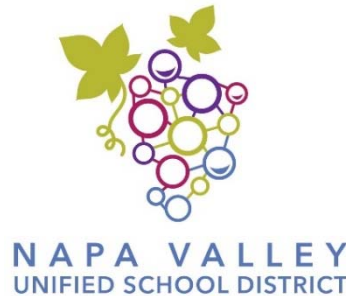


June 15, 2019

Rob Mangewala
Chief Business Official
Napa Valley Unified School District
2425 Jefferson Street
Napa, CA 94558-4931



Dear CBO Rob Mangewala,

Congratulations your role as the Chief Business Official for Napa Valley Unified School District. As you may know, in June 2016 NVUSD successfully passed Measure H, a \$269 million bond to help finance new construction and repairs estimated to cost \$475 million. In order to prepare for the bond effort, the District established a public 7-11 Real Property Advisory Committee to prepare a disposition report for five (5) properties, including the Vintage Farm and Pine Ridge properties. This report was completed and affirmed by the Board in December 2015 and included the following Committee and Board direction:

Vintage Farm/ Van de Leur: Recognizing the unique community resource it is, the 7-11 Committee moved that the property be sold for its "Highest and Best Use," anticipated to be for a residential subdivision, with conditions including the acquisition, relocation, and reconstitution of the school farm to a property or properties of no less than nine (9) acres, within a 1/2 mile walking distance to the high school, and that would not materially diminish the educational program.

Pine Ridge: The District work with neighboring property owners to acquire a no less than nine (9) acres site located near the high school as a replacement for the Vintage Farm.

The formation of the new farm land at Pine Ridge – via a Lot Line Adjustment with three (3) other property owners - is now anticipated to be completed no later than August 2019 and the application to the city of Napa for the Tentative Subdivision Map is now complete (see attached). With this in mind, it is important that the District finalize;

1. The Lot Line Adjustment for the New Farm
2. The Acquisition of the Chen and Feinstein properties

3. Move forward with the entitlement and sale of the proposed residential subdivision at the existing farm site located at 1185 Sierra Ave, Napa CA. This process is anticipated to take approximately 9-12 months to complete.

The approximate \$8,000,000 - \$9,000,000 derived from the sale of the property at 1185 Sierra Ave., Napa, CA can be used to:

1. Address the current budget deficit (via a waiver from State Allocation Board and/or Department of Education) and/or;
2. Help finance the construction of the new farm, culinary arts and education center at the Pine Ridge property.

While DCG Commercial (project manager Dominic Dutra) was previously selected through a public Request for Proposal that was released by the District on January 5, 2016 (REQUEST FOR QUALIFICATIONS (RFQ) No. BS-I 6-02 FOR REAL ESTATE PROFESSIONAL COMMERCIAL BROKERAGE SERVICES), this contract expired on September 3, 2018. Mr. Dutra has since left DCG and opened a new brokerage, 3D Strategies, Inc. and has continued to lead this effort. To maintain continuity, Mr. Dutra and 3D Strategies are proposing to carry this project to its logical and successful conclusion. Contemporary and relevant work experience can be found at www.3Dstrategies.com and feature representative projects including, but not limited to, the following;

City of Hayward - <https://3dstrategies.com/2018/08/13/city-of-hayward/>

Claremont School of Theology - <https://3dstrategies.com/2018/08/13/claremont-school-of-theology-2/>

Pomona Unified School District – Three (3) properties:

- ✓ https://images1.loopnet.com/d2/cbrpCo_DQ-Xplmt6Ve0s_0VVomjWV-oLCswatLqpKzHQ/document.pdf
- ✓ https://images2.loopnet.com/d2/xTjrlNRZhLoAHTvHg8WfO_d9-TXaANvzS4cotNMGfz4/document.pdf
- ✓ <https://images2.loopnet.com/d2/6XOIflzE6HC-KzCS2hB6EZDEQfKhuS0RzUEUN78GrG8/document.pdf>

Brokerage Services: 3D Strategies shall;

1. Provide consulting services on an as-needed basis for the Pine Ridge Lot Line Adjustment
2. Finalize the acquisition of the Chen and Feinstein properties as critical pieces for said Lot Line Adjustment and the new farm
3. Design, market and manage the release of a Request for Proposal for the Sale of the Vintage Village/Van de Leur property. This sale will be contingent upon 3D Strategies

collaborating with the selected buyer/builder to successfully manage the community engagement, entitlement and escrow process. The ultimate sale for the proposed project will occur at either Tentative or Final Map. As detailed in the preliminary offer received from Trumark Homes, the value of the property is estimated to be \$8,550,000 (the "Tentative Map Purchase Price") and \$9,500,000 (the "Final Map Purchase Price").

Consulting and Brokerage Fees:

- The District shall pay 3D Strategies an hourly consulting fee of \$295 on an "As Needed" basis, not to exceed \$5,900 per month without prior approval of the Chief Business Official and/or Superintendent
- A standard fee of six percent (6%) of the ultimate sales prices shall be paid by the as follows:
 - ✓ Chen and Feinstein Parcels: A fee of 5% of the purchase price paid by the District for said parcels
 - ✓ Vintage Village/Van de Leur Property:
 - The fee of six percent (6%) shall be shared 50/50 with any payment required to be paid to a cooperating broker of a buyer who is selected by the District and successfully completes the acquisition of the property
 - The fee shall be reduced to five percent (5%) if no payment is required to a cooperating broker

Please feel free to contact me should you have any questions.

Thank you for your consideration in this matter.

Sincerely,

Dominic D. Dutra
Founder/CEO



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