

400 BLOCK

PROPOSAL



The Del Curto Group



*P.O. Box 1311 Hollister, Ca. 95024
Office (831) 637-4583
Cell (831)902-5454
Fax (831)637-6940*

April 18, 2016

*The City Of Hollister
Attn: Mary M. Paxton
375 5th St.
Hollister, Ca. 95023
(831) 636-4316*

Dear Mary,

Our team is submitting a proposal for the 400 Block development of a 4 story building consisting of Commercial/Retail space with a pedestrian friendly courtyard area with fountain/garden and siting area at street level. The 2nd, 3rd and levels will consist of residential condominiums with open air balconies that are open to the central courtyard and San Benito St.

Our team is partnering with the Community Foundation/Randy Wolf for the construction of a two level open air structure they will own and occupy. This building will be adjacent to the Vault building.

We believe our team can satisfy The City's desire for a development that will attract the community to the downtown area and provide much needed affordable housing.

Thank You

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Developer Team Biography

*Del Curto Bros. Construction Co., Darin and Derek Del Curto
Community Foundation/Randy Wolf
JW Design Group, Jerry Whitney
Private Capital Group, Jim Petralia*

DC Bros. was established in 1988 by Derek and Darin. Since its inception they have developed in Hollister, Santa Cruz and Gilroy areas. Developments have included minor and major subdivisions consisting 4-14 lot residential home developments in Gilroy. We have experience in working with agencies such as Coastal Commission and the City of Capitola for a 4 unit development which consisted of 4-2300 square foot homes with a unique design in capturing ocean views with common areas on 2nd story. Current developments in the City of Hollister under construction are a 22 lot residential development off Hillcrest Road, 4 townhouse complex on East St. and 8 unit townhouse development at 853 San Benito St.

DC Bros. are capable of constructing the proposed project at the 400 block and have always met their deadlines and milestones with their projects in the past.

The Community Foundation was established 1982 for San Benito County has donated to a variety of local causes and nonprofits. The common factor in each instance was that funds were granted to benefit the people of San Benito County. In 2002, the Foundation hired its first full-time executive director and funded the start of the Permanent Endowment. The board has increased in size to 16 members and over 25 local community leaders sit on five committees (grants, finance, challenge grant, public relations, special events) supporting the board and local interests.

Jerry with JW design has worked on various projects consisting of residential and commercial in Monterey County, Santa Cruz County and the State of Nevada. Jerry was instrumental in the design of our 8 unit project on San Benito St. which included professional colored renderings. Jerry is a vital asset to our team and is very capable of design/ plans for our proposed project.

Jim with Private Capital has been our lender for projects in the last 3-4 years. His company has financed our projects from \$250,000.00-\$1,800,000.00. Our 8 unit development on San Benito St. has a loan commitment of \$1,800,000.00 and is under construction at this time.



Community Foundation

FOR SAN BENITO COUNTY

FOUNDATION BOARD

Chair

Phil Fortino

Vice Chair

Rebecca Medeiros Wolf

Secretary

Kathy Flores

CFO, Treasurer

Mike Grace

Past Chair

Fernando Gonzalez

Christine Breen

Vince Brigantino

Alfonso Castaneda

Alan Clark

Marilyn Ferreira

Kay Filice

Steve Hudner

Susan Schwabacher Modic

Anne Morris

Allison Rohnert

Ed Stephenson

Bob Tiffany

Gene Zanger

President/CEO

Gary Byrne

Thursday, April 14, 2016

Dear City of Hollister,

The Community Foundation for San Benito County, a 501c3 nonprofit, organization, is seeking to build a community philanthropic center on the south parcel of the "400 Block".

The Foundation is working in collaboration with Del Curto Bros. Construction Co., Darin and Derek Del Curto. It is our hope to be part of the revitalization of our downtown.

On this parcel of 6,285 square feet, we propose to build a two story building of approximately 8,000 square feet. The building will accommodate 7 to 9 local nonprofit organizations, and be a conference center for the community. With space for board meetings, community meetings and community gatherings. The board of directors for the foundation strongly feel that this is very much in line with the mission of the foundation.

"Dedicated to building a stronger community and enhancing the quality of life in San Benito County through the support of philanthropic activities"

The cost of this project is being donated to the community by a resident of San Benito County. The donation value will be approximately \$900,000.

As of March 31, 2016 the community foundation has assets of \$9m, made up of \$7.7m in stock and bonds and \$1.3 in cash.

Sincerely,

Gary Byrne
President and CEO

829 San Benito St, Ste 200
Hollister, CA 95023
831.630.1924
FAX 831.630.1934
www.cffsbc.org

501(c)3 Organization
TIN 77-0312582

For Good... For Ever!

Project Approach:

Our preliminary approach would consist of commercial retail space at street level, 50% of exterior wall would include glazing (glass). The open air courtyard would consist of approximately 3500 square foot with a water fountain feature, along with raised planters, seating area with outdoor dining tables. The courtyard would open up to the sky in all 4 stories. Open air balconies at the 2nd, 3rd and 4th levels will face to the interior courtyard and San Benito St. The 2nd, 3rd and 4th levels of the exterior will be terraced from the ground level to give it a softer transition for the exterior elevation.

The 2nd, 3rd and 4th levels will consist of residential condominiums with open air walkway.

Our team has visited various pedestrian friendly cities throughout California with the intent of gathering ideas developers have incorporated into open space in downtown developments. Our desire is to have a pleasant, inviting and safe space where the community can congregate, dine and meander in and through our proposed development.

List of Potential Tenants

1. *Community Foundation of San Benito County(Gary Byrne)*
2. *Ray and Peggy Pierce with Pierce Realty*
3. *Cold Stone Creamery*
4. *Wine and Cheese tasting room*
5. *Gavilan College*
6. *Retail Candy Store*
7. *Boutique gift shop*
8. *Restaurant and bar*
9. *Café and Pastry shop with outdoor dining*
10. *Residential condominiums would be offered for sale*

Estimated Total Project Costs

1. Preliminary design	\$ 5,600.00
2. Final Design	\$ 11,000.00
3. Building Plans	\$ 75,000.00
4. Construction hard costs (Corner north parcel)	\$ 2,850,000.00
5. Construction hard costs (Community Foundation south parcel)	\$ 900,000.00
6. Land Acquisition	\$ 390,000.00
7. Soft Costs (Overhead, Interest, Insurance)	\$ 280,000.00

Total-----\$ 4,511,600.00



OMB APPROVAL NO.: 3245-0188
EXPIRATION DATE: 01/31/2018

PERSONAL FINANCIAL STATEMENT
7(a) / 504 LOANS AND SURETY BONDS

U.S. SMALL BUSINESS ADMINISTRATION

As of January 4, 2016

SBA uses the information required by this Form 413 as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an SBA guaranteed 7(a) or 504 loan or a guaranteed surety.

Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan

Return completed form to:

For 7(a) loans: the lender processing the application for SBA guaranty

For 504 loans: the Certified Development Company (CDC) processing the application for SBA guaranty

For Surety Bonds: the Surety Company or Agent processing the application for surety bond guaranty

Name Del Curto Bros. Const. Co., Inc. **Business Phone** 831-637-4583
Home Address P.O. Box 1311 **Home Phone** 831-902-5454
City, State, & Zip Code Hollister, Ca 95024
Business Name of Applicant Same as Above

ASSETS (Omit Cents)	LIABILITIES (Omit Cents)
Cash on Hand & in banks.....\$ 354,000.00	Accounts Payable.....\$
Savings Accounts.....\$ 5,400.00	Notes Payable to Banks and Others.....\$ 2,160,000.00
IRA or Other Retirement Account.....\$ 38,000.00	(Describe in Section 2)
(Describe in Section 5)	Installment Account (Auto).....\$ 4,300.00
Accounts & Notes Receivable.....\$ 106,000.00	Mo. Payments \$ 334.00
(Describe in Section 5)	Installment Account (Other).....\$
Life Insurance - Cash Surrender Value Only.....\$	Mo. Payments \$
(Describe in Section 8)	Loan(s) Against Life Insurance.....\$
Stocks and Bonds.....\$ 8,300.00	Mortgages on Real Estate.....\$
(Describe in Section 3)	(Describe in Section 4)
Real Estate.....\$ 5,900,000.00	Unpaid Taxes.....\$
(Describe in Section 4)	(Describe in Section 6)
Automobiles.....\$ 57,000.00	Other Liabilities.....\$
(Describe in Section 5, and include Year/Make/Model)	(Describe in Section 7)
Other Personal Property.....\$	Total Liabilities.....\$ 2,164,300
(Describe in Section 5)	Net Worth.....\$ 4,336,400
Other Assets.....\$ 32,000.00	Total Liabilities & Net Worth \$ 6,500,700
(Describe in Section 5)	*Must equal total in assets column.
Total Assets \$ 6,500,700	

Section 1. Source of Income.

Salary.....\$ 12,000.00
Net Investment Income.....\$
Real Estate Income.....\$
Other Income (Describe below)*.....\$ 2,500.00

Contingent Liabilities

As Endorser or Co-Maker.....\$
Legal Claims & Judgments.....\$
Provision for Federal Income Tax.....\$
Other Special Debt.....\$

Description of Other Income in Section 1.

*Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Exhibit 2

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral
PLM	360,000.		2,400.00	Monthly	El Cerro Sub-Division
PLM	1,800,000.		13,500.00	Monthly	853 San Benito Street

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)	Commercial Development	Mixed Use Development	Residential Development
Address	0 Chappell Road	853 San Benito Street	El Cerro
Date Purchased	2002	2015	2015
Original Cost	150,000.00	300,000.00	750,000.00
Present Market Value	399,000.00	3,100,000.00	1,900,000.00
Name & Address of Mortgage Holder	N/A	PLM 90 Pacific St. Monterey	PLM 90 Pacific St. Monterey
Mortgage Account Number	N/A	N/A	N/A
Mortgage Balance	N/A	1,800,000.00	360,000.00
Amount of Payment per Month/Year	N/A	13,500.00/Month	2,400.00
Status of Mortgage	N/A	Current	Current

Section 5. Other Personal Property and Other Assets. (Describe, and, if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and, if delinquent, describe delinquency.)

Equipment

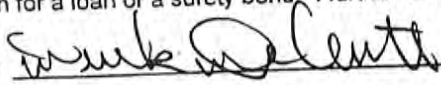
Section 6. Unpaid Taxes. (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)**Section 7. Other Liabilities.** (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

CERTIFICATION: (to be completed by each person submitting the information requested on this form)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan or a surety bond. I further certify that I have read the attached statements required by law and executive order.

Signature 
Print Name Derek Del Curto

Date 01/04/2016
Social Security No. 

Signature 
Print Name Darin Del Curto

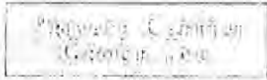
Date 01/04/2016
Social Security No. 

NOTICE TO LOAN AND SURETY BOND APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Knowingly making a false statement on this form is a violation of Federal law and could result in criminal prosecution, significant civil penalties, and a denial of your loan or surety bond application. A false statement is punishable under 18 U.S.C. §§ 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. § 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally-insured institution, a false statement is punishable under 18 U.S.C. § 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000. Additionally, false statements can lead to treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729, and other administrative remedies including suspension and debarment.

PLEASE NOTE:

The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20415, and Clearance officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. PLEASE DO NOT SEND FORMS TO OMB.



PH: 831-647-1258 • FAX: 1-831-401-2290
90 PACIFIC STREET, SUITE 555-D • MONTEREY, CA 93940
CalBRE #01839161

December 16, 2015

Re: Del Curto Brothers Construction Company, Inc.

To Whom It May Concern:

I am writing this letter at the request of Darin Del Curto with whom I have had a business relationship that is focused on land development and construction. Private Capital Group, Inc. (PCG) is duly licensed and in good standing with the California Bureau of Real Estate. I am the President and the Broker of Record for PCG and have been in this business exclusively since 1979. PCG is in the business of arranging private money loans secured exclusively by Real Property in the State of California. One emphasis of this company is arranging loans to acquire land for development and construction.

Arranging and managing construction from the lenders point of view carries a higher degree of difficulty over placing a loan on a property that is already improved. The builder must produce a viable budget to build the structure and then must adhere to a stringent fund control regimen that assures the property improvements are built according to the draw system set forth. Releases are procured from each party working on the property during each phase of development in order to assure that the lender remains in a priority position throughout the duration of the project.

I am highly selective regarding the parties with whom I arrange development /construction loans. I limit this activity to only a few parties to include Del Curto Brothers Construction Company, Inc. I would take this occasion to give you the following recommendation:

Darin Del Curto has informed me that the City of Hollister is considering his company as a potential purchaser of a City owned property located downtown that is in need of development.

Both Darin and Derek Del Curto build a quality product and have been honest and forthright in every aspect of our relationship to date. I look forward each time to their next project because they have been able to stay on budget and have worked very well with our fund control system. Each and every time to date, that I have arranged a loan for them to build a project, the loan has either paid off early or on time.

As a general rule, I am very reticent to give recommendations; However I do want to recommend the Del Curto Brothers to you. If you do work with them on this project, in my opinion, the chances of success are excellent.

If you would like to speak with me directly, I am available during normal business hours at:
831-647-1258.

Sincerely,


James A. Petralia

Project Schedule

<i>1.</i>	<i>Site and architectural application submittal</i>	<i>May 1, 2016</i>
<i>2.</i>	<i>Completion of plans ready for submittal</i>	<i>November 1, 2016</i>
<i>3.</i>	<i>Plan check and revisions</i>	<i>May 1, 2017</i>
<i>4.</i>	<i>Building permit issued</i>	<i>May 30, 2017</i>
<i>5.</i>	<i>Grading and foundation completion</i>	<i>July 1, 2017</i>
<i>6.</i>	<i>Construction completed</i>	<i>March 1, 2018</i>
<i>7.</i>	<i>Final occupancy</i>	<i>April 1, 2018</i>

Statement of Qualifications

- 2006-2007: *4 lot split sub-division with construction of 4 ocean front beach homes.*
- Development and construction of 10 homes ranging from 2400 S.F. to 3800 S.F. for real estate speculation.*
- 2006-2008: *Development of 14 lot major sub-division with construction of 2400 S.F. homes.*
- 4 lot split sub-division with construction of 4 two story homes for real estate speculation.*
- 2008-2012: *Complete construction of a 5500 S.F. Medical/office facility*
- Obtain certification from Bank of America to renovate their extensive foreclosure list of homes for real estate speculation.*
- Contracted with several clients to construct their private residences ranging from 2500 S.F. to 4000 S.F.*
- 2012-Present: *Development and construction of various homes ranging from 2100 S.F. to 3300 S.F. for real estate speculation.*
- Development and under construction of two mixed use developments in Hollister.*
- We work with various sub-contractors whom have proven to us quality of workmanship and meeting required timelines on our projects. We have built a team of subcontractors whom will be employed on our proposed 400 block project. Derek and Darin Del Curto will be actively supervising all aspects of the construction process of our proposed project.*

References

1. *Nino Development Inc. Mike Nino 330 Tres Pinos Rd. Hollister, Ca. (831) 635-0745*
2. *Ray and Peggy Pierce Real Estate 225 Sixth St. Ste D Hollister, Ca. (831) 801-2400*
3. *McKinnon Lumber John Barrett 375 Fifth St. Hollister, Ca. (831) 637-5767*

400 Block Proposal Sheet

This sheet shall be submitted with proposals and will be available to review immediately by all bidders. The City Clerk or Designee will read the information aloud to attendees. Please summarize.

Proposed Purchase Price \$ 390,000

Proposed Terms of Purchase CLOSE ESCROW AT BUILDING
PERMIT

Proposed Use of Property MIXED USE



SAN BENITO STREET ELEVATION



CORNER SAN BENITO & FOURTH STREET ELEVATION

Revisions By

RENDERING BY:
JW DESIGN GROUP
JERRY L. WHITNEY
2416 MATTHEW LANE, SANTA CRUZ, CA 95062
(831) 421-4100 JERRY@JWDESIGNGROUP.NET

DESIGN - BUILD
DEL CURTO BROTHERS GROUP

STREET RENDERED ELEVATIONS
400 BLK, SAN BENITO STREET
HOLLISTER, CA

Date 04/2016

Scale SHOWN

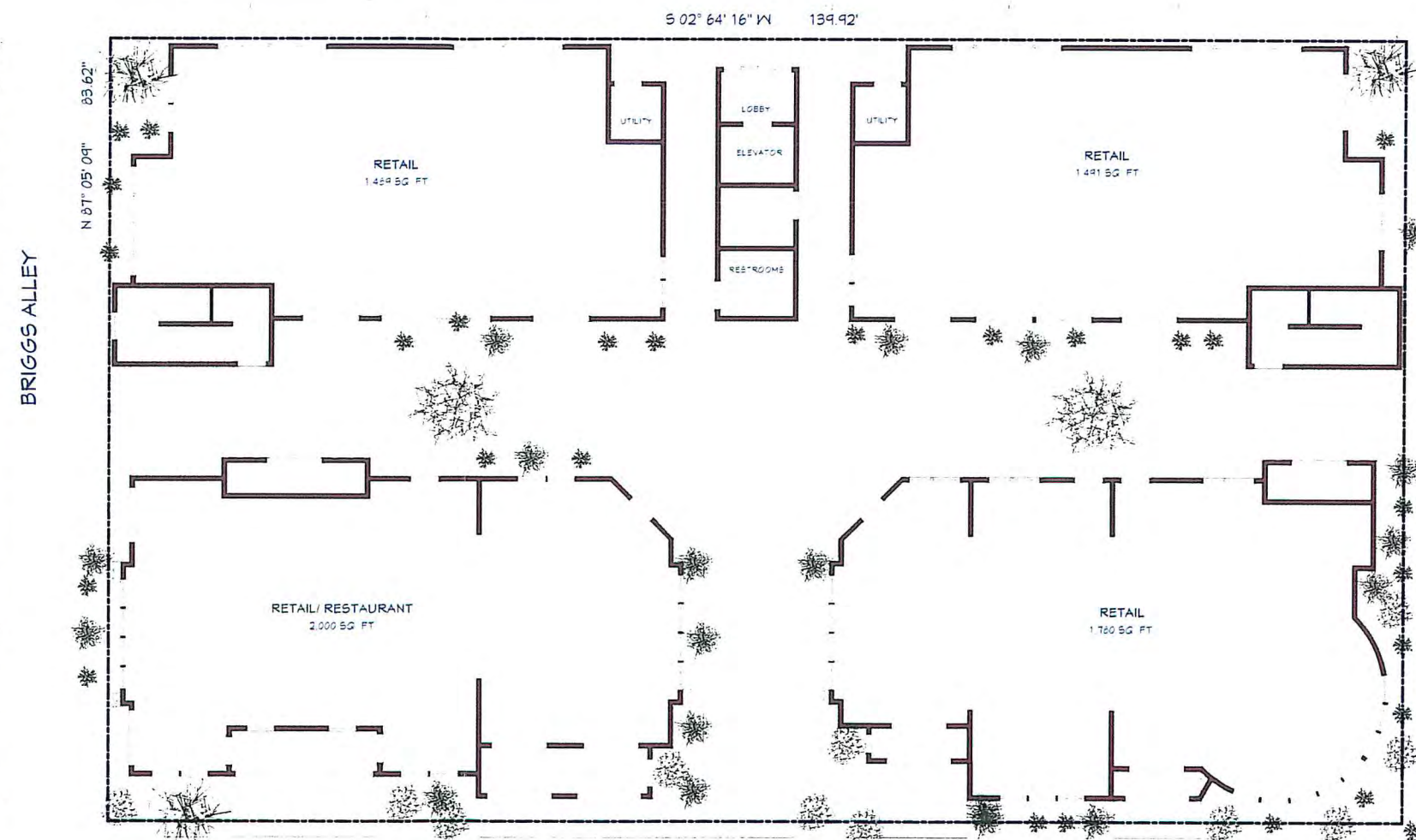
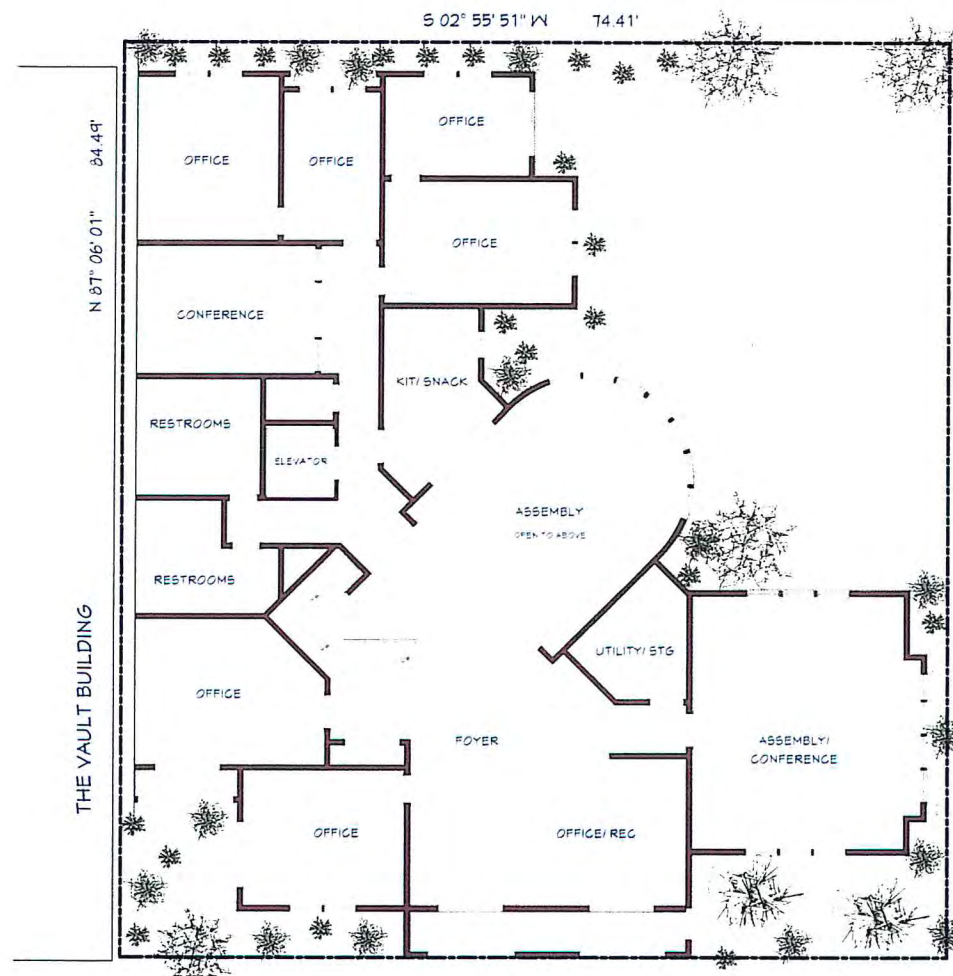
Drawn By JLW

Job SAN BENITO

Sheet

C-1

MUNICIPAL PARKING GARAGE



FOURTH STREET

SEE BUILDING LEGEND SHT. A-103

plan north

LOWER LEVEL FLOOR PLAN 400 BLK, SAN BENITO STREET HOLLISTER, CA.	DATE 04/2016 SCALE SHOWN DRAWN BY JLW JOB SAN BENITO HEET A-101	DESIGN - BUILD DEL CURTO BROTHERS GROUP.	RENDERING BY JW DESIGN GROUP JERRY L. WHITNEY 2416 HATTISON LANE, SANTA CRUZ, CA. 95062 (310) 421-1100 JERRY@JWDDESIGNGROUP.NET	Revisions By
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A

SECOND LEVEL FLOOR PLAN

1/8"=1'-0"

SEE BUILDING LEGEND SHT. A-103



BLDN'G E

BLDN'G C

UTILITY

BLDN'G D

BLDN'G B

BLDN'G A

BUILDING LEGEND

Revisions	By
RENDERING BY: JN DESIGN GROUP JERRY L. WHITNEY 2415 HATTISON LANE, SANTA CRUZ, CA 95062 (831) 421-1100 JERRY@JNDESIGNGROUP.NET	
DESIGN - BUILD DEL CURTO BROTHERS GROUP.	
SECOND LEVEL FLOOR PLAN 400 BLK, SAN BENITO STREET HOLLISTER, CA.	
Date	04/2016
Scale	SHOWN
Drawn By	JLW
Job	SAN BENITO
Sheet	A-102



A THIRD LEVEL FLOOR PLAN
1/8"=1'-0"

SEE BUILDING LEGEND SHT. A-103

plan north

THIRD LEVEL FLOOR PLANS		DESIGN - BUILD DEL CURTO BROTHERS GROUP.		RENDERING BY: JW DESIGN GROUP JERRY L. PORTNEY 2414 MATTHEW LANE, SANTA CRUZ, CA 95062 (531) 421-4700 JERRY@JWDESIGNGROUP.NET	Revisions	By
400 BLK, SAN BENITO STREET HOLLISTER, CA.						
Date	04/2016					
Scale	SHOWN					
Drawn By	JLW					
Job	SAN BENITO					
Sheet	A-103					



SEE BUILDING LEGEND SHT. A-103

plan north

DESIGN • BUILD
DEL CURTO BROTHERS GROUP.

FOURTH LEVEL FLOOR PLANS
400 BLK, SAN BENITO STREET
HOLLISTER, CA.

Date	04/2016
Scale	SHOWN
Drawn By	JLW
Job	SAN BENITO
Sheet	A-104