

Dutton Flats, LP  
C/O Phoenix Development Company of Minneapolis, LLC  
1620 Olivet Road  
Santa Rosa, CA 95401  
707-528-3631

December 2<sup>nd</sup>, 2019

Housing and Community Services  
c/o Frank Kasimov  
90 Santa Rosa Avenue  
Santa Rosa, CA 95404

RE: Pre-commitment letter \$3,100,000, Dutton Flats  
206-214 West 3<sup>rd</sup> Street, Santa Rosa, CA 95401  
Resolution #1666 start dates and end dates

Dear Frank,

This is a follow up letter on my original request dated November 13, 2019. As previously discussed, we would like to be allowed to use the funding committed to by the city for all project costs as they will come up and also to close on the land by December 31<sup>st</sup>, 2019 in order to bypass an additional \$50,000 fee to the seller. I have enclosed a copy of the purchase agreement for your review.

Under Resolution number 1666, on page 2 of 3, under item number 7 it states "The loan shall be due and payable in full if construction has not commenced by January 31, 2020 and is not completed by March 31, 2021, unless these times are extended by the Executive Director." It is our intent to work toward these dates but would like to see some flexibility giving us until March 31, 2020 for start date and May 31, 2021 for completion date.

Currently all funding sources for the project have been contracted for and we are moving forward with the expectation to close on the land by December 31, 2019 and to close on the construction funding by January 31, 2020.

I am also enclosing a letter signed by the seller's trustee, Godfrey Babbini stating that he will waive the additional \$50,000 fee if the land is paid for in full by December 31, 2019 and that the \$50,000 will be applied directly to the original purchase price of the land versus an additional cost. If we are unable to close by the end of 2019 the fee will be required in addition to the purchase price.

Sincerely,



Michelle Olson

Phoenix Development Company of Minneapolis, LLC