

Purchase Agreement Terms for Scott Ranch

The following summarizes the key terms of the purchase and sales agreement (Agreement) between Davidon Homes (Davidon) and the Kelly Creek Protection Project of the Earth Island Institute (KCPP) for the purchase of all or a portion of Scott Ranch. It was signed on June 4, 2018.

- **Purchase of Entire Scott Ranch.** KCPP has the right to purchase the entire Scott Ranch from Davidon for \$11 million.
 - KCPP must deposit \$2.1 million into escrow within one week of signing the Agreement.
 - KCPP must let Davidon know by December 1, 2018 if it will have the funds to purchase the entire property.
 - KCPP must deposit the full \$11 million into escrow by March 1, 2019, after which escrow would close and KCPP would own the property.
- **Purchase of Most of Scott Ranch.** If KCPP is unable to purchase the entire property, KCPP has the right to purchase the 44 most sensitive acres in the southern portion of Scott Ranch (the Putnam Park Extension Property) for \$4.1 million.
 - KCPP must deposit \$2.1 million into escrow within one week of signing the Agreement.
 - KCPP must deposit the remaining \$2 million into escrow by September 1, 2018.
 - Escrow would close and KCPP would own the Putnam Park Extension Property, but only after Davidon has received all City of Petaluma approvals for its 28-unit residential project (Residential Project), and legal challenges, if any, have been resolved.
- **Residential Project.** Davidon has agreed to limit its Residential Project to 28 homes on the least sensitive portion of Scott Ranch, pulling back from the north side of Kelly Creek, away from critical habitat for the threatened California red-legged frog. Davidon's final plan includes a redesigned housing footprint that lessens visual and other impacts on neighbors, protects Kelly Creek water quality and quantity, and consists mostly of single-story homes on smaller lots, with open space buffers and with a roundabout at Windsor and D Streets to help mitigate traffic issues.
- **Barn Structures.** Once KCPP has provided the initial \$2.1 million deposit, KCPP may enter the property and take measures to protect the integrity of existing barn structures from further deterioration.

- **Approvals for Putnam Park Extension Project and Residential Project.**
 - Davidon and KCPP will each support each other's projects.
 - KCPP must work diligently to pursue government approvals of the Putnam Park Extension Project.
 - Davidon must work diligently to pursue government approvals of the Residential Project and may not change the Residential Project, unless the changes are acceptable to KCPP.
 - A map showing the Residential Project and Putnam Park Extension Project is available at <http://extendputnampark.org/epp-project/>.
- **Environmental Review.** A single CEQA environmental review document will evaluate both the Residential Project and the Putnam Park Extension Project. Davidon will pay for the cost of this review.
- **Sale of Scott Ranch.** Any sale of all or a portion of Scott Ranch by Davidon prior to KCPP's purchase will ensure the new owner abides by the Agreement. A Memorandum of Agreement will be recorded in the chain of title to provide notice to potential buyers of the existence of this Agreement.
- **Responsibilities for City Conditions.** KCPP will be responsible for all improvements, mitigation, and conditions required for the Putnam Park Extension Project. Davidon will be responsible for all improvements, mitigation, and conditions required for the Residential Project.
- **Davidon's Obligations for Putnam Park Extension Project.**
 - Davidon will provide utility stubs and other infrastructure needed to facilitate the installation and provision of water, sewer, and other utility services to the Putnam Park Extension Property.
 - Davidon will grade portions of the Putnam Park Extension Property for the upper parking lot and trail.
- **Protection of Kelly Creek.** KCPP and Davidon will ensure the Residential Project and Putnam Park Extension Project do not worsen the water quality in Kelly Creek and do not increase the quantity of water flowing downstream, by installing a natural infiltration basin and other hydrological elements to handle water runoff from the development.