

Consideration of Concord First Partners Term Sheet

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AND BASE REUSE

JANUARY 7, 2023



Today's Agenda

1. Staff Presentation
2. Concord First Partners Presentation
3. City Council Questions
4. Public Comment
5. Council Consideration

Staff Presentation

1. Project History Summary
2. What is a Term Sheet?
 - What comes after acceptance of the Term Sheet?
3. CFP Term Sheet Highlights
4. LRA/City Protections
5. Alternative Actions

Project History Summary

2006 – Base Closure

2007 - 2009 – Community/Regional Outreach

2010 – Reuse Plan – Clustered Villages with EIR

2012 – Area Plan adopted with EIR amendments

2014 - 2016 – Master Developer Selection #1 – ENA/Term Sheet

2017 – 2019 – Drafting of Specific Plan

March 2020 – ENA Expiration

Project History Summary (continued)

2020 – Project Reset

- Discussion with developers/stakeholders on project success factors

2021 – Master Developer Selection #2

- Project Labor Agreement > Streamlined RFQ for entire EDC
- RFQ issued in April 2021
- Three respondents in June 2021
- August 2021 – Council votes 3 for CFP, 2 for Brookfield
- October 2021 – Council votes 5-0 to enter ENA with CFP

Project History Summary (continued)

2022 – Master Developer Selection #2

- January 2022 – LRA staff and CFP start Term Sheet negotiations
- May 2022 – Council votes 4-1 to extend ENA to January 31, 2023
- June - November 2022 – Term Sheet negotiations
- November 30, 2022 – Term Sheet released for public consideration
- December 1 and 15, 2022 – Community Presentations
- Agency/Stakeholder/Organization Briefings

January 7, 2023 – City Council consideration of Term Sheet

What is a Term Sheet?

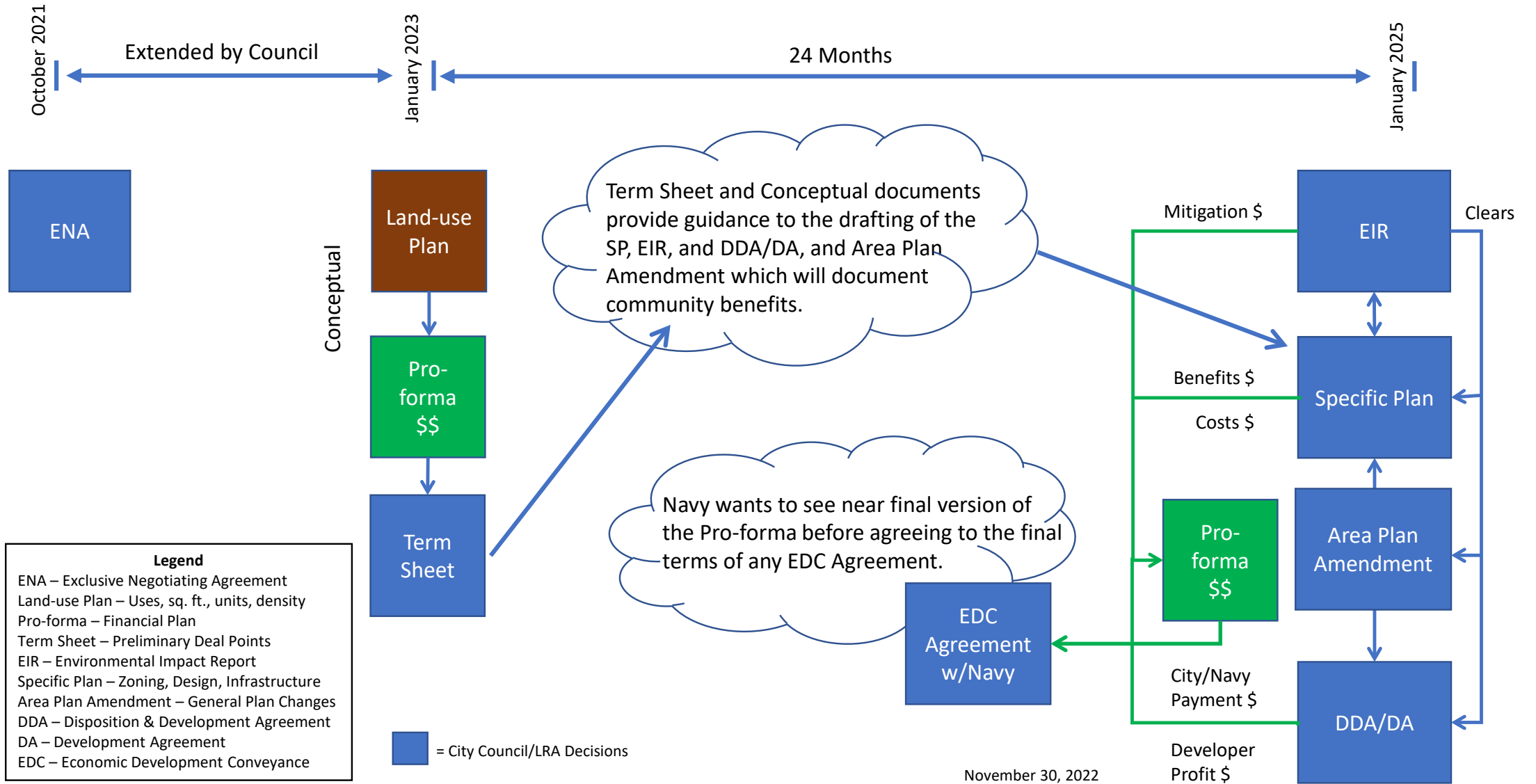
An outline of the potential future contract between LRA and Master Developer

Framework to be further negotiated into the future Disposition & Development Agreement and Specific Plan

Based on a conceptual land-use plan – types of development, infrastructure and public facilities

Based on a conceptual financial plan demonstrating estimated revenue and costs of the conceptual project

Exclusive Negotiating Agreement with Concord First Partners



CFP Term Sheet Highlights

Goal: To meet community expectations while insuring the financial feasibility of the Project

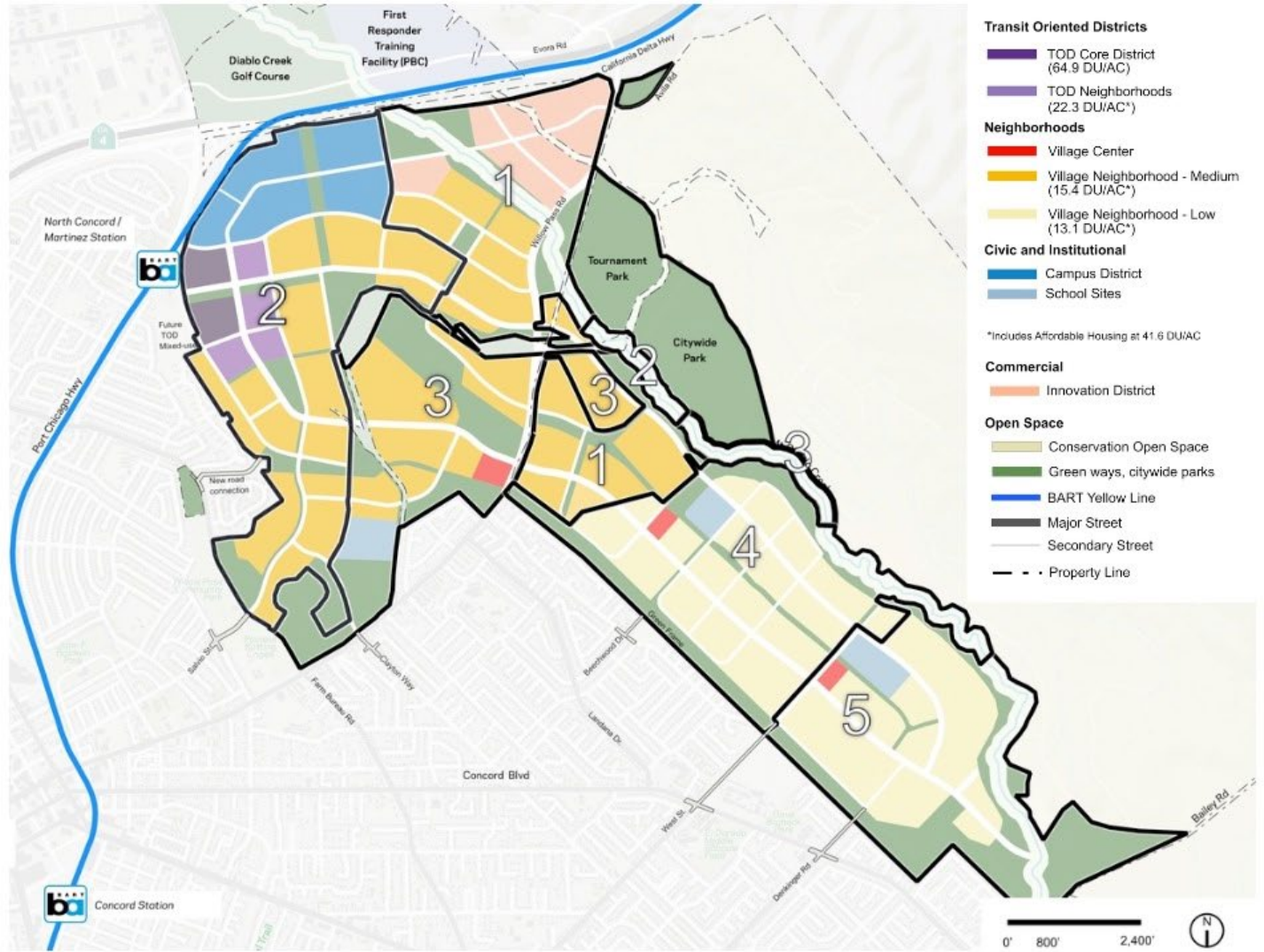
1. All 2,275 acres of the EDC in 5 phases over 40 years.
2. Increases residential unit count from Area Plan's 12,272 to 15,595, using Junior Accessory Dwelling Units to meet a portion of the 25% affordable housing goal
3. Approximately 6 million square feet of commercial space; estimated to allow the creation of up to 16,920 jobs
4. Approximately 856 acres of parks, greenways and the phased restoration of the Mt. Diablo Creek corridor

CNWS LANDUSE PLAN WITH PHASING

- Phase 1**
2,938 Total Dwelling Units
693 Affordable Units
65 Homeless Housing Units
5,276 Jobs / 2.2M GSF Innovation District
79.7 acres Parks / Greenways
4 acres Veterans Land Set Aside
- Phase 2**
4,945 Total Dwelling Units
1,083 Affordable Units
65 Homeless Housing Units
20 Habitat for Humanity Units
4,182 Jobs / 940,896 GSF TOD Core District
6,338 Jobs / 2.3M GSF Campus District
82.56 acres Parks / Greenways
10 acres Food Bank
2 acres Fire Station
- Phase 3**
2,345 Total Dwelling Units
300 Affordable Units
65 Homeless Housing Units
157 Jobs / 78,408 GSF Village Center
87 Jobs / 52,272 GSF Mid-rise Hotel
15 acres Schools
89.95 acres Parks / Greenways
35 acres Wetland Preservation Area
Community Center
- Phase 4**
2,927 Total Dwelling Units
332 Affordable Units
65 Homeless Housing Units
91 Jobs / 45,738 GSF Village Center
10 acres Schools
37.39 acres Parks / Greenways
41 acres Green Frame Park
- Phase 5**
2,440 Total Dwelling Units
332 Affordable Units
91 Jobs / 45,738 GSF Village Center
15 acres Schools
97 acres Parks / Greenways
41 acres Green Frame Park
2 acres Fire Station

Tournament Sports Park (69 acres) and City Wide Park (105 acres) to be phased and programmed in the Specific Plan.

Proposed school locations are subject to school district approval, and may be shifted and relocated accordingly



- Transit Oriented Districts**
 - TOD Core District (64.9 DU/AC)
 - TOD Neighborhoods (22.3 DU/AC*)
 - Neighborhoods**
 - Village Center
 - Village Neighborhood - Medium (15.4 DU/AC*)
 - Village Neighborhood - Low (13.1 DU/AC*)
 - Civic and Institutional**
 - Campus District
 - School Sites
 - Commercial**
 - Innovation District
 - Open Space**
 - Conservation Open Space
 - Green ways, citywide parks
 - BART Yellow Line
 - Major Street
 - Secondary Street
 - Property Line
- *Includes Affordable Housing at 41.6 DU/AC



CFP Term Sheet Highlights (continued)

5. Entire project is subject to a Project Labor Agreement with the CC Building & Construction Trades
6. At least 50% of market-rate residential units will be offered to unaffiliated vertical developers with a local preference
7. Pads and infrastructure for 3,020 units of affordable housing will be provided at an estimated cost of \$187 million; additional \$50 million contribution (\$10 million per phase)
8. Legally Binding Agreement parcels for Food Bank (10 acres) and Permanent Supportive Housing (16 acres)

CFP Term Sheet Highlights (continued)

9. Four-acre parcel for new Veteran's Hall
10. A \$65 million project contribution towards a Library/Community Center
11. A \$100 million project contribution towards the Tournament Sports Complex/City Park
12. Widening of Willow Pass Road to four lanes in Phase 1
13. Extension of Evora Road to Port Chicago Highway and Golf Course Repair in Phase 1
14. Delta-DeAnza trail connection and Regional Park access in Phase 1

CFP Term Sheet Highlights (continued)

15. Expedited repayment of City Loan to project in Phases 1 & 2
16. CFP's acceptance of Internal Rate of Return of 18%
17. City participation in project returns greater than 18%
 - City share 40% - returns between 18 – 20%
 - City share 50% - returns between 20 - 22%
 - City share 60% - returns 22% or greater
18. Estimated payment(s) to Navy for EDC included in Conceptual Financial Plan

LRA/City Protections

- A. Property to transfer in sub-phases (50 to 100 acres) after CFP provides evidence of capability and bonds to City to ensure performance
- B. CFP has agreed to a schedule of performance milestones to ensure the phased delivery of backbone infrastructure within certain time limits
- C. CFP acting as Master Developer for backbone infrastructure and public amenities.

LRA/City Protections (continued)

- D. Sale of land to affiliated builders must be at value reviewed and approved by LRA
- E. CFP agrees to Open Book Accounting with LRA inspection and audit rights, and annual reports
- F. Changes in the composition of CFP requires LRA consent.

Alternative Actions:

1. Choose to approve the Term Sheet as drafted (**LRA staff's recommendation**); or
2. Provide additional direction to LRA staff and CFP regarding additional or change provisions for consideration in the Term Sheet and continue this meeting to January 28, 2023, or
3. Reject the Term Sheet; direct LRA staff to let the ENA with CFP expire on January 31, 2023.

CFP Presentation

**Council questions to either LRA staff or CFP will follow
CFP's Presentation**