

PAC/MVC Proposed Offer to the City of Novato

*for the*

Acquisition of Marin Valley Mobile Country Club

July 20, 2025



# AGENDA

1. Introduction / Ground Rules
2. What you will learn
3. History: How we Got Here
4. The Acquisition / Financing Proposal
5. The City's Response
6. Where Do We Go From Here?



# 1. Introduction / Ground Rules

1. Use Restrooms as Needed (No Breaks)
2. Refrain from Sidebar Conversations
3. Turn Phones Off
4. Q&A: Keep Questions Brief and Focused
5. Speak and Listen RESPECTFULLY!



## 2. What You Will Learn

- Park Acquisition Background
- Acquisition Proposal Overview
- City's Response to the Proposal
- What PAC Will Do Next
- What We All Can Do Next



# 3. Brief History: How We Got Here

May 2023 – Blunk Report

July 2023 – Grand Jury Report

July 2023 – Moser \$30M offer

Sept 2023 – MVMCC Stopped the Sale

May 2024 – PAC / City ENA

Sept 2024 – MVC Formed

June 23, 2025 – PAC Purchase Offer

July 16, 2025 – City Response to PAC Offer



# 3. Brief History: How We Got Here

PAC Identified three objectives that must be met in order to remain lower income senior housing:

- Affordability
- Security
- Sustainability

PAC/ROD (Resident Ownership Discovery) Committee identified resident ownership as the most likely protection against a for-profit park takeover that would doom our objectives.

The ROD Committee extensively researched the possibilities and found the Limited Equity Housing Cooperative (LEHC) model be the best solution.



# 4. The Proposal

June 23, 2025 – Acquisition and Financing Proposal Submitted to the City

- Offer to the City was \$20M, just shy of our appraisal of \$21.3M
- Rents and carrying charges will follow city guidelines for Rent Stabilization Ordinance - no increases anticipated beyond annual CPI (same as City projection for 2026)



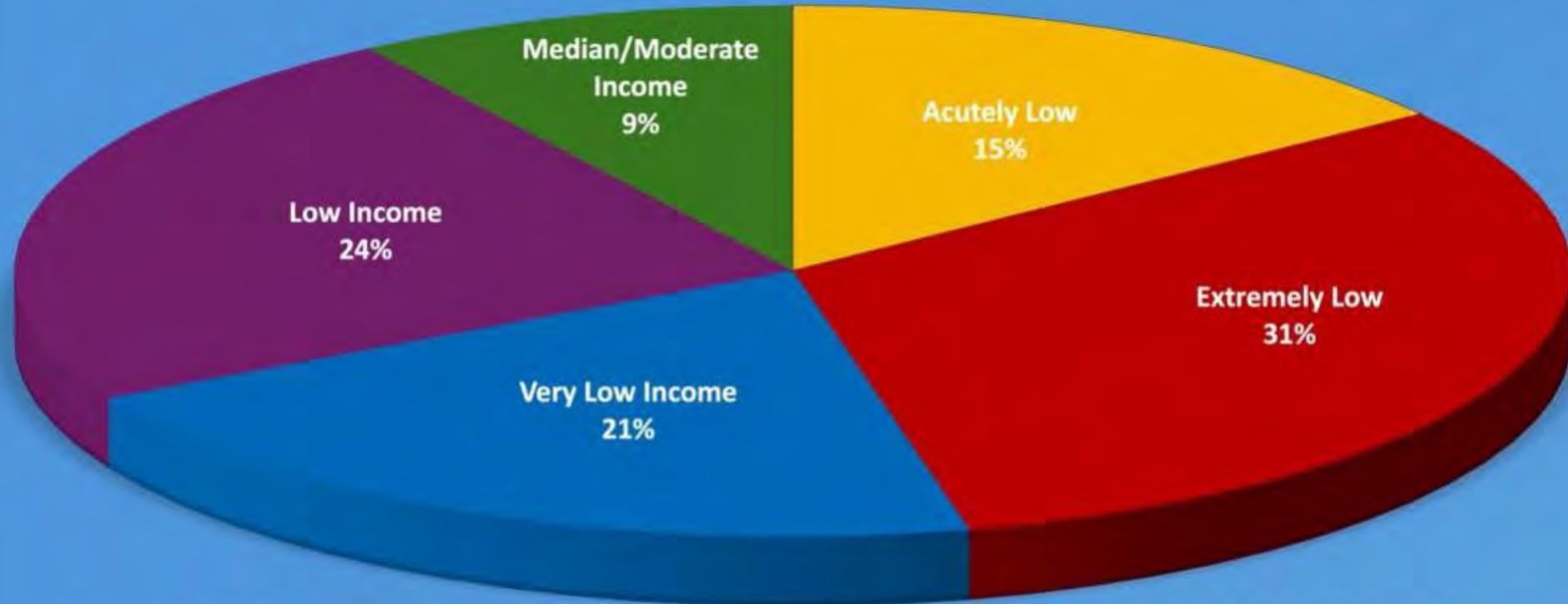
# 4. The Proposal

2024 Marin County Area Median Income: \$186,600	Acutely Low	19600	22400	25200	28000	30250	32500
	Extremely Low	41150	47000	52900	58750	63450	68150
	Very Low Income	68550	78350	88150	97900	105750	113600
	Low Income	109700	125350	141000	156650	169200	181750
	<b>Median Income</b>	130600	149300	167950	<b>186600</b>	201550	216450
	Moderate Income	156750	179100	201500	223900	241800	259700



# 4. The Proposal

MVMCC Residents Categorized by Marin County 2024 Income Brackets



91% of MVMCC income survey participants qualified as Acutely Low to Low Income for Marin County.

\*\*The survey of households was conducted by a third-party nonprofit. 261 households out of a possible 313 responded. Household income brackets were taken from the 2024 State Income Limits by the California Department of Housing & Community Development Guidelines.

**PAC**

# 4. The Proposal



# 4. The Proposal



<b>PARK ACQUISITION CORPORATION- Purchase Price</b>		<b>Amount</b>
MVMCC Cash Accounts as of June 30, 2025	\$	7,511,861
PAC ASK FOR CAPITAL IMPROVEMENTS Years 1-3 (Page 18)	\$	(2,590,918)
<b>Remaining MVMCC CASH</b>	<b>\$</b>	<b>4,920,943</b>
<b>Base Purchase Price</b>	<b>\$</b>	<b>15,000,000</b>
Remaining MVMCC CASH	\$	4,920,943
<b>Total Offer Price to City</b>	<b>\$</b>	<b>19,920,943</b>

# 4. The Proposal



<b>PARK ACQUISITION CORPORATION- Downpayment</b>		<b>Amount</b>
<b>Remaining MVMCC CASH</b>	\$	<b>4,920,943</b>
Bank of Marin Loan Payoff bal 12/31/2025 (Page 17) (Repay)	\$	(1,264,564)
Closing Costs (Page 17) (Repay)	\$	(929,277)
Working Capital 1.5 Months Operating Costs (Page 17) (Repay)	\$	(306,159)
<b>MVMCC CASH for Downpayment</b>	<b>\$</b>	<b>2,420,943</b>
<b>Total Offer Price to City</b>	<b>\$</b>	<b>19,920,943</b>
<b>Unused MVMCC CASH ACCOUNTS (Downpayment)</b>	<b>\$</b>	<b>(2,420,943)</b>
<b>Amount Owed to City</b>	<b>\$</b>	<b>17,500,000</b>

# 4. The Proposal



<b>PARK ACQUISITION CORPORATION- Payment Plan</b>		<b>Amount</b>
<b>Base Purchase Price</b>	\$	15,000,000
Bank of Marin Loan Payoff bal 12/31/2025	\$	1,264,564
Closing & Working Capital	\$	1,235,436
<b>Amount Owed to City</b>	<b>\$</b>	<b>17,500,000</b>
Installment Payment Number of Years		35
<b>Monthly Payments to City</b>	<b>\$</b>	<b>41,666.67</b>
<b>Total Annual</b>	<b>\$</b>	<b>500,000</b>

# 4. The Proposal

Assumptions			Average Carrying Charge by Fiscal Year	
			FY Year	Avg Carry Charge
	Number of Households	313		
	Est. Number of Co-op Member Households at close of Escrow	275	2026	\$695
	Est. % of Co-op Members Households	87.86%	2027	\$714
	Inflation Rate Used for Expenses (other than Insurance)	2.70%	2028	\$733
	Inflation Rate for Insurance	12.4%	2029	\$753
	Inflation Rate for Water	6.0%	2030	\$773
	Inflation Rate for Sewer for Years FY 27-35	6.0%	2031	\$794
**	Average City Rent per household per month for Calendar Year 2025.	\$677	2032	\$815
	Co-op Member Households Carrying Charges Increase from FY 2026	\$18	2033	\$837
	Co-op Member Households Carrying Charges % Increase 2027-2035	2.70%	2034	\$860
	Rent Increase Used for non Members	2.70%	2035	\$883
	% of Rents and Carrying Charge Loss	2.0%		
	Rent Control Fee per non member units per year	\$18		

\*\*See Section 2.3 "Methodology" for the computation for the \$677.





July 16, 2025

To: John Hansen  
Park Acquisition Corporation Board President  
Marin Valley Mobile Country Club  
100 Marin Valley Dr. Novato, CA 94949

Subject: Marin Valley Mobile Country Club Park Acquisition and Financing Proposal

Mr. Hansen,

Thank you for the *Acquisition and Financing Proposal* dated June 19, 2025, and amended dated July 7, 2025, submitted to the City of Novato ("City") by the Park Acquisition Corporation ("PAC") of the Marin Valley Mobile Country Club (MVMCC) on June 23, 2025. The City has thoroughly reviewed your proposal and deeply appreciates the level of effort that went into this detailed offer. At this time, the City respectfully rejects the aforementioned purchase offer due to unacceptable terms and conditions.

The City would welcome a meeting to discuss a revised purchase offer predicated on the following baseline terms and conditions:

*-A minimum purchase price offer of \$26 million (Note: this is consistent with the valuation established by the City's appraisal prepared by Semple Associates, dated May 16, 2025, and amended July 15, 2025, and attached for reference).*

*-The PAC's purchase offer shall not rely on any form of City financing, or any other form of City financial or in-kind contributions.*

*-There are additional items the City would like to discuss should the first two bullets be acceptable to the PAC.*

Please note the above-referenced terms are **exclusively** presented to the PAC for purposes of good faith negotiations between the City and the PAC, as required by the Exclusive Negotiating Agreement (ENA) dated May 1, 2024.

In the spirit of transparency, within three business days of the date of this letter, the City plans to make the PAC's Acquisition and Financing Proposal and this response available to the public via publication on the City's website. The City requests the PAC do the same by posting this information on its own website and making the information available in hard copy at the clubhouse as required by Section 5.01(h) of the Delegation Agreement. The City also encourages the PAC to provide hard copies of the Acquisition and Financing Proposal to those residents requesting one. The City finds this disclosure necessary to promote public visibility and to properly contextualize the City's response to the PAC's purchase offer, as described herein.

Given the time-bound constraints of the executed ENA, which requires a resolution of the negotiation efforts by December 31, 2025, the City requests the PAC respond to this counterproposal within thirty (30) days of the date of this letter.

Sincerely,

Bill Rose  
Assistant City Manager  
415-985-5582  
brose@novato.org

Cc: John Hansen (electronically)  
Karen M. Tiedemann, Goldfarb & Lipman LLP (electronically)  
Gary Bell, Colantuono, Highsmith & Whatley, PC (electronically)  
Amy Cunningham, City of Novato (electronically)  
Carla Carvalho-Degraff, City of Novato (electronically)

Attachments: Marin Valley Mobile Country Club Appraisal prepared by Semple Appraisals dated, July 15, 2025 (electronically)

# 5. The City's Response

# 5. The City's Response

July 16, 2025 – City Responded to Our Proposal

- A minimum purchase price offer of \$26 million (Note: this is consistent with the valuation established by the City's appraisal prepared by Semple Associates, dated May 16, 2025, amended July 15, 2025, and attached for reference).
- The PAC's purchase offer shall not rely on any form of City financing, or any other form of City financial or in-kind contributions.
- There are additional items the City would like to discuss should the first two bullets be acceptable to the PAC.



# 6. Where do we go from here?

Options:

- 1) Stay with City ownership (status quo?)
- 2) Counter Proposal addressing the City's request - \$26M  
(City appraisal)



# 6. Where do we go from here?

Analysis:

Option 1: Stay with City ownership (status quo?)

- MVMCC remains vulnerable to commercial buyout
- Long-term Lease possibility?



# 6. Where do we go from here?

Analysis:

Option 2: Counter Proposal addressing the City's request - \$26M

- Approximately \$375/mo. increase

Per Resident Cost for \$26 million		FY Year	Avg Carry Charge
Number of Households	313	2026	\$1,052
Est. Number of MVC Member Households at close of Escrow	215	2027	\$1,080
Average MVMCC City Rent Calendar Year 2025	\$677	2028	\$1,110
MVC Member Households Carry Charges Increase from FY 2026	\$375	2029	\$1,140
MVC Member Households Carry Charges % Increase 2027-2030	2.70%	2030	\$1,170



# 6. Where do we go from here?

Call to Action

PAC

Follow up with City

- “Additional Items” Clarification
- Appraisal comparison discussion
- “30-day” Clarification

Follow up Proposal based on Resident Approval

Greater Transparency



# 6. Where do we go from here?

## Call to Action

### MVMCC Residents

Follow up with City Council – letters, emails

Speak at City Council meetings

Volunteers, Volunteers, Volunteers!

Communications

Organizing

Letter writing (original) Share your Story,

e.g. How would a \$375/mo. increase

affect you?



Q&A