

Memorandum of Understanding for Exploratory Due Diligence for the Tierra de Rosas Civic Parcel

This Memorandum of Understanding (“MOU”) is made on this ____ day of ____ (“Effective Date”) by and between the Sonoma County Community Development Commission, a public body, corporate and politic (the “Commission” or “Owner”) and _____, (“Prospective Developer”) hereinafter sometimes referred to singularly as a “Party” or collectively as “Parties”.

RECITALS:

- A. **Property Information.** The “Civic Parcel”, (or “Site”), Assessor’s Parcel Number 125-111-053, is a 0.34 acre (14,639 square foot) parcel with its south side fronting Sebastopol Road. It is located within the Tierra de Rosas master development at 665 Sebastopol Road in the City of Santa Rosa. The Civic Parcel will be delivered by the Commission fully finished and graded, with water, sewer, electrical primaries, and telecommunications utilities stubbed to the property line.
- B. **Tierra de Rosas Project Information.** Tierra de Rosas is mixed-use, neighborhood-oriented master development project that includes public infrastructure and five parcels consisting of affordable housing, market rate housing, and community serving uses, including a one-acre public plaza, civic parcel, and commercial parcel (“Tierra De Rosas Project”).
- C. **Goal of Civic Parcel.** The goal of the Civic Parcel is to provide an inclusive and accessible community-serving space that reflects and supports the cultural identity and needs of Roseland’s community. Uses and improvements for the Civic Parcel should be feasible, creative, and aligned with Tierra de Rosas’ overarching objective of investing in and uplifting a historically underserved community. The Civic Parcel may create economic opportunities for small businesses, non-profits, and community-serving services; incorporate sustainable and environmentally responsible design practices; and demonstrate long-term operational and financial feasibility.
- D. **Request for Information.** On January 8, 2026, the Commission issued a Request for Information (RFI) for the Tierra de Rosas Civic and/or Commercial parcels (RFI Parcels). The purpose of the RFI was to inform the Commission of respondents with solution ideas for owning, developing, and operating the RFI Parcels. Responses were due on March 2, 2026, and were evaluated in accordance with the selection criteria specified in the RFI. Through this evaluation process, the Prospective Developer was identified solely for the Civic Parcel, as the Prospective Developer only submitted a response for the Civic Parcel. The Commercial Parcel is not included in this MOU.
- E. **Purpose.** The purpose of this MOU between the Commission and the Prospective Developer is to establish the terms under which the Prospective Developer will conduct an exploratory due diligence and planning period for the Civic Parcel. During this period, the Prospective Developer will prepare an integrated, community-validated Conceptual Design Plan, Feasibility Assessment, Financial Strategy, Programming Framework, and Operational Plan

sufficient to support a formal development decision. The formal development decision will determine whether, and in what manner, the Prospective Developer would proceed to develop the Civic Parcel with community-serving uses.

- F. The Parties recognize there are many shared benefits for each, which are hard to quantify, and agree to work collaboratively and in good faith going forward.

In consideration of the foregoing recitations and of the mutual covenants, terms, conditions, and restrictions set forth herein, and other valuable consideration, receipt of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT:

1. **Recitals.** The Recitals above are true and correct and are incorporated herein.
2. **Civic Parcel Identification.** Assessor's Parcel Number (APN) 125-111-053 is 0.34-acre (14,639 square foot) parcel.
3. **Term Sheet Information.**
 - a. **Term:** Nine (9) months from Effective Date of this agreement. This MOU may be terminated by either party upon ninety (90) days' written notice to the other party.
 - b. **Extension of Term:** One three (3) month extension per mutual agreement of both Parties in writing and approval by Commission's Executive Director.
 - c. **Designated Representatives:** Yesenia Lemus or designee (Commission's Representative), Adriana Arrizon or designee (Prospective Developer Representative).
 - d. **Notices:** All notices shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service or electronic mail. Notices, bills, and payments shall be addressed as follows:

Commission:
Sonoma County Community Development Commission
ATTN: Executive Director
141 Stony Circle, Suite 210
Santa Rosa, CA 95401

Prospective Developer:
Sonoma Community Action Network
ATTN: Adriana Arrizon, Health Equity Rising
2250 Northpoint Parkway
Santa Rosa, CA 95407
 - e. **Communication:** Minimum of one check-in per month throughout the Term. Check-in can be in-person or virtual and should include at minimum the Designated Representative or designee from both Parties.

- f. **Payment:** The Parties agree to each cover their own costs including staff time and third-party expenses, if any.
- g. **Right of Entry:** Prospective Developer, at their own risk, can access the Site at the permission of the Commission with 48-hour notice. The Right of Entry does not extend to third parties engaged by the Prospective Developer unless otherwise approved by the Commission on a case-by-case basis.
- h. **Ownership of Materials:** Any materials prepared or procured by the Prospective Developer will remain their property but may be requested by the Commission to be shared for informational purposes. The Commission may seek from Prospective Developer to re-use materials prepared by Prospective Developer for communications, permission for which should not be unreasonably withheld by Prospective Developer.

Any materials prepared or procured by the Commission relevant to the Civic Parcel may be used by the Prospective Developer at their own risk and remain property of the Commission.

- i. **Community Engagement:** Prospective Developer must review a high-level Community Engagement Plan with the Commission ahead of commencing Community Engagement directly. Commission retains right to participate in Community Engagement carried out by Prospective Developer as an observer.
- j. **Development Agreement:** If, at the end of the Term, both Parties elect to proceed with a formal development decision as presented by Prospective Developer to develop the Civic Parcel with a community serving use, then the Parties will enter a binding Development Agreement. A required term of the Development Agreement is purchase of the Site from the Commission for the appraised value; the Site was recently appraised at \$234,000, with the appraisal expressly including the value of the public improvements. As the parcel was acquired using Redevelopment funds, applicable Redevelopment law mandates that the property be disposed of at fair market value as of the transfer date.

4. **Miscellaneous**

- a. **Indemnification:** Prospective Developer shall defend, indemnify and hold harmless Commission, its officers, officials, and employees, from and against any and all demands, claims, actions, litigation or other proceedings, liability, damages and costs (including but not limited to attorney fees), that arise out of, pertain to or relate in whole or in part to this MOU, excepting matters that are based upon the Commission's gross negligence or willful misconduct. This obligation shall survive the termination or expiration of this MOU.
- b. **Amendments.** Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by both parties.

- c. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- d. **Time of the Essence.** Time is of the essence of this Agreement.
- e. **Headings.** The headings used herein are for the purposes of convenience only and should not be used in construing the provisions hereof.
- f. **Partial Invalidity.** If any term, covenant or condition of this Agreement or its application to any person or circumstances will be held to be invalid or unenforceable, the remainder of this Agreement or the application of such term or provisions to other persons or circumstances will not be affected.
- g. **No Waiver.** No consent or waiver by either Party to or of any breach or any representation, covenant or warranty will be construed as a consent to or waiver of any other breach of the same or any other representation, covenant, or warranty.
- k. **Interpretation.** Parties have been represented by counsel in the preparation and negotiation of this Agreement and this Agreement will be construed according to the fair meaning of its language. The rule of construction to the effect that ambiguities are to be resolved against the drafting Party will not be employed in interpreting this Agreement.
- j. **Counterparts.** This amendment may be executed in multiple counterparts, each of which shall be deemed an original instrument, and all of which, taken together, shall constitute one and the same instrument. The signature of any party hereto to any counterpart hereof shall be deemed a signature to, and my appended to, any other counterpart hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year above written.

COMMISSION:
SONOMA COUNTY COMMUNITY
DEVELOPMENT COMISSION
a public body corporate and public

By:
Name:
Its:

PROSPECTIVE DEVELOPER:

By:
Name:
Its:

EXHIBIT “A”

SCHEDULE

Phase I: Nine–Month Planning & Feasibility Phase: The purpose of this exploratory and planning phase is to establish an integrated, community-validated Conceptual Design Plan, Feasibility Assessment, Financial Strategy, Programming Framework, and Operational Plan sufficient to support a formal development decision.

Months 1–3: Alignment, Technical Onboarding & Framework Confirmation

- ***Technical Team Engagement:*** Engage a multidisciplinary Design Lead (land use architect with civil coordination); and Financial/Development Advisor (with New Markets Tax Credits (NMTC) and capital campaign experience.)
- ***Development Framework & Site Constraint Review:*** Compile and formalize development constraints, non-negotiables, and shared maintenance obligations.
- ***Re-engage Health Equity Rising’s Community Action for Health Equity*** Team to confirm a process design that ensures community validation and a culturally relevant engagement approach.
- ***Synthesize prior engagement efforts*** into a consolidated Community Engagement Framework.

Months 4–6: Conceptual Design, Programming & Cost Validation

- ***Conceptual Design Development:*** Prepare site plan options aligned with any development constraints and requirements; and develop a preliminary Total Project Budget ($\pm 15\%$).
- ***Programming Plan:*** Translate prior engagement findings into a spatial and operational program, identifying core uses, community-serving spaces, and flexible program areas.
- ***Community Validation:*** Existing community leaders gather additional community input; present conceptual design and programming framework through feedback loops; and incorporate refinements.

Months 7–9: Financial Strategy, Feasibility Confirmation & Operational Planning

- ***Strategic Feasibility & Financial Plan:*** Refine capital stack modeling (NMTC, philanthropy, grants, local participation); identify prospective Community Development Entity (CDE) partners, additional philanthropic sources and major donors; develop preliminary Capital Campaign Plan; and outline bridge financing and NMTC strategy.
- ***Operational & Sustainability Plan:*** Define community-led governance and staffing model; identify compliance obligations, maintenance responsibilities, and shared

infrastructure requirements; and establish a long-term sustainability strategy (earned income, anchor tenant structure, etc.)

- ***Go/No-Go Development Decision:*** Confirm financial feasibility, capital pathway viability and community endorsement.

EXHIBIT “B”
PARCEL MAP