Agreement is not
33 assignable by any Agency, either in whole or in part. The LRA may, in its reasonable discretion,
34 assign this Agreement to another public entity provided that such public entity assumes and
35 agrees to perform the LRA's obligations hereunder.
36

37 **6.3 Applicable Law.** This Agreement shall be governed by and construed in
38 accordance with federal law and the laws of the State of California, as applicable.
39

40 **6.4 Severability.** If any term of provision of this Agreement or the application
41 thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the
42 remainder of this Agreement or the application of such term or provision to persons or

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

Page 7.

1 circumstances other than those as to which it is held invalid or unenforceable, shall not be
2 affected thereby, and each such term and provision of this Agreement shall be valid and be
3 enforced to the fullest extent permitted by law.
4

5 **6.5 Entire Understanding of the Parties.** This Agreement constitutes the entire
6 understanding and agreement of the Parties with respect to the implementation of those portions
7 of the Redevelopment Plan related to educational purposes pursuant to the Redevelopment Act
8 and Base Closure Act. If any provision of this Agreement conflicts with a provision of the
9 District Plan or the Redevelopment Plan, the provisions of this Agreement shall control to the
10 extent of such conflict.
11

12 **6.6 Title of Parts and Sections.** Any titles of the sections or subsections of this
13 Agreement are inserted for convenience of reference only and shall be disregarded in interpreting
14 any part of the Agreement's provisions.
15

16 **6.7 Time is of the Essence.** In performance of this Agreement, time is of the
17 essence.
18

19 **6.8 Multiple Originals; Counterparts.** This Agreement may be executed in
20 multiple originals, each of which is deemed to be an original, and may be signed in counterparts.
21

22 **ARTICLE VII. EXHIBIT LIST**
23

24 **7.1** The following exhibits are attached hereto and made a part of this Agreement:
25

26 **Exhibit A: Foothill De-Anza Community College District Notice of Interest**

27 **Exhibit B: Description of the District Property**
28
29
30
31
32
33

34 **[Signature Page Follows]**
35

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**
Page 8.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41

IN WITNESS WHEREOF, the Parties have approved this Memorandum of Agreement
on the ___ day of _____, 2011.

CITY OF SUNNYVALE, CALIFORNIA

By:

Date: _____

FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT

By:

Date: _____

**APPROVED AS TO FORM:
FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**

By:

Date: _____

CITY OF SUNNYVALE, CALIFORNIA

By:

Date: _____

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND Foothill DE-ANZA COMMUNITY COLLEGE DISTRICT**
Page 9.

1
2
3
4
5
6
7

EXHIBIT A

**Foothill De-Anza Community College District
Notice of Interest**

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SUNNYVALE,
CALIFORNIA AND FOOTHILL DE-ANZA COMMUNITY COLLEGE DISTRICT**
Page 10.

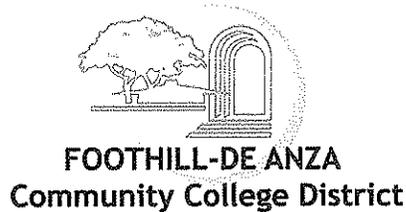
1
2
3
4
5
6

EXHIBIT B

Description of District Property

ATTACHMENT E

Foothill-DeAnza Community College District NOI for Onizuka AFS Site



Linda M. Thor, Ed.D., Chancellor

September 1, 2011

City of Sunnyvale
Sunnyvale City Hall
456 W. Olive Ave.
Sunnyvale, CA. 94086

Dear Mayor Hamilton and Council Members,

As you know, the Board of Trustees of the Foothill-De Anza Community College District at the meeting of Aug. 8, 2011, identified the Onizuka Air Force Station in Sunnyvale as the district's preferred location for the permanent home of its education center. After several years of searching, the district has concluded that Onizuka is an ideal location for Foothill-De Anza to continue to provide essential and innovative educational services to our local communities for many years into the future.

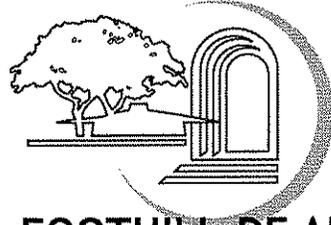
In addition to Onizuka's excellent location, history and the opportunity to use the public benefit conveyance process, important considerations in the board's decision were Sunnyvale's expressed interest in having the district locate within the city and the outstanding professionalism and collaborative approach demonstrated by the city staff and other members of the community.

We are excited about the opportunities the Onizuka property offers for partnerships with other colleges, universities and community organizations, and for mutually beneficial collaborations with local companies.

I speak confidently for Foothill-De Anza in saying that we look forward to enjoying a long and productive relationship with the city of Sunnyvale. On that note, I am pleased to submit to the Sunnyvale City Council, acting as the Local Redevelopment Authority, Foothill-De Anza's notice of interest in acquiring property at the Onizuka Air Force Station.

Sincerely,

Linda M. Thor, Ed.D.
Chancellor



FOOTHILL-DE ANZA
Community College District

Notice of Interest for Onizuka Air Force Station

Local Redevelopment Authority
Sunnyvale, California

September 2011



ORGANIZATIONAL PROFILE

- 1. *Legal name of non-profit institution requesting use of property at Onizuka Air Force Station:***

Foothill-De Anza Community College District

- 2. *Complete address and telephone number of applicant:***

Foothill-De Anza Community College District
12345 El Monte Road
Los Altos Hills, CA. 94022
(650) 949-6100 – Chancellor’s Office

- 3. *Name and title and email of contact person:***

Linda Thor, Chancellor
thorlinda@fhda.edu (copy to executive assistant toyoharadonna@fhda.edu)

- 4. *Name and title of person(s) authorized to complete purchase and execute agreements (attach copy of legal authority):***

Linda Thor, Chancellor
thorlinda@fhda.edu (copy to executive assistant toyoharadonna@fhda.edu)

- 5. *Statement regarding whether applicant is state, political, sub-division of state or private non-profit, tax exempt organization under Section 501(C)(3) of 1986 Internal Revenue Code. If applicant is a private not-for-profit entity, attach a copy of the IRS recognition of its section 501(C)(3) exemption status.***

Foothill-De Anza Community College District is a state non-profit.

- 6. *A copy of the document showing statutory or legal authority under which the applicant is authorized by law to acquire and hold title to property or to lease property.***

SEE EXHIBIT “A”

- 7. *Organizational information:***

- a. *A description of the organization, year founded, brief history, major accomplishments and organizational goals:***



The Foothill-De Anza Community College District is a publicly funded educational organization in Silicon Valley that serves approximately 70,000 students a year at two colleges, an education center, and through distance education.

The mission of the Foothill-De Anza Community College District is student success. We accomplish this by providing access to a dynamic learning environment that fosters excellence, opportunity and innovation in meeting the diverse educational and career goals of our students and communities.

The district offers basic skills, university transfer and workforce preparation, as well as lifelong learning opportunities. About 45 percent of Foothill-De Anza students are age 25 or older. The vibrant multicultural community created by its students, faculty and staff reflects the region's characteristically diverse mix of ethnic, cultural, educational and professional backgrounds.

Foothill-De Anza has the third largest enrollment in credit courses among the 72 districts that make up the California Community Colleges. It offers approximately 300 degree and certificate programs and its two colleges have among the highest university transfer rates in the state.

Foothill-De Anza has educated more than one million students since the district was formed on January 15, 1957, following several months of study by citizens groups and the California Department of Education. Foothill College offered its first classes on September 15, 1958, at a former grammar school in Mountain View. The college opened its new master-planned campus in Los Altos Hills in September 1961, and in 1967, the district opened a second master-planned campus, De Anza College in Cupertino, to meet the community's growing demand for higher education.

The district is a significant social, cultural and economic force in Silicon Valley. Foothill-De Anza's longstanding commitment to excellence and opportunity is recognized globally, one reason its colleges rank No. 3 and No. 11 among community colleges in the United States for hosting international students. The district is one of only 19 colleges and districts nationally to serve on the board of the League for Innovation in the Community College.



- b. A listing of all principals in the organization and any proposed on-site program managers who would participate in management activities of any proposed program. Provide appropriate credentials, as well as a description of previous related experience:*

Linda M. Thor, chancellor
Judy Miner, president, Foothill College
Brian Murphy, president, De Anza College
Kevin J. McElroy, vice chancellor, business services
Dorene Novotny, vice chancellor, human resources and equal opportunity
Frederick W. Sherman, vice chancellor, technology
Charles E. Allen, executive director, facilities, operations and construction management
Denise Swett, associate vice president

Biographies:

**Linda M. Thor
Chancellor**

Dr. Linda M. Thor joined the Foothill-De Anza Community College District in February 2010, succeeding Martha J. Kanter, who now serves as U.S. under secretary of education.

As the district's chancellor, her goals include keeping the focus on student success while dealing with California's budget crisis; ensuring that district facilities are modern and effective learning spaces; providing for integrated planning; maintaining community connections; enhancing the district's state and national reputation; and returning the district to a leadership role in technology.

Dr. Thor was president for 20 years of Rio Salado College in Arizona's Maricopa Community College District. Under her leadership, the college became known for innovation in effectively using technology to serve working adults and providing accelerated learning programs. Enrollment increased 252 percent during her tenure.

She assumed her first presidency in 1986, when she took over the struggling West Los Angeles College in the Los Angeles Community College District and turned the college around during her four-year tenure. Before that she had served as the district's senior director of occupational and technical education, director of high technology centers



and services, director of communications services and public information officer.

Active at the national level, Dr. Thor serves on the boards of the League for Innovation in the Community College and the Community College Baccalaureate Association; the executive council of the WICHE Cooperative for Educational Technologies (WCET); and is a member of the Leadership Circle of the American College & University Presidents Climate Commitment. U.S. Secretary of Education Arne Duncan appointed her one of 15 higher education leaders to serve on the Committee on Measures of Student Success.

She currently serves locally on the boards of Joint Venture: Silicon Valley Network; the University Associates-Silicon Valley Board of Governors; and the NOVA Workforce Board of Silicon Valley, which addresses the workforce investment needs of the region. She also holds membership on the Peninsula Clergy Network Community Advisory Board, American Leadership Forum Silicon Valley Class XXIII and the Telecommunications and Technology Advisory Committee for the California Community Colleges Chancellor's Office.

Chancellor Thor holds a bachelor's degree in journalism from Pepperdine University; a master of public administration degree from California State University, Los Angeles; and a doctor of education degree in community college administration from Pepperdine University.

Judy C. Miner
President, Foothill College

Dr. Judy Miner began work in 2007 as president of Foothill College. Her vision for her presidency is "excellence through inclusion." She has integrated planning and budgeting, making the process more inclusive and transparent to achieve the college's strategic initiatives.

President Miner has been an administrator with the Foothill-De Anza Community College District since 1988. Before becoming Foothill's president, she oversaw instructional and student support services at De Anza College, completing her nearly 19-year tenure there as vice president of instruction.

Dr. Miner has been a higher education administrator since 1977 and worked in the California Community Colleges since 1979, when City College of San Francisco named her dean of admissions and records. She



worked in the California Community Colleges' Chancellor's Office as a special assistant to the vice chancellor of student services, overseeing implementation of matriculation requirements, and as program coordinator for the Transfer Center Pilot Program. At De Anza College, she served as an instructor, dean, provost, vice president and interim president.

President Miner currently serves on the board of the Council for Higher Education Accreditation, which coordinates accreditation activities in the United States, and the American Council on Education's Commission for the Advancement of Racial and Ethnic Equity. She has a doctor of education degree in organization and leadership, with a concentration in education law, from the University of San Francisco. She earned a bachelor's degree, summa cum laude, in history and French at Lone Mountain College in San Francisco, where she also earned a master's degree in history.

The new Education Center's day-to-day management and operations would be under the guidance of President Miner. Dr. Miner has supervised Foothill's off-campus center, Middlefield Campus, since the commencement of her presidency in 2007.

Brian Murphy
President, De Anza College

Dr. Brian Murphy has been president of De Anza College since 2004. A key focus of his presidency is preparing students to be active, involved citizens committed to transforming their communities. This vision led to the creation of De Anza's Institute for Community and Civic Engagement. In 2006, President Murphy spearheaded a participatory strategic planning process for the college with input from faculty, staff and students. This effort generated four campus initiatives in the areas of student outreach, individualized attention to student retention and success, cultural competence and community collaborations.

Dr. Murphy served for 12 years as executive director of the San Francisco Urban Institute at San Francisco State University. Among other positions, he was chief consultant to the California Legislature's reviews of the Master Plan for Higher Education and the community college reform process in the late 1980s. He recently served as a member of the Commission on the Future, formed by the Community College League of California to develop a plan to increase community college access and



completion in California. He participates actively as a leader in the American Democracy Project.

Dr. Murphy has taught political theory and American government at San Francisco State University, Santa Clara University and the University of California, Santa Cruz. He earned a bachelor's degree from Williams College and master's and doctorate degrees from the University of California, Berkeley, all in political science.

Kevin J. McElroy
Vice Chancellor, Business Services

Kevin McElroy began work as vice chancellor of business services in August 2010. He brings to the district 21 years experience as vice president for administrative services at Coastline Community College in California's Coast Community College District.

Vice Chancellor McElroy is known as a consensus builder who works successfully in the shared governance environment. He has extensive knowledge and experience managing budget and finance, real estate transactions, facilities planning and construction management.

Vice Chancellor McElroy is responsible for overseeing all business policies and procedures for Foothill-De Anza, providing leadership in strategic planning and advising the chancellor and Board of Trustees on fiscal matters. As Coastline's administrative vice president, his responsibilities included supervising non-instructional support services, serving as chief financial officer, managing real estate and facilities transactions, and developing community partnerships. Before joining Coastline, he was supervisor of fiscal affairs at Golden West College, also in the Coast district.

Vice Chancellor McElroy holds a master's degree in public policy administration from California State University, Long Beach, and a bachelor's degree in public administration from San Diego State University. He attended community college at Orange Coast College.

He is active in the Association of College Business Officials for community college business officers, and has served on committees for similar regional and national groups.



Dorene Novotny
Vice Chancellor, Human Resources and Equal Opportunity

Dorene Novotny has been vice chancellor of human resources and equal opportunity since February 2008. She emphasizes customer service, creative problem solving, and efficiency and effectiveness guided by the values of integrity and ethical conduct.

Vice Chancellor Novotny has 28 years experience in human resources administration, including 17 years in higher education. She came to Foothill-De Anza from Washington's Tacoma Community College, where she was associate vice president for human resources for nine years and a member of the leadership team. Her work as a creative problem-solver and pioneer for change in diversity recruitment and retention at Tacoma was recognized in 2005 when the College and University Professional Association for Human Resources gave her the Excellence in Human Resource Management Award for the Northwest Region.

She has held human resources management positions with the Tacoma Pierce County Health Department, University of Missouri-Columbia, Missouri Department of Revenue and the University of Missouri-St. Louis.

Vice Chancellor Novotny leads all aspects of Foothill-De Anza's human resources function, including policy development, labor negotiations and employee relations, recruitment, benefits, personnel processing, staff development, classification and compensation and human resources information system implementation.

She completed coursework for a master's degree in industrial and organizational psychology from Western Kentucky University and is currently enrolled in a master of business administration program with Columbia Southern University. She has a bachelor's degree from Northeast Missouri State University and an associate's degree from Kirkwood Community College in Iowa. She holds certifications in negotiations, mediation and conflict resolution, and employee-relations law.

Frederick W. Sherman
Vice Chancellor, Technology

As chief technology officer since 2006, Dr. Fred Sherman provides the vision and leadership for planning and implementing the district's information and learning technologies. He also supervises institutional research.



Dr. Sherman is leading Foothill-De Anza's effort to replace its technology infrastructure and oversees technology planning and design for new and refurbished buildings as part of the district's extensive bond program. He has launched a 15-year program to replace the district's computers and is managing the implementation of a new educational information system (ERP) for finance, human resources and student services, which is proceeding on time and on budget. He led the planning effort for the recent revision of the district's Strategic Plan.

Vice Chancellor Sherman's focus is using technology to enhance student access and retention. The California Community College Chief Information Systems Officers Association recognized his work by presenting him with the 2010 Campus Technology Innovator in Technology Planning Award.

Over the past 18 years, Dr. Sherman has served in executive roles for California's Butte-Glenn, Victor Valley and Barstow community college districts. While at Butte-Glenn, he led the team that supported distance education programs through the California Virtual Campus for the California Community Colleges system. He also directed the California Community Colleges Technology Center, which provides technology services for the digital infrastructure of community colleges throughout the state. Prior to that, he worked for 13 years as an engineering manager for commercial technology programs at General Dynamics Corp.

Vice Chancellor Sherman holds a doctorate degree in management information systems and a master of business administration degree in financial/econometric analysis from Claremont Graduate University; a master's degree in systems management from the University of Southern California; and a bachelor's degree in military science from the U.S. Military Academy at West Point. He served as an officer in the U.S. Army, retiring as a lieutenant colonel.

Charles E. Allen
Executive Director, Facilities, Operations and Construction Management

Since 2007, Executive Director Charles Allen has provided leadership for Foothill-De Anza's extensive construction and renovation program and guided environmental sustainability efforts, including energy conservation policies and projects.



His background includes four years as a deputy bond program manager in private industry, overseeing a \$350 million bond program for a large public high school district, and 12 years as chief project manager for the Lawrence Berkeley National Laboratory, where he built a record of effective leadership in all aspects of project planning, execution and conflict resolution.

He retired as a commander of the Civil Engineer Corp. after a 20-year career in the U.S. Navy managing multiple large-scale operations responsible for facility planning, design and construction in the western United States.

Executive Director Allen oversees more than \$400 million in construction projects funded through the district's Measure C bond program. He is known for finding creative solutions to challenges and forging productive working relationships internally and externally. In an effort to avoid litigation and minimize costs associated with change orders, he initiated a lease-leaseback approach for two of the Foothill-De Anza's most significant construction projects. He also spearheaded creation of a sustainability plan for the district that sets annual goals.

Executive Director Allen holds a master's degree in civil engineering from the University of Illinois and a bachelor's degree in science and engineering from the U.S. Naval Academy.

Denise Swett
Associate Vice President, Middlefield Campus & Community Programs

Dr. Denise Swett will be the manager of the education center. She has supervised Middlefield Campus since 2007. She was the vice president of student services at Cañada College, dean of students at Chabot College and a manager in student life at the University of San Francisco. In addition to managing Middlefield Campus, Associate Vice President Swett also supervises career and technical education grants, the Workforce Innovation Partnership and the Silicon Valley Community Collaborative as well as high school and Regional Occupational Program (ROP) classes and articulation, college-wide professional development and campus emergency preparedness. She holds a doctor of education degree in organization and leadership from the University of San Francisco and master of public administration and bachelor of science degrees from San Jose State University.



The current team at Middlefield Campus in Palo Alto serves 4,000 students each quarter in a variety of vocational, transfer and general education programs. Approximately 120 instructors teach classes at Middlefield Campus.

Additional education center staff:

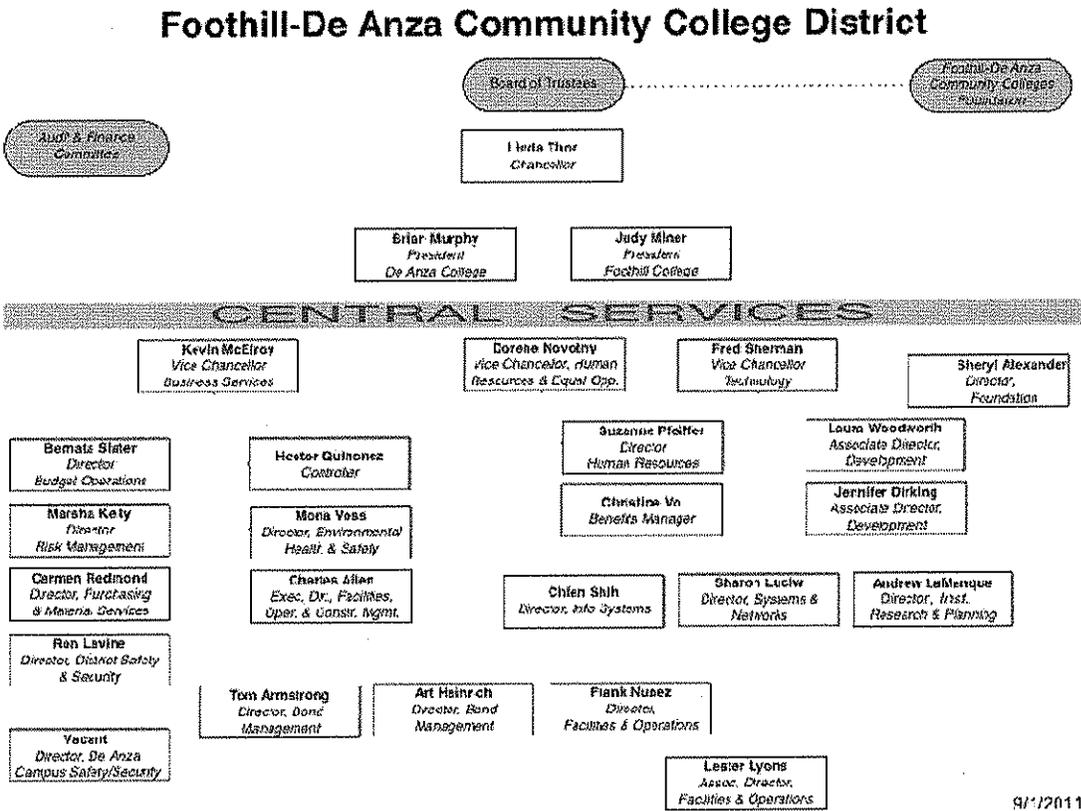
The current Middlefield Campus staff would move to the new site and manage all operations and services. Staff members include:

Judi McAlpin, M.A., campus supervisor
Charlie McKellar, M.A., program coordinator II
Al Guzman, B.S., student services coordinator
Hao Pham, B.S., admissions & records coordinator
Alexandra Duran, M.A., project director & outreach coordinator
Michael Almasi, B.S., computer lab technician,
Josephine Christensen, B.A., financial aid coordinator

Additionally, Foothill - De Anza is in discussion with partner Mission College regarding location of a Mission College supervisor or administrator at the education center.



c. An organizational chart for the organization and a roster of the current Board of Directors:





**Foothill – De Anza Community College District
Board of Trustees:**

Pearl Cheng, president
Joan Barram, vice president
Betsy Bechtel
Laura Casas Frier
Bruce Swenson

Board member biographies:

Joan Barram

Joan Barram was appointed in 2009 to fill a vacancy created when Hal Plotkin resigned to join U.S. Under Secretary of Education Martha J. Kanter in Washington as a senior advisor. She currently serves as the board's vice president. Trustee Barram has had a 20-year association with the Foothill-De Anza Community College District. She served for nearly a decade on the board of the Foothill-De Anza Foundation, which raises philanthropic support for the district's students and colleges. She is a longtime member of the advisory council of the Euphrat Museum of Art at De Anza College, and was a member of the "Yes on Measure C" Campaign Committee, which supported passage of the district's 2006 bond measure. Her record of public service includes the Cupertino Union School District Board of Education, where she was elected to three terms; the boards of EdSource and the California School Boards Association; Women of Silicon Valley; and the program committee of the Silicon Valley Community Foundation. Trustee Barram holds a bachelor's degree in biology from Wheaton College. Her term on the Board of Trustees expires in 2012.

Betsy Bechtel

Betsy Bechtel was elected in 2003 and brings a strong background in education, government and business to the board. Her previous public service includes nine years on the Palo Alto City Council, where she served terms as mayor and vice mayor. After earning bachelor's and master's degrees in speech pathology from Stanford University, she joined the Peace Corps and taught school in Ecuador. She became a sixth grade teacher in San Jose upon her return to the United States. Trustee Bechtel worked on staff for a member of the Santa Clara County Board of Supervisors for five years before going into banking. She worked as a vice president at Citibank for 15 years and later, a vice president at J.P. Morgan. Her extensive community service has included leadership positions in the League of Women Voters,



Palo Alto Rotary Club, YMCA of the Mid-Peninsula, the Los Altos and Palo Alto Chambers of Commerce and the Committee for Green Foothills. She is a senior fellow of the American Leadership Forum. Her term expires in 2012.

Pearl Cheng

Pearl Cheng, a program manager for education initiatives at United Way Silicon Valley, was appointed in 2008 to complete the term of a former board member who was elected to the California State Assembly. Her work at the United Way includes helping children and their families achieve their potential through education. In 2009 she was elected to the Board of Trustees without opposition, and currently serves as its president. Trustee Cheng served for eight years on the Cupertino Union School District Board of Education and held leadership positions with the Santa Clara County School Boards Association. She has served on the De Anza Commission, an auxiliary of the Foothill-De Anza Foundation that represents De Anza College in the community. She worked for many years at the NASA Ames Research Center, achieving the position of associate director for management operations in information sciences and technology. She holds a master's degree in mechanical engineering from Stanford University and a bachelor's degree in engineering from the University of Iowa. Her term expires in 2014.

Laura Casas Frier

Laura Casas Frier was appointed in 2005 to fill a vacancy created by the death of a board member. She grew up in a working-class immigrant community, paid her way through college and earned a bachelor's degree in political science from California State University, Northridge. After receiving a law degree from Santa Clara University, she worked as a claims representative for an international commercial liability carrier. Trustee Casas Frier has served on a school site council and in the Sixth District PTA. She is active on the boards of the California Community College Trustees and Children Now, a national organization that works to make children the top public policy priority. She also serves as a founding board member of ALearn, which offers programs to help students become the first in their family to go to college. Before her appointment as a trustee, Trustee Casas Frier served on the board of the Foothill-De Anza Foundation, which raises philanthropic support for the district's students and colleges. She stood for election in 2007 with no opposition. Her term expires in 2012.



Bruce Swenson

Bruce Swenson was elected to the Board in 2005. A mathematics instructor at Foothill College for more than two decades, Trustee Swenson subsequently served as dean of the college's Physical Science, Mathematics and Engineering Division. He retired as Foothill's vice president of instruction and educational resources in 1999 and has remained active in the district. Before his election to the board, he served as a member of the Foothill Commission, one of the two college-specific auxiliary organizations that represent the Foothill-De Anza Foundation in the community and raise funds for the colleges. Trustee Swenson holds a doctorate degree in education from the University of California, Berkeley, a master's degree in mathematics from the University of Wisconsin and a bachelor's degree in mathematics from Stanford University. His term expires in 2014.

8. *A copy of the Bi-Laws and Articles of Incorporation as appropriate:*

Foothill-De Anza does not have bylaws and articles of incorporation. It is a public community college district funded by the state of California. It has extensive board policies which can be found at [http://www.fhda.edu/about us/board/policy](http://www.fhda.edu/about_us/board/policy)

9. *The NOI shall include a release, executed by the Executive Director or President of the Board of Directors that states:*

SEE EXHIBIT "B" for executed release

PROPOSED PROGRAM

1. *A complete description of the proposed project and programs:*

a. *Include in the description the proposed project and the services to be provided within the facility. If you are proposing a combination activity, explain all aspects of these activities. If the project involves activities that will involve various user groups, describe all of the uses of the building/facility and estimates for percentage of time and space needs projected for use by each user group. If your project includes a community facility which has more than one public service activity conducted within it, then you must provide the approximate square*



footage that each program will take up within the facility and provide complete information for each of the following areas for each public service.

The vision for the education center is to provide career pathways and education and employment ladders in areas of high employability. Programs will be offered in a variety of formats including traditional year-long coursework and accelerated academies leading to certifications that provide “gateways” to higher level training programs or retraining for adults.

An example of this kind of career pathway:

Emergency Medical Technician (EMT) training is offered in a nine-month format as well as an eight-week accelerated summer academy. Certified EMTs can continue to Foothill’s paramedic training program on site at the education center. Certified paramedics can continue to Mission College’s firefighter training program on site. Students may also choose to complete an associate in arts or associate in science degree at the education center and transfer to a four-year college or university to pursue baccalaureate, master’s or doctor of medicine degrees.

To maximize facility usage, Foothill has invited community partners, such as Catholic Charities of Santa Clara County and NOVA Workforce Board to have satellite offices at the education center to provide services in numerous areas that would blend with the educational opportunities at the center.

An example of this kind of collaboration is Foothill’s Geriatric Home Aide Certificate Program, which prepares students to be in-home care providers. Foothill currently offers this program in partnership with Catholic Charities in San Jose and would offer it on site at the new center. Students who complete this certification could then move into gerontology or other allied health programs offered at the center, such as EMT training.

Preliminary discussions would support an estimate of about 1,000 square feet for each partner for office and services space. We anticipate classroom space that would be flexible to serve multiple functions and use of mobile and wireless technology in lieu of designated computer labs.



In an effort to provide holistic and well-rounded programs, the district plans to build a fitness center with exercise machines and an exercise room for wellness activities such as yoga, Pilates and aerobic exercise.

It is also our intention to incorporate a facility use/rental program so that the community can use center space for meetings and activities when it is available.

b. Environmental Clearance: Please indicate the anticipated level of National Environmental Policy Act (NEPA) environmental clearance.

The city of Sunnyvale has indicated that the Air Force has made a determination of "Finding Of No Significant Impact" ("FONSI") relative to NEPA.

For California Environmental Quality Act clearance, an Initial Study will be prepared to determine the appropriate CEQA action.

2. A detailed assessment of the need of the proposed program:

a. Problem Description: Describe the serious problem that exists if this project and/or service are not available and/or increased. Describe how the need for increased services was determined. Include a description of all other current facilities or services in the region and identify issues that restrict their ability to address the problem:

Foothill-De Anza Community College District has been seeking a permanent location for its off-campus center for several years. The district has rented space at Cubberley Community Center in Palo Alto since 1984 and currently utilizes approximately 60,000 square feet at that location to serve approximately 4,000 students each quarter.

Middlefield Campus at the Cubberley Community Center currently offers several vocational and career programs (EMT, paramedic, pharmacy technology, child development) as well as all general education curriculum needed to complete associate degrees and/or transfer to a four-year university.

Cubberley Community Center is a converted 1955 high school site. We are limited by space and the poor facility condition due to extreme budget constraints that have resulted in the owner's deferral of several million dollars of needed maintenance..



Foothill staff, faculty and administrators provide student services, instruction and opportunities that are similar to those offered on the main Foothill College campus in Los Altos Hills. It is anticipated that these services would continue and be enhanced through a planned partnership with Mission College. We will propose sharing of student services such as admissions, registration, financial aid, counseling and outreach as partners rather than separate entities.

Of the many potential sites that Foothill-De Anza has considered for a permanent center in recent years, the property at Onizuka meets all the top-priority criteria the district applies when assessing a potential site:

- Location central to freeways and employment
- Accessibility by public transportation (bus and/or light rail)
- Parking availability
- Potential for growth (additional square footage and parking as programs or partners are added)
- Affordability for development and operation

Onizuka Air Force Station meets all these criteria and more. The site has access from two freeways and the light rail line, plenty of parking and a unique historical significance in the area that the district would preserve and highlight.

- b. Explain how and to what extent the proposed project and services will solve the problem. Quantify the current and proposed levels of service and identify how many persons will be served. Include in your description any surveys of intended beneficiaries regarding their needs and the impacts of not having the project and services; surveys or records of existing service levels needs showing the number of people served and turned away (unmet demand) due to inadequate facilities of services:***

Moving the Foothill College education center to the Onizuka Air Force Station site would provide a permanent location for the center and all its classes, programs and services. It also has the added benefit of supporting the participation of community partners. Using a partnership model will provide the surrounding community with tremendous opportunities to attend classes and programs offered by the colleges and receive services from community partners, all at one location.



Additional programs, certifications, vocational training and career pathways would be developed and offered with partner collaboration. Seamless provision of services creates new opportunities for students of all ages and backgrounds. Though the involvement of community partners, resources are maximized and services are not duplicated.

- c. Include a statement that applicant does not currently possess real estate suitable for the proposed program. Describe why this site is suitable and/or accessible for the proposed project and/or its programs:**

The Foothill-De Anza district does not currently own any property or facilities that are suitable for a permanent site for the educational center. The Onizuka Air Force Station site is highly suitable due to its location, accessibility, capacity for growth, historical significance and affordability.

- d. Provide a detailed timeline and description of the activities necessary to complete the proposed project and provision of services:**

SEE EXHIBIT "C" for Schedule

BUILDING OR PROPERTY NECESSARY TO CARRY OUT PROGRAM

- 1. A narrative description of the requested facilities, land, buildings, improvements, easements and related equipment. (describe by building number and include an illustrative map):**

Foothill-De Anza requests use of Parcel C as shown on Exhibit F. The parcel consists of approximately 9.15 acres with approximately 550,000 square feet of obsolete improvements that have been utilized by the U.S. Air Force since the mid-1960s. It is the intention of Foothill-De Anza to demolish the existing improvements, while preserving selected historically significant features, and to construct a new 55,000 square foot, two-story instructional facility with parking for approximately 500 cars.

SEE EXHIBIT "D"

- 2. Is the applicant requesting a deed transfer? Would the applicant agree to the Redevelopment Authority owning the property and buildings and leasing such properties to the applicant at no cost?**

Yes, the applicant is requesting a deed transfer.



- 3. Indicate what land use and zoning requirements or entitlements are anticipated as necessary in order to implement the proposed project/program at the site:***

The proposed use of the site is anticipated to be consistent with the land use and zoning requirements of the re-use plan to be approved by the Onizuka Local Redevelopment Authority. Foothill-De Anza Community College District would be the lead agency for all matters relating to land use and CEQA. The Division of the State Architect would oversee the plan check and permitting of the building process.

- 4. Indicate whether existing buildings will be used and fully describe any new construction or rehabilitation that is anticipated on the site necessary for program implementation:***

The applicant intends to demolish all existing buildings and construct new education facilities and surface parking as outlined in the attached exhibit E.

ORGANIZATIONAL CAPACITY

Provide evidence that the management team is capable of successfully developing and operating any proposed project and services will be examined. The applicant must demonstrate a record of past performance and experience with similar projects and/or programs, viability, and financial and administrative solvency and stability based on the following:

- 1. A general description of past performance and experience implementing similar projects and programs to those proposed:***

For more than 50 years, Foothill-De Anza has demonstrated excellence and innovation in academic programs and student services. As one of the largest community college districts in the United States, Foothill-De Anza provides credit classes for over 40,000 students per quarter. The colleges are active members of the League for Innovation in the Community College, a national consortium of leading two-year institutions. In the past decade, the district has successfully managed numerous major capital projects funded with approximately \$740 million in community-approved general obligation bonds.



Foothill College:

Year Founded: 1957
First Classes Offered: Sept. 15, 1958
Campus Size: 122 acres
Enrollment: 16,898 (Fall Quarter 2010, Credit Courses)
Accreditation: Accredited by the Western Association of Schools and Colleges; the American Dental Association Council of Dental Education; American Medical Association Council of Medical Education; and Federal Aviation Administration

Degrees and Certificate Programs: 133

De Anza College:

Year Founded: 1967
Campus Size: 112 acres
Enrollment: 23,760 (Fall Quarter 2010, Credit Courses)
Accreditation: Accredited by the Western Association of Schools and Colleges

Degrees and Certificate Programs: 169

Middlefield Education Center:

Year Founded: 1984
Location: Cubberley Community Center, Palo Alto
Enrollment: 4,000 (included in Foothill College total)

2. A list of all projects/properties owned or managed by the applicant including:

a. Development name, address, and telephone number and name of on-site manager:

Foothill College

12345 El Monte Road
Los Altos Hills, CA 94022
(650) 949-6100
Charles Allen, executive director of facilities & operations



De Anza College

21250 Stevens Creek Blvd.

Cupertino, CA 95014

(408) 864-8327

Charles Allen, executive director of facilities & operations

Middlefield Campus (at the Cubberley Community Center)

(Leased from the City of Palo Alto since 1984)

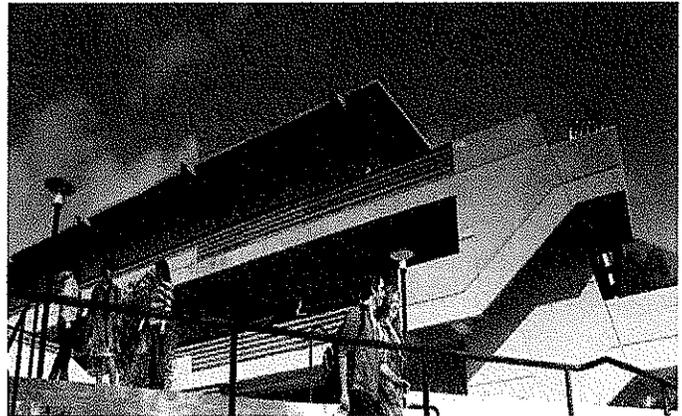
4000 Middlefield Road

Palo Alto, CA 94303

(650) 949-6950

Denise Swett, associate vice president of Middlefield Campus

b. Photos demonstrating exterior and interior physical condition of buildings;

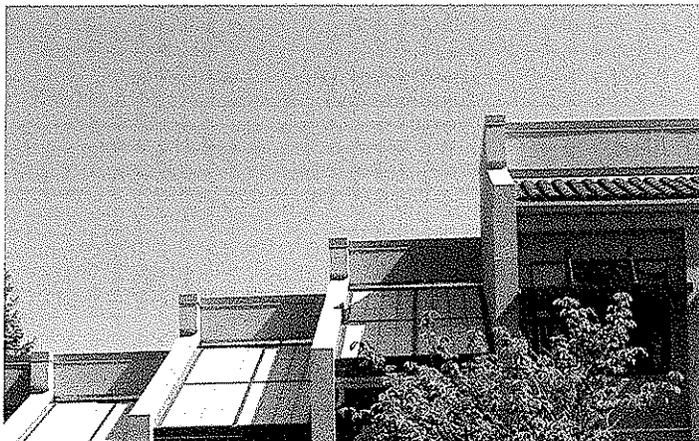


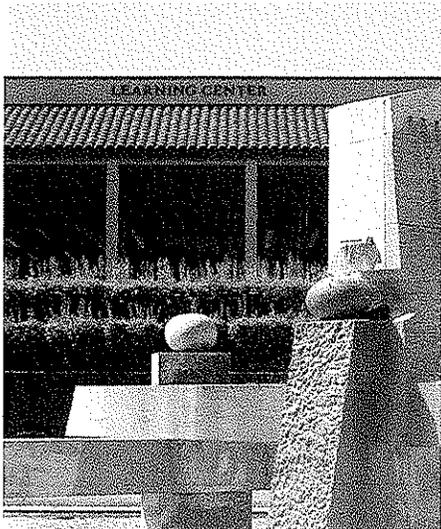


Foothill College

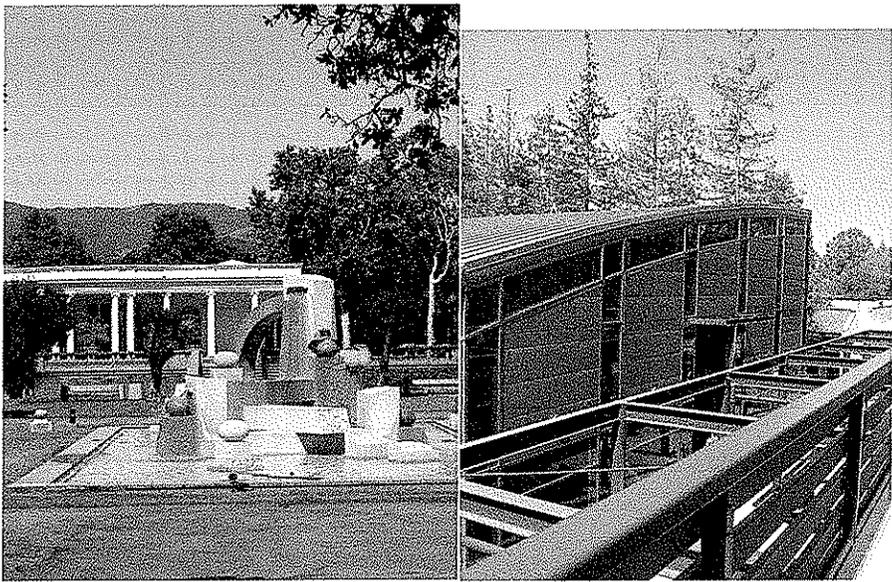
Architectural Awards

Community College Facility Coalition, Award of Merit for the Physical Sciences & Engineering Center, 2009; American Institute of Architects, Honor Award, 1962, Award of Merit, 1963, Special Commendation 1980; *Progressive Architecture Magazine*; Design Award





De Anza College
Architectural Awards
Energy Efficiency Partnership Program for Higher Education Buildings, Best Overall
Sustainable Design for Mediated Learning Center, 2010; Center for the Built Environment,
Livable Building Award for Kirsch Center for Environmental Studies, 2007;
American Institute of Architects, Honor Award for De Anza College campus, 1969





c. c. Supportive services provided at each site;

Extensive student support services are provided at the college and center sites. These include admissions, records and registration; financial aid; academic counseling; health and psychological services; tutoring; library services; and computer labs. In addition food services, a bookstore and student activities and events are also provided.

d. Years managed/owned;

| | |
|---------------------|----------------------------|
| Foothill College: | Founded in 1957 (54 years) |
| De Anza College: | Founded in 1967 (44 years) |
| Middlefield Campus: | Founded in 1984 (27 years) |

e. Audited financial statements for last two years on each site.

See EXHIBIT "F" for audited financial statements for 2009-2010
See EXHIBIT "G" for audited financial statements for 2008-2009

These audited financial statements can also be founded at
<http://business.fhda.edu/finance/financialreports>

3. Plans for the expansion of the organization to meet an increased demand for the proposed programs. Identify any organizational adjustments needed to implement the proposed programs including number of staff required with job titles and descriptions:

The current staff would move to the new site and manage all operations and services. The staff includes:

Denise Swett, Ed.D., associate vice president (4 years)
Supervise all programs, services and facilities

Judi McAlpin, M.A., campus supervisor (14 years)
Manage all day-to-day operations for programs, services and facilities

Charlie McKellar, M.A., program coordinator II (10 years)
Manage budget, coordinate special programs and noncredit classes

Al Guzman, B.S., student services coordinator (16 years)



Provide on-site student support services and services to faculty for classroom instruction

Hao Pham, B.S., admissions & records coordinator (8 years)
Provide registration assistance for all students

Alexandra Duran, M.A., project director & outreach coordinator (8 years) Provide outreach and retention support for students

Michael Almasi, B.S., computer lab technician, (8 years)
Supervise and maintain computer labs and equipment

Josephine Christensen, B.A., financial aid coordinator (8 years)
Provide financial aid assistance to students

4. ***Provide a list of management functions that will be staffed at the project and whether those management function swill be provided by the applicant or contracted out to a third party. If contracted out, please provide information regarding the selection process for those management services and how often a site manager will visit the property:***

Applicant Foothill-De Anza Community College District would provide all educational center management functions as currently provided at the Middlefield Campus. The managing administrator would be housed on site at the center.

5. ***For other than public agencies, the following information must be provided:***

Not applicable

- a. **Fully detailed and audited financial statement for the last two years (including copies of tax returns for the last two fiscal years) of the organization's assets/reserves, liability, balances, make-up of current assets accounts receivable, balance of revenues and expenses and net worth. This report must include a balance sheet and income statement. If the applicant is a partnership or joint venture, individual financial statements must be submitted for each general partner or joint venture thereof. A full disclosure of whether any of the organizations officer's, principals or partners has declared bankruptcy in the last (5) years.**



- b. A disclosure as to whether any of the organization's officers, principals or partners has been convicted of a felony in the last five (5) years and the nature of the conviction.
- c. A minimum of five (5) business references including names, addresses, telephone numbers and the nature and magnitude of the business association in each instance. These references must be persons or firms with whom you have transacted business during the past five (5) years.
- d. A minimum of five (5) financial references including names, addresses and telephone numbers in each instance. It is required that two (2) of the five (5) references be banks or savings and loan institutions; also indicate the type of relationship.

FINANCIAL PLAN

Information in this plan will not be released to the public without written consent from the applicant. Prepare a financial plan for the specific building, property and/or program requested which shall include:

1. *A development pro forma that identifies estimated costs associated with ensuring buildings and property that can be used for the proposed program. These costs shall include the cost of any needed construction to comply with local building codes, ADA requirements and to bring properties into conformance with design standards envisioned in the Reuse Plan. The costs of any proposed improvements, and costs associated with securing needed utility services. Soft costs such as architectural/engineering services, survey work, title services, legal services and government permit fees shall also be identified. In addition, any financing costs for said improvements shall be identified. A schedule for completion and financing of all improvements shall be provided.*

SEE EXHIBIT "E" - for the SITE PLAN for Phase 1 and for Phase 2

SEE EXHIBIT "H" - for the DEVELOPMENT BUDGET for Phase 1



2. ***A five (5) year projected operating cash-flow analysis for the project/program which shall include: annual gross income (with sources of all income and revenue producing operations for the program identified), a complete breakdown of expenses (including, as applicable, vacancy costs, utility costs, maintenance costs, management fees, security costs, capital and operating reserves, salaries and benefits, insurance, real estate taxes, other expenses (postage, collections, training, supplies, etc.), net operating income before debt service and depreciation, debt service, net operating income after debt service and depreciation:***

SEE EXHIBIT "1" – for the OPERATING BUDGET

3. ***Provide a detailed statement of the source of anticipated funding to establish the program operations, describe the level of funding commitment, including a statement that funds are currently available or when they will become available for expenditure to carry out the proposed program:***

If the proposed program contemplates major development costs and funds are not currently available, identify plans and sources of funds to carry out the proposed program and development.

The source of general operational funding for the education center will be state and local revenue received from serving students at the new center. Expenses needed to fund operations will be budgeted as part of the Foothill College operating budget, as under the current education center arrangement. Foothill college funds the operation of the existing education center at Cubberley Center from its General Fund budget allocation received from the state of California. The education center at Cubberley has been in operation for more than 20 years and has a solid history of attendance for the high-demand programs offered by the college. Because these same high-demand programs would be relocated to the new education center planned for the Onizuka site, the college has complete confidence and a 20-year track record to assure similar or greater attendance at the new location.

The specific source of funding for Foothill College's General Fund, and consequently funding for its education center, is received from the state of California. This funding is part of the total funding provided for community colleges under the SB 361 funding formula. Community college funding is approved as a part of the California state budget each fiscal year and will be immediately available to support the new center when completed.



Funding for the community college system has been very stable over the last 30 years or more. Allocation is based on the numbers of full-time-equivalent students served and does not typically fluctuate up or down by more than 1 percent to 3 percent. Consequently, the Foothill-De Anza Community College District has been able to make very reliable plans for the scope and types of programs offered at the education center at Cubberley for the past 20 years. Although California is currently facing some very significant budget challenges, the Foothill-De Anza Community College District has prepared itself to adjust operational expenses as necessary and has more than adequate reserves to balance to any reduced state budget and continue serving the community with quality higher education. This same kind of stability and reliable funding will translate to the new center planned for the Onizuka site where student services for the next 20 years and beyond will be of paramount importance. The district plans to build a state-of-the-art center at Onizuka using funds designated as part of its Measure C bond program.

4. *Indicate whether the applicant is receiving federal, state or local grants or subsidies for programs they provide. If so, what percentage of total organization revenues relies on these grants?*

Although Foothill-De Anza Community College District regularly receives federal, state and local grants to support programs or provide start-up funding for new concepts, neither the colleges nor the current education center at Cubberley is dependent upon grants or subsidies for ongoing operations. As noted in the response to question #3, regular, ongoing operational funding for programs and service offered by the district is derived from the California state funding model for public education.

EXHIBIT A

A copy of the document showing statutory or legal authority under which the applicant is authorized by law to acquire and hold title to property or to lease property.

GOVERNMENT CODE

SECTION 50330-50335

50330. Whether governed under general laws or charter, a local agency may donate and grant to the Regents of the University of California, the Trustees of the California State University, or the governing board of a community college district real property that it owns as a site for university buildings and grounds, state university buildings and grounds, or community college buildings and grounds, as the case may be. A local agency may expend funds, incur indebtedness, and issue bonds for the acquisition of a site within or without its boundaries for the purposes of this section.

50330.4. For the purposes of Section 50330, a local agency may purchase land or options on land or contract for and make downpayments on land or options on land within or without its boundaries and make a gift of that land, option, or contract and downpayment to the Trustees of the California State University for development as a state university on condition that the entire gift shall revert to the local agency if the state university is not established on that site prior to a specific date designated by the local agency and the trustees and the acceptance of the gift by the trustees shall not obligate the expenditure of any state funds for the purchase or acquisition of land or for development on land unless the Legislature shall subsequently approve the obligation by appropriating funds for that specific purpose.

50331. A local agency may acquire and hold land within its boundaries for:

(a) Developing and encouraging agricultural, horticultural, or botanical products.

(b) Exhibiting such products.

(c) Erecting, rebuilding, or furnishing historical museums and art galleries.

Such land may be acquired by purchase or otherwise, or may be leased for a term not to exceed fifty years.

50332. By a four-fifths vote of its legislative body, a local agency may donate and convey, for fairground or exposition, park, playground, or recreational purposes, to the State or to the district agricultural association of the agricultural district in which the local agency is situate any land and buildings owned, held, or used by it, upon such terms as the local agency and the district agricultural association or the State agree. If the local agency received the land or buildings by donation or dedication, the agreement is subject to the covenants, conditions, and restrictions of the donation or dedication as to the use of the land and buildings, existing at the date of transfer from the local agency.

50333. Whether governed under general laws or charter, a local agency may donate and grant to the State real property which it owns within its boundaries as a site for public buildings and grounds. A local agency may acquire such real property by purchase or eminent domain proceedings in the name of the local agency. The title to such property may be taken in the name of the State or of the local agency and thereafter conveyed to the State. A local agency may expend its funds, incur indebtedness, and issue bonds for the acquisition of such sites.

50334. Whether governed under general laws or charter, a local agency may donate and grant to the United States real property which it owns within its boundaries as a site for post office and federal office buildings and grounds.

A local agency may expend its funds, incur indebtedness, and issue bonds for the acquisition of such sites.

50335. The legislative body of a local agency may convey to any public corporation, or private corporation engaged in the public utility business, an easement to lay, construct, reconstruct, maintain, and operate water, sewer, gas or storm drain pipes or ditches, electric or telephone lines, and access roads used in connection therewith, over and upon any land belonging to the local agency, upon such terms and conditions as the parties thereto may agree. Nothing contained herein shall relieve a public utility from any franchise requirement imposed by any law, charter, or ordinance.

EXHIBIT B

RELEASE

The undersigned, Linda Thor, as the authorized representative of the organization, hereby provides its consent to the Onizuka Air Force Station LRA to release to members of the LRA and the LRA Evaluation Subcommittees (who shall not further release the information to the general public), any information regarding the capacity of Foothill-De Anza Community College District to carry out its program, a description of the organization, or its financial plan for implementing the program.

By:

A handwritten signature in black ink, appearing to read "Linda M. Thor", written over a horizontal line.

Linda Thor, Chancellor

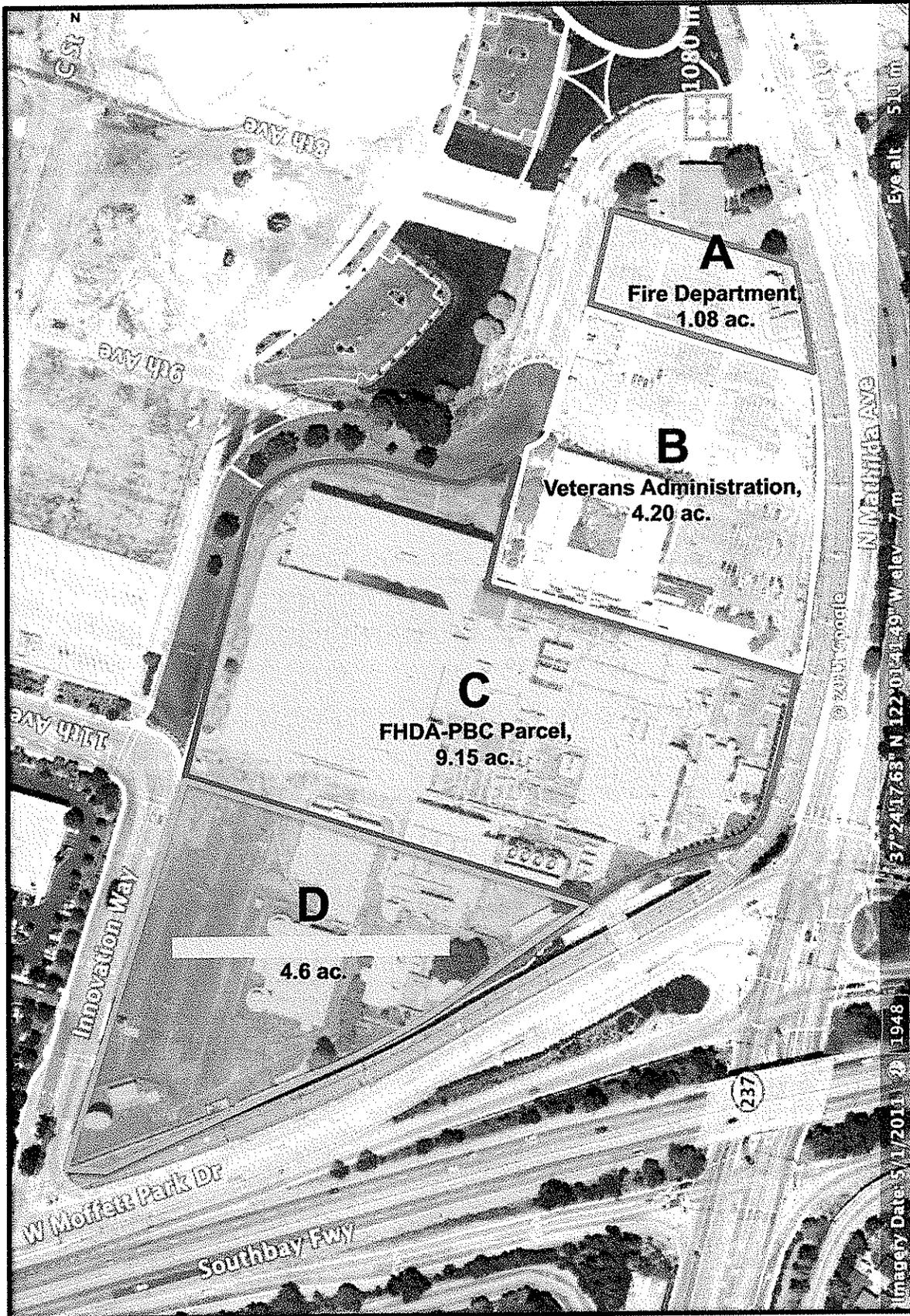
Foothill-De Anza Community College District

**FOOTHILL - DE ANZA COMMUNITY COLLEGE DISTRICT
 MASTER SCHEDULE - EDUCATION CENTER SITE ACQUISITION & DEVELOPMENT**

EXHIBIT C

August, 2011

| | 2011 | | | | 2012 | | | | 2013 | | | | 2014 | | | | 2015 | | | |
|--|-----------|------------|------------|-----------|-----------|------------|------------|-----------|-----------|------------|------------|-----------|-----------|------------|------------|-----------|-----------|------------|------------|-----------|
| | Jan - Mar | Apr - June | July - Sep | Oct - Dec | Jan - Mar | Apr - June | July - Sep | Oct - Dec | Jan - Mar | Apr - June | July - Sep | Oct - Dec | Jan - Mar | Apr - June | July - Sep | Oct - Dec | Jan - Mar | Apr - June | July - Sep | Oct - Dec |
| FHDA - NOI Application / Due Diligence | | | | | | | | | | | | | | | | | | | | |
| FHDA - RFO - Final Site Selection | | | | | | | | | | | | | | | | | | | | |
| Dept. of Aeronautics (Submit / Review / Approve) | | | | | | | | | | | | | | | | | | | | |
| City Amend / Approve Re-Use Plan | | | | | | | | | | | | | | | | | | | | |
| City / FHDA - Negotiate MOU for 4.6 Acres | | | | | | | | | | | | | | | | | | | | |
| FHDA - Prepare PBC for DOE | | | | | | | | | | | | | | | | | | | | |
| DOE - Review and approval of PBC (8 acres) | | | | | | | | | | | | | | | | | | | | |
| State Chancellor's Office Review | | | | | | | | | | | | | | | | | | | | |
| CEQA Review | | | | | | | | | | | | | | | | | | | | |
| Transfer Title Onizuka | | | | | | | | | | | | | | | | | | | | |
| Schematic Design / Design Development | | | | | | | | | | | | | | | | | | | | |
| Construction Documents / Working Drawings | | | | | | | | | | | | | | | | | | | | |
| State Architect (ORS) Approval Process | | | | | | | | | | | | | | | | | | | | |
| Preconstruction Services | | | | | | | | | | | | | | | | | | | | |
| Guaranteed Maximum Price Determination | | | | | | | | | | | | | | | | | | | | |
| Construction | | | | | | | | | | | | | | | | | | | | |
| Occupancy | | | | | | | | | | | | | | | | | | | | |



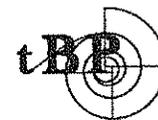
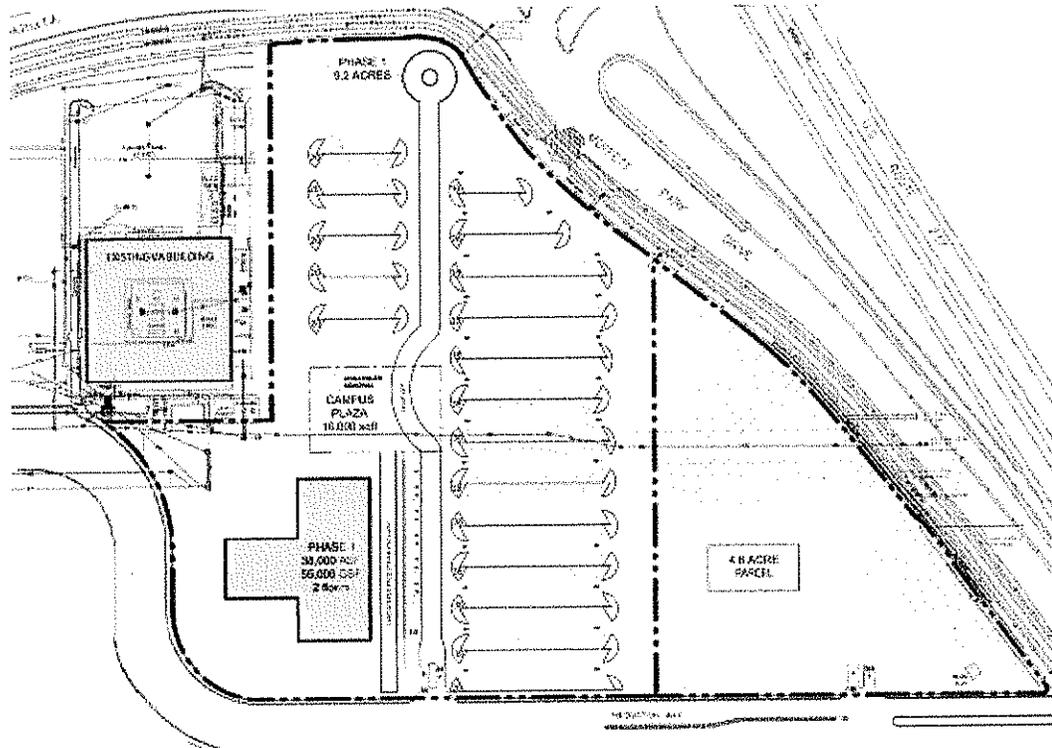
Onizuka Air Force Station – Parcel Map





Exhibit E

CONCEPTUAL SITE PLAN - PHASE 1



SCALE: 1" = 50'

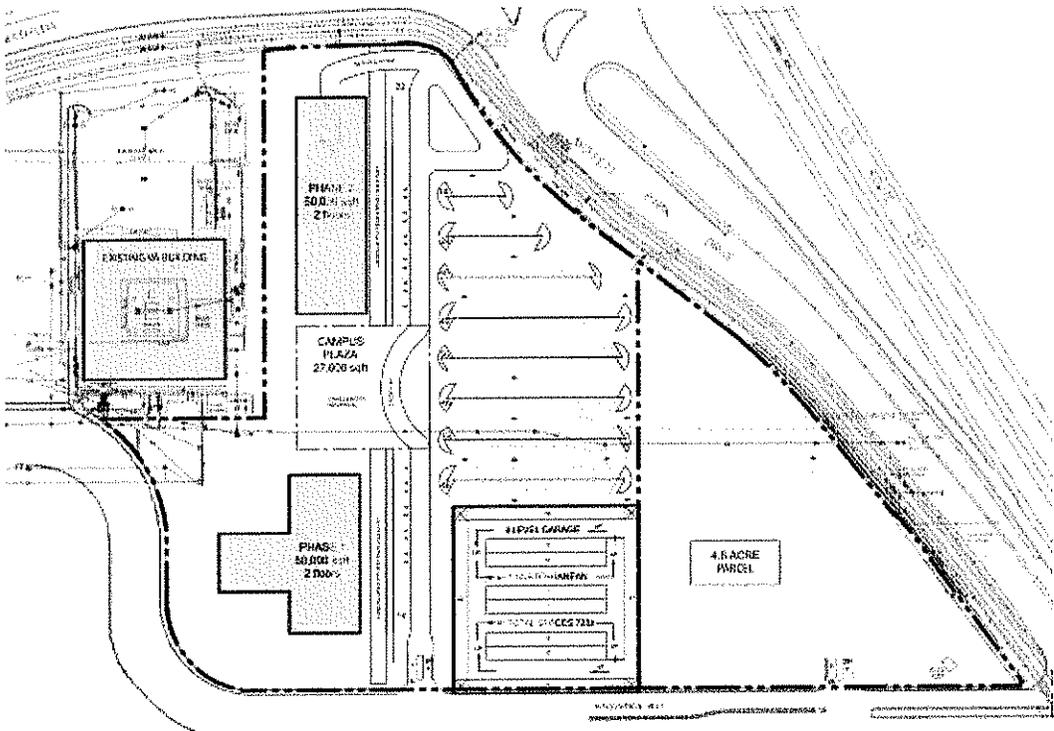
**ONIZUKA CONCEPTUAL SITE PLAN
PHASE 1**

- DEMOLISH ALL IMPROVEMENTS ON 9.15 ACRES (approx. 550,000 sf)
- PREPARE SITE FOR DEVELOPMENT
- INSTALL REQUIRED SITE UTILITIES
- INSTALL CIRCULATION ROADS
- INSTALL OFFSITE IMPROVEMENTS TO INNOVATION WAY
- CONSTRUCT 55,000 GSF (38,000 ASF) INSTRUCTIONAL BUILDING (2 STORY)
- CONSTRUCT SURFACE PARKING FOR 556 CARS (10 per 1,000 sf)
- INSTALL 16,000 SF CAMPUS COURTYARD
- INSTALL SITE LANDSCAPING



Exhibit E

CONCEPTUAL SITE PLAN - PHASE 2



SCALE: 1" = 50'

**ONIZUKA CONCEPTUAL SITE PLAN
PHASE 2**

- CONSTRUCT ADDITIONAL 55,000 GSF (38,000 ASF) BUILDING (2 STORY)
- CONSTRUCT 4 LEVEL PARKING GARAGE FOR 728 CARS (1 level subterranean)
- SURFACE PARKING FOR 372 CARS
- TOTAL PARKING = 1,100 CARS (10 per 1,000 sf)

EXHIBIT "H"

FOOTHILL - DE ANZA COMMUNITY COLLEGE DISTRICT
ONIZUKA - PHASE 1 PROJECT DEVELOPMENT COST ESTIMATE

Date: May 11, 2011

DIRECT COSTS

Site Development:

| | |
|--------------------------------------|--------------------|
| Demolition | \$3,203,044 * |
| Haz Mat Abatement | \$1,273,600 * |
| Grading | \$401,940 * |
| Parking (500 cars - surface parking) | \$875,000 |
| Roadways | \$385,000 |
| Innovation Way Restoration | \$400,000 |
| Subtotal Site Development | \$6,538,584 |

Utilities:

| | |
|---------------------------|--------------------|
| Sanitary Sewer | \$153,150 |
| Storm Drain | \$401,825 |
| Fire Protection Water | \$262,600 |
| High Voltage Power | \$727,200 |
| Signal | \$123,200 |
| Domestic Water | \$168,075 |
| Natural Gas | \$118,300 |
| Site Lighting & Signage | \$283,500 |
| Subtotal Utilities | \$2,237,850 |

| | |
|--|---------------------|
| Building (38,000 sf (ASF) / 54,000 sf (GSF) x \$445/sf) | \$16,910,000 |
| Subtotal Building | \$16,910,000 |

| | |
|--|------------------|
| Landscape (hardscape/softscape) | \$816,000 |
| Subtotal Landscape | \$816,000 |

TOTAL DIRECT COST **\$26,502,434**

INDIRECT COSTS

| | |
|--|--------------------|
| Architecture & Engineering (Plans/Specs) | \$2,120,195 |
| Architecture & Engineering - Project Oversight | \$424,039 |
| Subtotal A&E: | \$2,544,234 |
| Project Administration / Management (District Cost) | \$265,024 |
| Division of State Architect Plan Check | \$140,512 |
| Community College Plan Check | \$75,721 |
| Preliminary soils test / geotech | \$85,000 |
| Legal Fees/printing/advertisement | \$50,000 |
| Constructibility Review | \$60,000 |
| Haz Mat Survey/Monitoring/Clearance | \$100,000 |
| Storm Water Pollution Program | \$45,000 |
| Utility Engineer for coord/interface with site utilities | \$75,000 |
| Civil Engineering - Site | \$125,000 |
| LEED | \$35,000 |
| Testing and Inspection | \$623,024 |
| Construction Management | \$1,060,097 |
| TOTAL INDIRECT COST | \$5,283,613 |

CONTINGENCY **\$2,650,243**

TOTAL CONSTRUCTION COST **\$34,436,290**

FF&E **\$1,200,000**

TOTAL PROJECT COST **\$35,636,290 ****

Footnotes:

* Does not include \$707,402 of demolition, grading and hazardous materials abatement for Phase 2 land (4.6 acres)

** Does not include cost of Phase 2 land purchase (4.6 acres) or Phase 2 development costs

APPENDIX I

ONIZUKA EDUCATIONAL CENTER ESTIMATED OPERATING BUDGET

OPERATING COSTS

| | |
|--------------------------------|---|
| Staffing: | \$1.7M 7 FTE Classified, 1.5 FTE custodian, 1 FTE management, PT security |
| Utilities: | \$120K/year |
| Supplies: | \$165K/year operating budget for instructional and administrative needs |
| Maintenance and Operations: | \$275K/year including grounds, facilities, custodial and contracts |
| <i>Estimated Total:</i> | <i>\$2.26M</i> |

REVENUE

| | |
|--------------------------------|---|
| State Funding for Center | \$1.1M/year |
| State Apportionment | \$3M (based on enrollment and attendance) |
| <i>Estimated Total:</i> | <i>\$4.1M</i> |

ATTACHMENT F

Planning Commission Minutes, dated September 26, 2011

| |
|--|
| PLANNING COMMISSION MINUTES OF SEPTEMBER 26, 2011 |
|--|

| | | |
|-----------|------------------------------|--|
| 2. | FILE #: | 2010-7636 |
| | Location: | 1080 Innovation Way (APN: 110-27-034, 036, 037) |
| | Proposed Project: | Review of Amendments to the Onizuka Air Force Station Local Redevelopment Authority Redevelopment Plan (Approved by the LRA December 2008), Legally Binding Agreement and Homeless Assistance Submission |
| | Applicant / Owner: | City of Sunnyvale /United States Air Force |
| | Environmental Review: | Statutory Exemption 15262, Feasibility and Planning Study and General Rule Exemption 15063(b) (3). |
| | Staff Contact: | Shaunn Mendrin, 408-730-7429, smendrin@ci.sunnyvale.ca.us |

Shaunn Mendrin, Senior Planner, presented the staff report. He noted the report is to amend the adopted 2008 Onizuka Air Force Station Redevelopment Plan and he further summarized the report.

Comm. Sulser asked staff about the homeless shelter and the proposed relocation to the Armory site. He noted that the report stated that the City will be providing funds from the City's housing mitigation fund, and asked if this only applies if they relocate to the Armory site.

Hanson Hom, Director of Community Development Department, responded that there's a Legally Binding Agreement (LBA) in 2008 to grant an incentive for the Homeless Advisory to relinquish their claims of their site in the Onizuka Air Force Base in exchange for an alternative site. At the time, the alternative site was not identified to relocate to, but there was an incentive of \$8.2 million of the City's housing mitigation funds. He further stated that since that time the National Guard relinquished their lease on the armory site in June this year, and the two homeless providers are interested in developing on the Armory site. The LBA going to Council on October 4, 2011 will include the same offer as 2008, including the \$8.2 million. He further stated that the Armory site was appraised at \$7.4 million and the funds would go towards the ground lease of the proposed property at 620 East Maude Avenue.

Comm. Sulser responded that the City Council's concern in the past is not to locate these uses close to industrial sites because it makes those sites less financially viable. He asked if the park, educational use, or the Veteran Affairs claim may affect the industrial sites' viability.

Mr. Hom noted that these uses are not subject to the City's property tax revenue. He noted potential employment benefits and an educational facility is a huge investment to the City.

Comm. Sulser asked if these uses are potential sensitive receptors that will affect the industrial sites' viability.

Mr. Hom responded no, that a college or park is not as much of a concern as residential uses close in proximity to industrial sites. He noted air quality impacts and further stated that if it were

an elementary school or senior housing then these uses would be more of a concern if they were to be located close to industrial uses.

Mr. Hom stated that the relocation of the homeless shelter to 620 East Maude Avenue is a more suitable site.

Vice Chair Larsson asked staff about potential traffic impacts since this site is close in proximity to US Route 237 and Mathilda Avenue. He asked how the City will manage the traffic if the community college or other uses on the site decide to expand in the future.

Shaunn Mendrin responded that they will have to go through the California Environmental Quality Act (CEQA) process.

Mr. Hom also added that the District Agreement will require them to go through CEQA review and provide mitigation per City standards.

Vice Chair Larsson asked if the Veteran Affairs property will have to go through CEQA review.

Mr. Hom said that they will be conducting an environmental review, but the City has no ability to enter a similar VA agreement because they have the right to the property. He further stated that they will most likely have to go through National Environmental Policy Act (NEPA) review. He also noted that the Moffett Park Specific Plan includes more intensive use as far as uses in relation to traffic.

Chair Hendricks asked staff if the funds go into the City's General Fund.

Mr. Hom responded yes, the proposed Housing Mitigation Funds of \$7.4 million dollars is available for affordable housing and the lease payments would go to the City's General Fund.

Chair Hendricks asked staff, if a motion to approve this amendment passes, are they giving VA the right to develop a homeless shelter in a location not preferred by the City based on the reasons Mr. Hom explained previously.

Mr. Hom responded its part of the Base Closure and Realignment Commission (BRAC) process, and that in order to gain control of the sites the City needs to recognize the VA's claims. He noted that they have two options, to allow them to build low-income housing on without any incentives from the City, or to build on an alternative site with incentives and added benefits. He noted that the Armory site is the preferred location.

Chair Hendricks asked the City Attorney if the Commission can have the motion recognize the claim that they feel that the Onizuka location is not a good site for a homeless shelter.

Kathryn Berry, Senior Assistant City Attorney, noted that the City does not have a lot of control over the (BRAC) process, clarifying the Commission's concern is that the homeless housing location stated on the amendment is located on the Air Force Station, and that the proposed re-location to the Armory site is not stated in the agreement.

Shaunn Mendrin added that the BRAC process already entitles them to build housing if they choose to, regardless of any City policy.

Chair Hendricks opened the public hearing.

Chair Hendricks stated that there are no speaker cards.

Chair Hendricks closed hearing.

Vice Chair Larsson moved with staff's recommendations to approve Alternative's 1, 2, and 3; Approve and direct the City Manager to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD) an amended Onizuka Air Force Station Redevelopment Plan and amended Homeless Housing Submission. (Attachments A and B); Direct the City Manager to execute a Legally Binding Agreement with MidPen Housing and Charities Housing. (Attachment C); and Direct the City Manager to execute a District Agreement with the Foothill-De Anza Community College District (Attachment D). **Comm. Chang** seconded the motion.

Comm. Chang stated the amendments adhere to the Moffett Park Specific Plan, and accommodate the civic duties, and said he was able to make the findings.

Chair Hendricks stated that he will support the motion and has been following this, especially the housing portion of the Plan.

ACTION: Vice Chair Larsson made a motion with staff's recommendations to approve Alternative's 1,2, and 3; Approve and direct the City Manager to submit to the Department of the Air Force (AF) and the Department of Housing and Urban Development (HUD) an amended Onizuka Air Force Station Redevelopment Plan and amended Homeless Housing Submission. (Attachments A and B); Direct the City Manager to execute a Legally Binding Agreement with MidPen Housing and Charities Housing. (Attachment C); and Direct the City Manager to execute a District Agreement with the Foothill-De Anza Community College District (Attachment D). **Comm. Chang** seconded. Motion carried unanimously, 7-0.

APPEAL OPTIONS: This item is scheduled to be considered by City Council at the October 4, 2011 City Council meeting.

ATTACHMENT G

Housing Commission Minutes, dated September 28, 2011



APPROVED MINUTES

SUNNYVALE HOUSING AND HUMAN SERVICES COMMISSION WEDNESDAY, SEPTEMBER 28, 2011

The Housing & Human Services Commission met in a regular session in the West Conference Room, at 456 West Olive Avenue, Sunnyvale City Hall, Sunnyvale, CA 94088 on September 28, 2011 at 7:04 p.m. with Chair Dietrich presiding.

SALUTE TO THE FLAG

Led by Chair Dietrich

ROLL CALL

Commission Members Present: Eric Anderson, Hannalore Dietrich, Patti Evans, Fred Fowler, Younil Jeong, Anna Ko, and Mathieu Pham.

Commission Members Absent: None.

Staff Present: Hanson Hom, Director of Community Development; Suzanne Isé, Housing Officer; and Edith Alanis, Housing Programs Technician.

Others Present: Linda Isherwood, Town of Los Gatos Finance Analyst.

SCHEDULED PRESENTATION

None.

PUBLIC ANNOUNCEMENTS

None.

Chair Dietrich welcomed new Commissioner Patti Evans and asked that everyone introduce themselves.

CONSENT CALENDAR

1. A. Approval of Draft Minutes of July 27, 2011.

Chair Dietrich asked for a motion to approve the consent calendar.

Commissioner Anderson moved and Vice Chair Fowler seconded to approve the consent calendar.

Motion passed 5-0-2. Commissioners Evans and Pham abstained because they were not present at the last meeting.

Chair Dietrich stated that she submitted corrections to staff.

Housing Officer Isé asked the Chair to move Agenda Item #4 to the beginning of the Public Hearings portion of the meeting.

Chair Dietrich asked for a vote to take the public hearing agenda items out of order and start with item #4: Onizuka Air Force Station Housing Assistance Submission. Motion passed unanimously 7-0-0.

PUBLIC COMMENTS

None.

PUBLIC HEARINGS/GENERAL BUSINESS

2. Public Hearing: Review of Consolidated Annual Performance Evaluation Report (CAPER) on CDBG and HOME grants.

Officer Isé gave a brief overview of the CAPER and noted that this report is presented to the Commission annually, as required by the CDBG and HOME program regulations. She explained that the CAPER reports on the outcomes of the Action Plan and the goals that were identified in it. The CAPER reports on the City's progress toward accomplishing those goals and explains any difficulties encountered with any of the activities, such as those encountered last fiscal year with the Façade and Youth Jobs programs. She noted that the Microenterprise Grant Program, in contrast, was very successful.

Staff answered Commissioners' questions and clarified some details. Commissioners suggested standardizing some terms to be consistent on Tables 1 and 3, and some clarification to the narrative on page 13 about the Youth Jobs program.

The Chair opened the public hearing. No comments were made during the public hearing. The Chair closed the public hearing.

Staff agreed to make the edits suggested by the Commission.

3. Public Hearing: Draft Analysis of Impediments (AI) to Fair Housing.

Officer Isé explained that the AI is a required planning document that is an Appendix to the Consolidated Plan. She highlighted that this document combines the current 2006 AI and the County AI prepared by Bay Area Economics in 2009. Staff incorporated the suggestions made by the Commission at its June meeting, and has added more recent Census data, where available to some of the tables. Commissioners asked various questions about the AI, but did not suggest any further edits.

The Chair opened the public hearing. No comments were made.

4. Onizuka Air Force Station Housing Assistance Submission

Community Development Director Hanson Hom gave some background on this item, and offered to answer any questions.

He explained during his report that, after the City learned of the Onizuka Air Force Base closure in 2005, and following the Base Realignment and Closure process, it formed a Local Redevelopment Authority (LRA) which allowed the City to determine the preferred land uses for the Onizuka site. This process has taken five years, and different concepts, such as an Auto Center, have been contemplated for this site.

He noted that the Housing Assistance Submission describes, and verifies the need for housing and services for homeless people in Sunnyvale. It also accepts the claims that were submitted to the LRA by two homeless housing providers in 2006, and includes an option for the City to provide funding to assist in relocating the project to the Armory site at 620 E. Maude, in exchange for their releasing of their claims to the land at Onizuka.

He added that the Housing Assistance Submission must be submitted to HUD, and that this is an opportunity for the Commission to provide input to be included in the report to Council that will be presented in November.

Commissioners suggested some minor changes to page 12 to clarify the survey results. They also expressed some concern about closing the cold weather shelter, if this project moves forward. Staff explained that ideally some of the Armory shelter clients would move into the homeless housing project. However, other alternatives will also be considered to mitigate the loss of the shelter.

After a lengthy discussion, Chair Dietrich asked for a motion to recommend approval of the Housing Assistance Submission.

Commissioner Anderson moved and Commissioner Evans seconded to recommend approval of the Onizuka Housing Assistance Submission to City Council with changes on page 12.

Motion passed unanimously 7-0-0.

5. Propose and/or review new Study Issues and Budget Issues

Officer Isé explained the City procedure for proposing new study issues or budget issues, as explained in the memo in their packets, and advised the Commissioners that this is their opportunity to suggest any studies that they feel need to be initiated by Council.

After a lengthy discussion and various ideas suggested and considered, the Commissioners agreed not to suggest any study issues this time.

Officer Isé reminded them that if any of them changed their mind or came up with a proposal later, they had the option to suggest one later as a member of the public, with sponsorship of Council or the City Manager.

6. Annual Review of Code of Ethics and Code of Conduct.

Officer Isé explained that this annual review provides the Commissioners with the opportunity to give Council any input on the Code of Ethics and Code of Conduct, and it is a reminder to review the document and become familiar with its contents.

NON-AGENDA ITEMS AND COMMENTS

- BOARDMEMBERS OR COMMISSIONERS ORAL COMMENTS
None

- STAFF ORAL COMMENTS
None

INFORMATION ONLY ITEMS

None.

ADJOURNMENT

Meeting adjourned at 9:10 p.m.

Respectfully submitted,

Suzanne Isé
Housing Officer