



# CITY COUNCIL STAFF REPORT

DATE: APRIL 6, 2016

NEW BUSINESS

SUBJECT: SELECTION OF PROPOSER WITH WHOM TO NEGOTIATE A PURCHASE AND SALE AGREEMENT TO REDEVELOP THE SUCCESSOR AGENCY-OWNED PROPERTY AT 342-344 NORTH PALM CANYON DRIVE (APN 513-081-017)

FROM: David H. Ready, City Manager

BY: Community and Economic Development Department

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## SUMMARY

This action is to approve the ranking of proposals received for purchase and redevelopment of the Successor Agency-owned property at 342-344 North Palm Canyon Drive, and to direct staff to negotiate a Purchase and Sale Agreement with the top-ranked respondent.

## RECOMMENDATION:

1. Review evaluation and ranking of proposals received in response to a Request for Proposals (RFP) to purchase the Successor Agency-owned property at 342-344 North Palm Canyon Drive (Cork n Bottle) and approve selection of top-ranked respondent.
2. Direct staff to negotiate a purchase and sale agreement with top-ranked respondent for disposition of the Successor Agency-owned property at 342-344 North Palm Canyon Drive.

## STAFF ANALYSIS:

The City and the Oversight Board for the Successor Agency have recently completed the process mandated by the State of California applicable to the disposition and use of the Successor Agency property. Having completed the process, the Successor Agency is now capable of conveying property in accordance with the requirements of 34191.5(c) of the Health and Safety Code.

The City desires to dispose of the property in a manner to maximize value and develop the property to its highest and best use.

On January 16, 2016, City Council directed staff to undertake a Request for Proposals (RFP) process to obtain offers for the Cork n Bottle property located at 342-344 N. Palm Canyon Drive.

The Community & Economic Development Department issued a Request for Proposals (RFP) that was noticed in the Desert Sun on January 30, 2016 and February 6, 2016 and posted to the City's website. The RFP was requested by eleven respondents. Three firms submitted responsive proposals that were evaluated by a committee consisting of members from Community & Economic Development, Planning, and Engineering Departments. Proposals were received from the following three interested entities listed in the order they were received: Jack R. Frost; Aliece Pickett and Edward P. Shroeder; and Atelier Zinque.

Proposals were evaluated on multiple criteria including developer qualifications, economic proforma for the proposed project, development concept/planned use, development schedule and purchase price.

The evaluation committee scored Atelier Zinque as the highest ranked firm with a score of 73 out of 100 possible points based on their proposal and overall price offer of \$425,000.

The second highest ranked firm, Aliece Pickett and Edward P. Shroeder, had a score of 46 out of 100 possible points and price offer of \$350,000.

The ranking of the three proposals were consistent among all three evaluators and the top ranking of the proposal submitted by Atelier Zinque was unanimous. The developer has already purchased five parcels that surround the Cork n Bottle property and would incorporate the property into a larger project. The project design includes a boutique hotel with suites, a full service restaurant, rooftop bar, salon and spa along with a small retail component. Atelier Zinque has already raised \$1.5 million and has commitments of an additional \$5 million for the project, which would result in the highest and best use of the property.

If approved, staff will return to the RDA Oversight Board for approval and to the City Council/Successor Agency (at a Public Hearing – per the City Manager's October 2014, revised policy for sale of City and/or RDA property), with a purchase and sale agreement with Atelier Zinque, the top-ranked proposer, for disposition of the property in accordance with Health and Safety Code requirements

The RFP document, the three proposals received, and evaluation scores are attached.

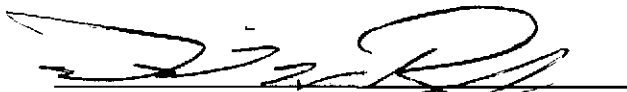
FISCAL IMPACT:

The price offer from the selected proposer is \$425,000. The sales proceeds collected by the Successor Agency (net of transaction costs) would be transferred later to the

county Auditor-Controller for distribution to each of the affected taxing agencies of the former redevelopment project area. It is expected that the City would receive a 27% share of those proceeds.

  
Diana Shay, Redevelopment Coordinator

  
Lauri Aylaian, Director of Community  
and Economic Development

  
David H. Ready, City Manager

Attachments:

1. RFP
2. Proposals (3)
3. Evaluation Scoring Spreadsheet

**Attachment No. 1**  
**Request for Proposals**



# 342-344 North Palm Canyon Drive Redevelopment Project Request for Purchase Offers, Qualifications and Conceptual Proposals

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## I. BACKGROUND

The City of Palm Springs (City) is seeking interested parties to purchase and redevelop the property at 342-344 North Palm Canyon Drive, known as the Cork n Bottle in the central business district area of downtown Palm Springs, California (see Attachment A with map and legal description). The property is currently owned by the City acting as Successor Agency to the Palm Springs Redevelopment Agency and its disposition is pursuant to the requirements of 34191.5 of the Health and Safety Code. The City and the Oversight Board for the Successor Agency to the Palm Springs Redevelopment Agency have recently completed the process mandated by the State of California applicable to the disposition and use of the Successor Agency Property. Having completed the process, the Successor Agency is now capable of conveying the property in accordance with Section 341191.5(c) of the Health and Safety Code.

The minimum value for disposition of the 2,080 square foot property and the Class 1 historic structure situated on it approved by the State of California is \$339,620. It is the City's preference to dispose of this property with a view to maximizing long-term value. The property is designated as a Class 1 Historic site, thereby limiting future development options. The site is landlocked and has no parking.

The property is located in the Central Business District zone and has a vacant lot to the north, vacant lots to the east and commercial properties to the south. The building is currently leased to a commercial business and is used as a liquor store and smoke shop.

The City review of proposals submitted in response to this RFP will focus on the proposals' fulfillment of three major policy objectives, which can be described as follows:

- To provide a high quality design with a strong aesthetic component along North Palm Canyon Drive;
- To maximize the quality and marketability of the commercial space including remediation of building code deficiencies; and

- To maximize the financial return to the City and to the taxing entities who will benefit from the property disposition.

## II. DEVELOPMENT CONCEPT

The City is seeking a developer that will meet the City's objectives stated above and enhance the overall quality of the surrounding neighborhood through quality building design and landscaping.

An appraisal completed in September, 2015 estimated the property to be worth \$350,000.

The City is seeking to complete the sale of the property to a developer at "fair market value" (of at least \$350,000). The City reserves the right to accept or reject any offers received in response to this Request for Proposals (RFP).

## III. DEVELOPMENT GUIDELINES

The following development guidelines for the property are intended to serve as general parameters for design of the proposed project. The guidelines are also meant to ensure that appropriate amenities are incorporated into the proposed design and to promote the completion of the project while meeting the highest standards for quality.

- The proposed land use and design shall meet the provisions of the City's Zoning Code for the Central Business District standards in the areas of building height, setbacks, lot coverage, parking, and other relevant standards.
- The architectural standards and renovation or construction quality must be commensurate with or higher than the City's established standards.
- Renovation or construction shall be consistent with City building codes and sensitive to the historic significance of the structure. The use of alternative materials and/or construction methods to reduce costs is encouraged; provided there is no reduction in the overall quality of design or construction.

It shall be the sole responsibility of the developer to refine their specific development concept through further research and discussions with City staff (i.e., Planning, Engineering, Building and Safety, and Fire) to ensure full compliance with all applicable State, County and City Codes, while achieving the highest degree of quality development.

## IV. SUBMITTAL REQUIREMENTS

Five (5) copies of the comprehensive proposal shall be submitted to the City for consideration and contain all of the required elements listed below:

### A. DEVELOPER QUALIFICATIONS

1. Development Entity. Name and address of developer; phone and fax numbers; email address. Identify all joint venture or limited partners. Is the developer a subsidiary of, or affiliated with, any other corporation(s) or firms? If yes, list each such corporation or

firm by name and address, specify its relationship to the developer and such other corporation or firm.

2. **Development Team.** Identify the role of each development partner in the implementation of the development. Identify and describe role of key individuals in the development team (architects, engineers, project manager, and others), who would be involved in the implementation, including their relevant experience. Also identify the party who will be responsible, and has the authority to make decisions for the development team.

Include resume of the developer describing the qualifications of the developer as well as recent development experience. If the proposal is based upon a development team, the resumes of each team member and their respective roles should be submitted.

3. **Developer Experience.** The developer's previous relevant project experience for projects of this type and size: A description of three similar projects (date, location, land uses, size, architectural features, role of development entity in the project, etc.). Include photographs of recently completed projects with information on location and date of the project.
4. **Developer's Financial Capability.** Include a statement of the developer's financial qualification. Proposers should describe their ability to raise equity/debt dollars including current relationships with major lenders, and names and addresses of bank references. Provide information regarding financing and equity arrangements for the three projects listed as developer's relevant experience.

#### **B. ECONOMIC PROFORMA**

1. Include a detailed pro forma outlining the proposed hard, soft, and financing costs associated with the proposed development.
2. Identify all sources of financing, including developer equity, construction and permanent financing.
3. Identify all anticipated assistance such as street, utility, parking or other improvements that the developer would seek to be constructed at the expense of the City or Successor Agency.
4. Identify sales tax, property tax, transient occupancy tax, and any other anticipated revenue to the City or other governmental taxing entities.

#### **C. DEVELOPMENT CONCEPT/PLANNED USE**

1. Include a narrative description of the proposed building improvement and overall development if part of a larger assembly.
2. Provide an architectural rendering depicting any proposed exterior modifications to the building and a rendering of the overall development if part of a larger assembly. The rendering may be schematic in nature.

3. Describe plans for remediation of structural, electrical, and accessibility deficiencies in the existing structure.
4. Identify opportunities for land assembly for use of the property as part of an overall larger development project.
5. Provide a proposed construction schedule.
6. Identify any particular constraints or other barriers to developing this project, how the Developer should respond to those barriers, and what the City should be expected to do during the project to address those.

D. SCHEDULE

Provide an anticipated schedule that identifies proposed dates for opening and closing escrow, for obtaining required permits, and for completing all proposed renovation or construction work.

E. PURCHASE PRICE OFFER

Provide a price offer for the property including escrow costs. Please note that the City does not pay brokerage fees.

V. EVALUATION CRITERIA

An in-house review committee will review all proposals received by the City and proposals will be evaluated on the basis of the following criteria:

A. DEVELOPER QUALIFICATIONS

The developer must demonstrate sufficient experience and resources to obtain private financing and implement their proposal in an expedient manner.

B. ECONOMIC PROFORMA

The likelihood of success is a very important consideration for each proposal. The economic feasibility of the proposals should be primarily based on the developer obtaining construction and permanent mortgage financing from private sources. Long term tax revenue to the City and other taxing entities will also be a strong consideration in the evaluation of proposals.

C. DEVELOPMENT CONCEPT/PLANNED USE

A strong development concept for the site, especially one that enhances the historic significance of the site to accommodate the proposed use of the property will be an important consideration in the evaluation of the proposals. An attractive high quality development is desired for the subject property. The aesthetic character of the proposal and the developer's ability to create attractive finished products, as demonstrated through examples of previous work similar to this proposal, will be given careful consideration

D. SCHEDULE

Preferential consideration will be given to proposals with short escrow durations.



**E. PURCHASE PRICE OFFER**

The proposed purchase price of the property will be an important consideration. As stated above, the appraised value in September 2015 was \$350,000 and will serve as the minimum acceptable price offer that the City would consider.

Staff will notify all applicants of the selected proposal within ten (10) days after approval of the City Council. The City retains the right to reject all proposals.

**VI. SCHEDULE**

Request for proposals distributed and available ..... Tuesday, February 9, 2016  
Deadline for receipt of proposals .....4:00 P.M., Thursday, March 3, 2016  
Developer short list ..... Wednesday, March 16, 2016 (tentative)  
Interviews ..... To be scheduled  
City Council Review ..... Wednesday, April 6, 2016(tentative)

The requirements of this section are mandatory and failure to comply will deem the proposal as non-responsive. The following criteria shall be observed:

- The proposal should not exceed 20 pages, single sided (8½” by 11”) including all site and building plans, staff resumes and references, and cover letter.
- Five (5) original proposals are required. Facsimile (fax) proposals will not be accepted.
- The proposal shall include the name of the Developer submitting the proposal, mailing address, telephone number, and the name of the individual to contact for further information.
- The prospective Developer shall designate by name the project manager to be employed. Substitution of the project manager by the selected Developer will not be allowed without prior approval by the City of Palm Springs.
- All proposals must be received in the City of Palm Springs, Department of Community and Economic Development, by 4:00 P.M., Thursday, March 3, 2016. Proof of receipt before the deadline is a City of Palm Springs, Department of Community and Economic Development date stamp. Proposals must be submitted to:

Diana Shay  
Community & Economic Development Department  
City of Palm Springs  
3200 E. Tahquitz Canyon Way  
Palm Springs, CA 92262

- Specific questions regarding this Request for Proposals should be directed to:

Diana Shay  
Community & Economic Development Department  
City of Palm Springs  
Phone: (760) 323-8260  
Email: Diana.shay@palmspringsca.gov

#### VII. RESPONSIBILITY OF PROPOSER

All Developers shall be responsible for information submitted. If it is found that a Developer is found irresponsible (e.g. has not paid taxes, is not a legal entity, does not have a business license, submitted a proposal without an authorized signature, falsified any information in the proposal package, etc.), the proposal shall be rejected.

#### VIII. DEVELOPER SELECTION

- Each proposal will be reviewed by an evaluation group to determine if it meets the proposal requirements. Failure to meet the requirements for the Request for Proposals may be cause for rejection of the proposal.
- The evaluation group may ask for formal oral presentations by the selected Developers. The City reserves the right to waive the requirement for formal presentations, and to make final sections determined upon review of the work proposals only.
- A final selection of the Developers will be determined following review of all work proposals and/or formal oral presentations. The City Council will be asked to award a Purchase and Sale Agreement to the top-ranked Proposer.

## Attachment A - Description of Property

The subject properties are owned by the following:

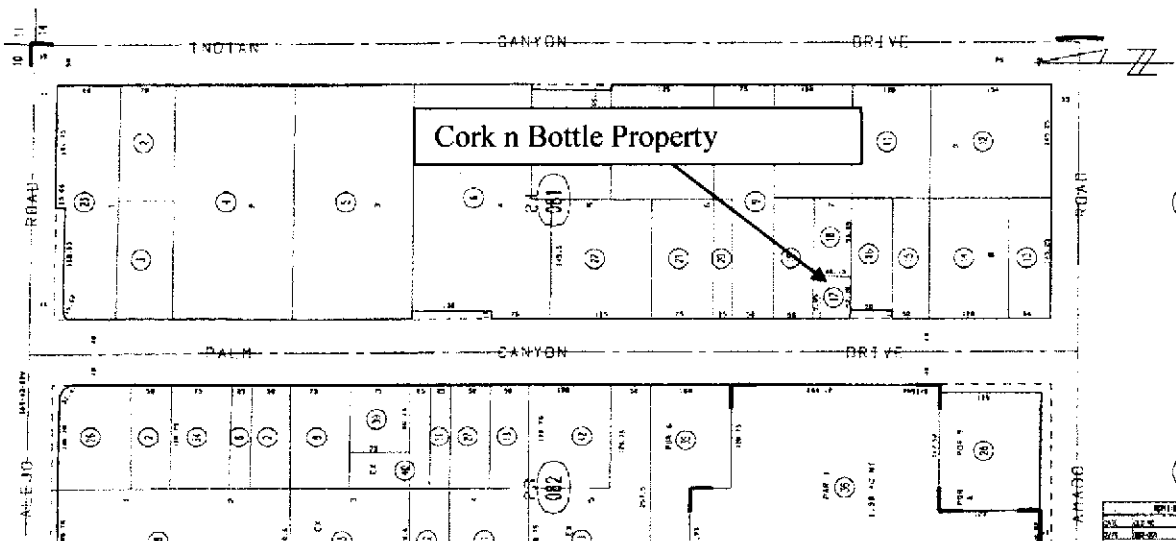
APN 513-081-017 former Community Redevelopment Agency of the City of Palm Springs

### Legal Description

Por Lot 7 Blk 24 MB 009/432 SD Map of Palm Springs

### Zoning

APN 513 081 017 is zoned Central Business District fronting N. Palm Canyon Dr. with a depth of approximately 53'.



**Attachment No. 2**

**Proposals (3)**

**Proposal No. 1-Jack R. Frost**

To: Diana Shay  
Community & Economic Development Department  
City Of Palm Springs  
Phone: (760) 323-8260  
Email: [Diana.shay@palmspringsca.gov](mailto:Diana.shay@palmspringsca.gov)

From: Jack R. Frost  
2595 Savanna Way  
Palm Springs CA 92262  
Phone: (808) 554-4053  
Email: [donandjax@mac.com](mailto:donandjax@mac.com); [Vanderkolk@gmail.com](mailto:Vanderkolk@gmail.com)

**Subject:** 342-344 North Palm Canyon Drive Redevelopment Project – Request for Purchase

### **Overview**

If granted purchase, it is our intent to preserve this historical building at 342-344 North Palm Canyon Drive with the rules outlined for a Class 1 Historical site. We hope to bring a fresh look to the storefront, and interior, that in compliance with the rules to bring back its more original appeal that will maximize commerce and financial return to the City. To do so, we will seek out a respected architect and contractor that are versed in historical preservation and remedying building code deficiencies in the Palm Springs area to meet the Cities standards or above.

### **Development Team**

The proposed buyer (Jack R. Frost) is an entrepreneur developer, and is affiliated with Highland Palm Partners LLC (24132 Long valley Rd. Hidden Hills CA 91302), Jack R. Frost 90% stakeholder, Gary Credle 10% stakeholder). In regards to 342-344 North Palm Canyon, Highland Palm Partners LLC will exist as a separate entity not involved with this purchase or development. Jack R. Frost to act as sole owner

with architect and engineer to be determined and sought out if proposal goes forward. Jack R. Frost will be the entity responsible for development team decisions and Cornelius John Vanderkolk (2595 Savanna Way Palm Springs CA 92262) will act as assistant to Jack R. Frost.

### **Developer Experience**

As an entrepreneur/developer, Jack R. Frost has purchased and sold over 50 properties (both residential and commercial) throughout his professional experience. His most prominent size project being the Highland Palms Healthcare Center (7534 Palm Avenue Highland, CA 92346. <http://highlandpalmshc.com/>) in which he co-developed in 1968 and owns today as 90% stakeholder under Highland Palm Partners LLC (24132 Longvalley rd, Hidden Hill CA 91302; 818-612-8026). The Highland Palms Healthcare Center is a 96 bed rehab facility on 3 acres. Jack R. Frost co-developed the Circle DJ Ranch (47-561 Mapele Rd Kaneohe HI 96744) in 1988. Built from the ground up is the 12,000 sq. foot ranch home on 21 acres. The Property is now valued at \$2.5 Million and can be viewed on Zillow. Jack R. Frost was owner and lessor of multiple commercial properties in Riverside CA. including 19 and 10 unit apartment buildings, furniture store, beauty salon, barber shop, and beauty supply. Ocean front rentals were once a part of Jack's assets located in Newport Beach CA, and Lido Isle.

### **Developers Financial Capabilities**

With assets more than \$6 million and liabilities less than \$1 million, Jack R. Frost has the ability to raise funds via cash and/or loan.

First Entertainment Credit Union, CA. private banker Nikki Marcota 323-845-4472.

Bank Of Hawaii, HI. Private banker Davin Nakasato 808-694-8679.

Stonegate Mortgage. Lender Brad Tilford 760-777-0727.

### **Development Concept/Planned Use**

If the City plans to move forward, Jack R. Frost intends to preserve and enhance the historical characteristics of the building and to update its original appeal compliant for a Class 1 historical site to maximize commerce and financial return to the City. It is the intent of the developer to convert the existing Cork N Bottle to a local art studio that celebrates and focuses on Palm Spring's desert, LGBT, and old Hollywood art, and would not require any additional structure. Should the City move forward, identifying structural, electrical, and accessibility issues will be explored followed with plans for remedying these issues.


### **Schedule**

Once approved, we can open escrow and have an architect and building inspector within in a week, and close escrow in 60 days.

### **Purchase Price Offer**

We will offer the ask price of \$350K including escrow and brokerage fees.

Jack R. Frost

A handwritten signature in cursive script, reading "Jack R. Frost", is written over a horizontal line.

Date: 2/29/16



**Proposal No. 2**

**Aliece Pickett and Edward P. Schroeder**

**RECEIVED**

MAR 03 2016

**PLANNING SERVICES  
DEPARTMENT**



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**OFFER TO PURCHASE**

**342-344 N. Palm Canyon  
Palm Springs, CA 92262**

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Edward P. Schroeder  
Aliece Pickett  
(949) 240-9220 x 113  
443 Santa Elena  
Palm Springs, CA 92262

# OFFER TO PURCHASE

342-344 N. Palm Canyon Dr., CA 92262

## TABLE OF CONTENTS

Chapter 1 - INTRODUCTION . . . . .	1
1.1 Proposed Annex for Palm Springs Historical Society. . . . .	1
1.2 Non-conforming Exterior Elements. . . . .	1
1.3 Deplorable Interior Condition. . . . .	4
Chapter 2 - DEVELOPER QUALIFICATIONS . . . . .	4
2.1 Development Entity. . . . .	4
2.2 Development Team. . . . .	5
2.3 Developer Experience. . . . .	5
2.4 Developer's Financial Capability. . . . .	5
Chapter 3 - ECONOMIC PROFORMA . . . . .	6
3.1 Hard, Soft and Financing Costs. . . . .	6
3.2 All Sources of Financing. . . . .	6
3.3 Assistance From City. . . . .	6
3.4 Revenue to City. . . . .	6
Chapter 4 - DEVELOPMENT CONCEPT/PLANNED USE . . . . .	7
4.1 Narrative Description of Building Improvement. . . . .	7
4.2 Architectural Rendering. . . . .	7
4.3 Exterior Modifications. . . . .	7
4.4 Building Name Change. . . . .	8
4.5 Interior Modifications. . . . .	8
Chapter 5 - SCHEDULE . . . . .	9
5.1 Transaction Dates . . . . .	9
Chapter 6 - PURCHASE PRICE OFFER . . . . .	9
6.1 Fair Market Value . . . . .	9
6.2 Proposed Use . . . . .	10
6.3 Offer To Purchase . . . . .	10

# **OFFER TO PURCHASE**

342-344 N. PALM CANYON DR., PALM SPRINGS

## **Chapter 1 - INTRODUCTION**

342-344 N. Palm Canyon Dr. (Property), is a Class 1 Historical Site, #31, Art Moderne (aka Streamline Moderne building). The Property is currently occupied by a liquor store and smoke shop. The interior of the building is in deplorable condition, which does not reflect well on the building or the City of Palm Springs.

The contiguous parcels have been recently purchased by a developer. This Property may not add much development value to the contiguous parcels, since this Property is a Class 1 Historical Site and cannot be razed or materially altered.

### **1.1 Proposed Annex for Palm Springs Historical Society.**

Developer proposes to purchase, remodel and lease space to the Palm Springs Historical Society for \$1 per year.

The Historical Society could then display the Helen Rose costume collection donated by Bill Marx, which collection is currently in a vault at the Welwood Murray Memorial Library.

The Historical Society would have prominent signage on Palm Canyon Drive.

This use would be ideal for walking traffic, and would create another important destination for residents and visitors.

The Historical Society's use of this Property would follow in the tradition of using iconic, historic properties for a museum.

The remainder of the space would be remodeled and leased to a retail business.

### **1.2 Non-conforming Exterior Elements.**

Art Moderne-Streamline Moderne is characterized by aerodynamic curving forms, simple long horizontal lines, symmetrical cement, windows, doors and moldings, and subtle colors. Art Deco-style fonts are used for address numbers and business sign letters.

The Property's exterior has several non-conforming elements that conflict with its Art Moderne-Streamline Moderne architecture and design:

- Coarse Spanish Lace Stucco Finish. The coarse Spanish Lace stucco finish on the exterior is inappropriate. The stucco should be a smooth plaster-like finish.
- Monochromatic Horizontal Moldings. The horizontal moldings are painted monochromatically the same color as the building. The horizontal moldings should be painted a subtle, contrasting color to showcase this important architectural detail.
- Cork N Bottle Sign. The Cork N Bottle sign is inappropriate for several reasons: the sign is placed asymmetrically on the building and smoke shop sign on the blue awning does not provide balance or symmetry; the sign letters are in an inappropriate non-Art Deco font (see Cafè Europa sign letters at 515 N. Palm Canyon Dr.); and the sign coloring is inappropriately using primary colors rather than subdued colors of the period.
- Metal Rails. The metal rails in front have inappropriate vertical members and ornamentation. The metal rails should be removed. Railing, if any, should be horizontal and made of polished stainless, for an appropriate shiny-metal appearance.
- Front Windows. The front windows are scored with gang markings, creating visual blight and the appearance that Palm Canyon Drive is gang territory.
- Encroachment. The fence rail from the building adjacent to the south is encroaching on the Property, as evidenced by the brass survey marker in the sidewalk.

Developer proposes removing inaccurate and inappropriate architectural and design elements from the Property, and modifying the exterior to restore and showcase design elements integral to Art Moderne-Streamline Moderne architecture.

See next page for artistic rendering for proposed modifications to the exterior.

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Before



After



### **1.3 Deplorable Interior Condition.**

The Property's interior is currently in deplorable condition. It is unknown if the Property contains asbestos or is in compliance with the local, state and national building codes, Americans With Disabilities Act, and earthquake compliance laws.

If, upon issuance of a building permit to remodel the interior, the City allows the 344 building addition and 342 back addition to remain, Developer proposes removing and replacing the drywall, ceilings, flooring, plumbing and electric; insulating walls and ceilings; and creating two open spaces, two bathrooms and one office.

Developer's offer to purchase is conditioned upon the City allowing the 344 building addition and the 342 back addition to remain with the issuance of a building permit to remodel the interior as described above.

## **Chapter 2 - DEVELOPER QUALIFICATIONS**

### **2.1 Development Entity.**

Developer will establish PS ART MODERNE, LLC, as a newly formed single-purpose California limited liability company located at 443 W. Santa Elena, Palm Springs, CA 92262.

Organizers and owners of LLC: Aliece Pickett and Edward P. Schroeder

LLC Managers: Aliece Pickett and Edward P. Schroeder

Project Manager: Aliece Pickett

Phone Number: Aliece Pickett (949) 240-9220, ext. 113

Email: EPSBrokerage@outlook.com

Fax Number: (949) 240-9280

Mission: Restore and preserve the historically significant structure at 342 N. Palm Canyon, Palm Springs. Remove and replace inaccurate architectural and design elements on the building's exterior, as shown in the artistic rendering.

## 2.2 Development Team.

Edward P. Schroeder. Mr. Schroeder has developed and managed properties since 1989. He is also a licensed attorney, Certified Public Accountant, and real estate broker.

Aliece Pickett. Ms. Pickett has developed and managed properties since 1989. She is also a licensed attorney.

Architect and Engineer. To be determined.

## 2.3 Developer Experience.

The development team has the following experience:

- 1988-2007 Administered rezoning, building design, construction and management of Marshall Square Professional Centre, 2600-2620 W. Lincoln Hwy., Merrillville, Indiana. In 1989, the development received an award for architectural distinction. Square Feet: 8,400. Zoning: Commercial.
- 1993-2016 Administered the design, rezoning, construction and management of the office condominium at 20311 Birch St., Newport Beach, CA. Square feet: 5,080. Zoning: commercial and medical.
- 2006-2008 Administered the exterior restoration of the Bluffside Villas condominium development, 24531-24575 Santa Clara Ave., Dana Point. Square feet: 22,868. Zoning: residential.
- 2014-2015 Oversaw the redesign and remodel in historic Old Town at 1607 Seal Way, Seal Beach, CA. Square feet: 2,455. Zoning: residential.

## 2.4 Developer's Financial Capability.

The Property will be purchased without financing, and the development team has the financial resources to remodel the Property without encumbering the Property.



It is impossible to prepare a remodel budget until it is known if the Property contains asbestos or other latent conditions, and if it is in compliance with the local, state and national building codes, Americans With Disabilities Act, and earthquake compliance laws.

### **Chapter 3 - ECONOMIC PROFORMA**

#### **3.1 Hard, Soft and Financing Costs.**

Not applicable.

#### **3.2 All Sources of Financing.**

Developer Financing. Not applicable. No financing required for the project.

Developer Equity. There will be no loan secured by the Property.

Construction Financing. Not applicable.

Permanent Financing. Not applicable.

#### **3.3 Assistance From City.**

Developer requests the City waive any fees for street improvements, utility improvements, demolition permit fees, construction permit fees, inspection fees, and parking impact fees and/or in-lieu-of parking fees.

#### **3.4 Revenue to City.**

Though the City will not derive sales tax from the Historical Society, indirect revenue will be substantial. The Palm Springs Historical Society Annex will become a destination and will increase foot traffic on North Palm Canyon, benefitting surrounding businesses.

The Historical Society has a collection of costumes and gowns designed by Academy Award winner Helen Rose and donated by Bill Marx. These costumes and gowns represent MGM Studios during its golden age, the era of the building and when movie stars populated Palm Springs.

The balance of the space will be leased to a retail establishment that will generate sales tax revenue to the City.

## **Chapter 4 - DEVELOPMENT CONCEPT/PLANNED USE**

### **4.1 Narrative Description of Building Improvement.**

Developer proposes removing non-conforming exterior design elements from the building exterior and adding Art Moderne elements as shown in the artistic rendering.

### **4.2 Architectural Rendering.**

See Section 1.2 for artistic rendering of proposed exterior modifications.

### **4.3 Exterior Modifications.**

Developer proposes removing elements from the exterior that conflict with Art Moderne-Streamline Moderne architecture and design; and increasing the aesthetic characteristics of the building by adding attractive and historically accurate elements to the exterior and showcasing the double and triple bands of horizontal moldings, and installing new business signs with Art Deco letters and number fonts; and installing the signs to balance the facade and create symmetry.

Developer proposes to remove the following inaccurate and inappropriate elements:

- Coarse Spanish lace stucco finish
- Business name signs, letter font and colors
- Business name signs location, asymmetrical placed on building
- Metal rails with vertical members and incorrect ornaments.
- Front glass windows with scored/etched gang markings in the glass.

Developer proposes to add the following Art Moderne design elements:

- Smooth stucco finish
- Place business name signs in balanced locations to create symmetry
- Use Art Deco-style fonts on signage (e.g., Bernhard Fashion, Park Lane)
- Use colors on business signs that coordinate with architectural elements
- Paint horizontal moldings a contrasting color to accent architectural details
- Install polished stainless steel rails with horizontal members.

#### **4.4 Building Name Change.**

The name "Cork 'N Bottle Building" is technically correct while the liquor store occupies the building. However, naming the building after the current occupant is somewhat misleading because the building was erected in 1935 but the liquor store did not occupy until 1950.

Developer proposes changing the name to the "Simpson's Radio & Frigidaire Co. Building". This would follow the template used by other historical buildings in Palm Springs, referring to a building by the name of its original occupant.

More importantly, the words "Radio" and "Frigidaire" reflect indirectly on the building's architecture. This is historically significant. Art Moderne Architecture in the 1930s was profoundly influenced by advances in technology, such as radio and refrigeration.

Once the liquor store has vacated, the building should be referred to as "The Simpson's Radio & Frigidaire Co. Building", including in the Palm Springs Historical Registry; and the City should have a new historical designation plaque installed using that name.

#### **4.5 Interior Modifications.**

The interior of the Property is in deplorable condition, which reflects badly on the City.

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///

Developer proposes to modify the interior as follows:

- remove any remaining liquor store and smoke shop fixtures
- remove the existing drywall
- update the electric
- install a second electric meter
- insulate the walls and ceiling
- install new electric outlets and light fixtures
- install two new ADA-compliant bathrooms and a sink
- install new flooring.

## **Chapter 5 - SCHEDULE**

### **5.1 Transaction Dates**

- Date to open escrow: 4/15/16
- Date to close escrow: 5/15/16
- Date for demolition permit for interior: 8/1/16
- Date for historical approval of exterior modifications: 8/1/16
- Date to complete exterior modifications: 11/1/16
- Date to complete interior construction: 11/1/17.

## **Chapter 6 - PURCHASE PRICE OFFER**

### **6.1 Fair Market Value**

The Property is designated as a Class 1 Historical Site. The building cannot be demolished and the underlying land incorporated into a development with the surrounding contiguous parcels. This severely limits development options, and decreases the Property's value.

The Property is landlocked and has no parking, further decreasing its value.

According to the Request for Purchase Offers, the State of California values the property at \$339,620. A City appraisal estimates the value at \$350,000.

## 6.2 Proposed Use

Developer proposes using the Property as an Annex for the Palm Springs Historical Society to display a revolving collection of Helen Rose costumes and gowns donated by Bill Marx. This use will bring in no monthly rent to Developer and no direct revenue to the City. The remaining space will be leased to a retail establishment.

## 6.3 Offer To Purchase

Edward P. Schroeder and Aliece Pickett offer to purchase the Property for the lesser of: the minimal amount the City will accept so that the Palm Springs Historical Society can lease space for \$1 per year; or \$350,000.00. This offer is contingent on a purchase agreement, property inspection report and environmental report that are satisfactory to purchaser.

We guarantee that the contents of this Proposal shall be valid for one hundred twenty (120) days from March 3, 2016.

Dated: February 29, 2016

  
\_\_\_\_\_  
Aliece Pickett

  
\_\_\_\_\_  
Edward P. Schroeder

**Proposal No. 3**

**Atelier Zinque**

RECEIVED

MAR 09 2016

SERVICES  
MENT

*ps*



WEST ELEVATION - PALM CANYON DRIVE  
PROPOSED VIEWS

ATELIER ZINQUE, LLC  
DECEMBER 14, 2015

ZINQUE HOTEL  
354 N PALM CANYON DR PALM SPRINGS, CA

STUDIO MAI  
KEVIN TSAI ARCHITECTURE

## **PROPOSAL**

### **Cork & Bottle**

In 2015, North Palm Canyon Drive Development, LLC, A Delaware Corporation, closed escrow on the 5 parcels which surround the subject Cork and Bottle Property. Atelier Zinque, LLC, has already raised \$1.5 million and has commitments of an additional \$5 million.

There intent was to also purchase that subject parcel and incorporate it into a larger project. The project designed includes a boutique hotel with suites, a full service restaurant, rooftop Bar, Salon and Spa. In addition, there will be a rooftop tennis court, Resort-style pool with whirlpool. A small retail component will also be included.

In discussions with staff, we were informed that our application would require us to appear before the Historic Site Preservation Board if we were able to incorporate the subject property. Additional discussions and investigation determined that the existing structure did not comply with current building codes, including ADA and Seismic. For those reasons, this applicant will propose to protect the historic façade, and replace the structure with new construction. There are no significant interior features which need to be preserved.

The proposed development will meet all City design criteria, and have public hearings with all applicable councils, commissions, committees and boards.

Although the development will propose subterranean parking, we may also request the ability to pay some in-lieu of parking. The developer reserves the right to apply for any financial incentive programs the City makes available to the business community at large.

Developer is prepared to open escrow within 5 days of acceptance of his offer, and close within 60 days.

Developer is prepared to submit their application immediately upon acceptance of their offer. If their offer is not accepted, then drawings will need to be revised for the parcels they currently control. Construction will begin within 90 days of Entitlement approval.

Because the RFP was comprehensive in the information requested, and yet limited the number of pages to 20, additional information is available upon request.



**Owner**

North Palm Canyon Development, LLC  
A Delaware LLC

**James Vincent, Member**

James is currently the President, International, of TBWA Worldwide. Drawing from his many years of experience creating and running TBWA\Media Arts Lab, James will be responsible for developing new and innovative client models for global client business.

Previously Co-Founder and CEO of Apple's unique agency partner, TBWA\Media Arts Lab, he began running the Apple account at TBWA\Chiat\Day LA in 2000. In 2006, he helped create Media Arts Lab as a separate global network within TBWA to cater specifically to the creative cadence and executional demands of the growing Apple brand.

Prior to TBWA\MAL, James ran the Dot.Com group at TBWA\Chiat\Day LA. He also spent several years at JWT New York, where he led Kodak and Merrill Lynch accounts globally, and ran a small London-based technology agency, where he launched both Novell and Dell in Europe in the early 1990s. James began his advertising career with Saatchi & Saatchi in 1988.

As President, International, James joins a dynamic group of leaders who will all focus on specialties to lead the agency across different disciplines.

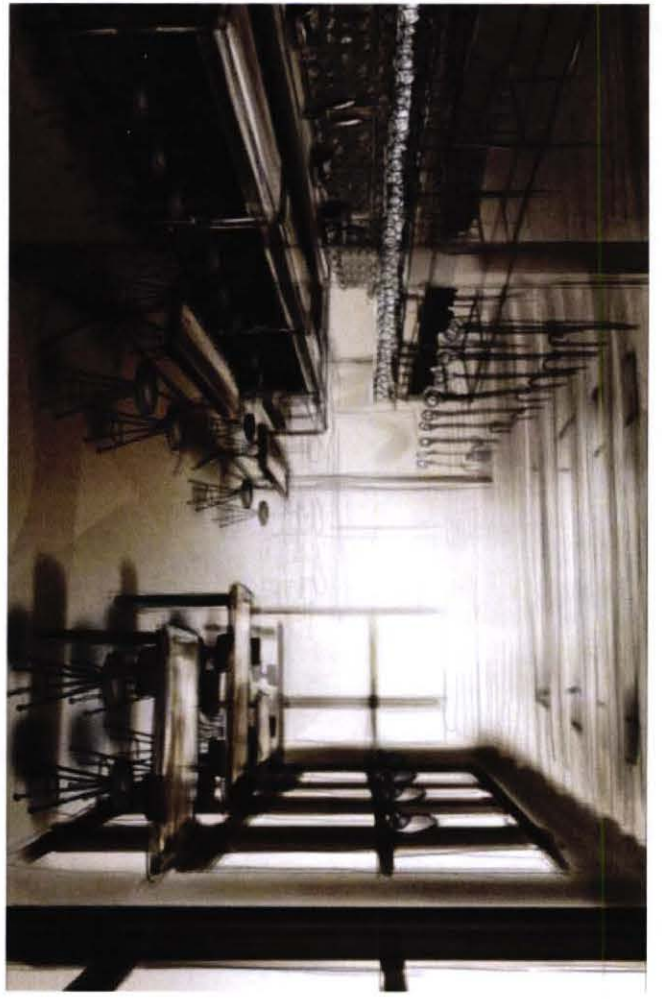
A graduate of the London School of Economics, James now lives with wife Marie and their two children in Venice, California.

**Emmanuel Dossetti, Managing Member**  
Atelier Zinque, LLC

Emmanuel owns several successful restaurants in the Southern California area, including; Venice, West Hollywood and Newport Beach. He is currently developing a restaurant in Downtown Los Angeles and hopes to open one in Palm Springs.

Other Members of the entitlement and development team include:

Stan Asaro-Asaro Builders  
Studio MAI-Los Angeles  
Ron Feiro-Feiro Engineering  
Rick Stokes-Team Integrated





COMMERCIAL REAL ESTATE

**Shane Won Murphy**  
Vice President  
**Beverly Hills Office**  
9744 Wilshire Boulevard  
Ste 207  
Beverly Hills, CA 90212  
M: 526.233.0071  
F: 310.807.9387  
E: shane@brcadvisors.com

March 9, 2015

Del Gagnon  
via email: delgagnonco@aol.com

**RE: Letter of intent to purchase property located at 342 N. Palm Canyon Drive**

Dear Del,

This letter of intent ("LOI") outlines Atelier Zinque, LLC's ("Buyer's") proposal to purchase the fee interest in the property located at 342 N. Palm Canyon Drive, located in the city of Palm Springs, County of Riverside ("Property").

Buyer: Atelier Zinque, LLC

Seller: City of Palm Springs

Property: 342 N. Palm Canyon Drive, located in the city of Palm Springs, County of Riverside

Size:

- Land: 40' (Palm Canyon) X 52'
- Building: Approx. 1,600 square feet

Price: \$425,000 with no loan contingency

Deposit:

A total initial deposit in the amount of \$4,000 shall be deposited into escrow upon execution of the Commercial Property Purchase Agreement ("PA"). Upon removal of contingencies, a secondary deposit in the amount of \$4,000 shall be deposited into escrow.

Escrow:

Buyer shall open escrow with Five (5) days after the execution of the PA by both parties.

Additional Terms:

- The existing tenant shall continue occupancy and payment of rent at the current rate on a month-to-month basis.
- The contingency period shall expire June 3rd, 2015

Due Diligence Materials:

This purchase is subject to the verification or approval of the various and usual contingencies common to the purchase of similar properties. Seller shall provide and make available to Buyer all pertinent information with the Seller's possession or control not otherwise prohibited by confidentiality reasonably necessary for feasibility approval. Such information would include but not be limited to title reports, surveys, building plans, structural engineering, civil engineering and soils studies, zoning and building regulations applicable to the Property.

Close of Escrow: Close of Escrow shall occur by September 3, 2015 or earlier.

Pro-rations and closing costs:

The PA shall provide that real estate taxes, property insurance, res, income and expense items relating to the Property, and other typical closing costs shall be pro-rated to the day of the closing as agreed to by Buyer and Seller. Any taxes or fees imposed by the regulatory, governmental or tax authority as a result of the transaction shall be borne by the Seller as is customary in the industry.

Brokerage:

All brokerage commission is to be paid by the Seller per separate agreement.







EAST ELEVATION - INDIAN CANYON DRIVE  
PROPOSED VIEWS

ATELIERZINQUE, LLC  
DECEMBER 14, 2015

ZINQUE HOTEL  
354 N PALM CANYON DR PALM SPRINGS, CA

STUDIO MAI  
KEVIN TSAI ARCHITECTURE



INTERIOR COURTYARD  
PROPOSED VIEWS

ATELIER ZINQUE, LLC  
DECEMBER 14, 2015

ZINQUE HOTEL  
354 N PALM CANYON DR PALM SPRINGS, CA

STUDIO MAI  
KEVIN TSAI ARCHITECTURE





01

1. View of a typical common open space
2. View of a typical private open space
3. View of a typical common open space



02



03

PUBLIC AND PRIVATE OPEN SPACES  
**PROPOSED VIEWS**

ATELIER ZINQUE, LLC  
 DECEMBER 14, 2015

**ZINQUE HOTEL**  
 354 N PALM CANYON DR PALM SPRINGS, CA

STUDIO MAI  
 KEVIN TSAI ARCHITECTURE



## ZINQUE HOTEL - PALM SPRINGS, CA

Projected Stabilized Hotel/Restaurant Operations

February 6, 2015

Stabilized Hotel/Restaurant Operations															
	2017			2018			2019			2020			2021		
Number of Rooms	53			53			53			53			53		
Number of Annual Rooms Available	19345			19345			19345			19345			19345		
Number of Rooms Occupied	9286			10678			11746			12334			12950		
Annual Occupancy	48%			55%			61%			64%			67%		
Average Daily Rate	\$ 280.00			\$ 288.00			\$ 297.00			\$ 306.00			\$ 315.00		
Revenue Per Available Room	\$ 134.40			\$ 158.98			\$ 180.34			\$ 195.09			\$ 210.87		
	Amount	Ratio	Per Room	Amount	Ratio	Per Room	Amount	Ratio	Per Room	Amount	Ratio	Per Room	Amount	Ratio	Per Room
<b>Revenues</b>															
Rooms	\$ 2,600,000	41.34%	\$ 49,057	\$ 3,075,000	42.01%	\$ 58,019	\$ 3,489,000	42.77%	\$ 65,830	\$ 3,774,000	43.50%	\$ 71,208	\$ 4,079,000	44.21%	\$ 76,962
Food & Beverage	3,200,000	50.87%	60,377	3,680,000	50.28%	69,434	4,048,000	49.63%	76,377	4,250,000	48.99%	80,189	4,463,000	48.37%	84,208
Spa / Health Club	220,000	3.50%	4,151	253,000	3.46%	4,774	278,000	3.41%	5,245	292,000	3.37%	5,509	307,000	3.33%	5,792
Other Operated Departments	20,000	0.32%	377	23,000	0.31%	434	25,000	0.31%	472	26,000	0.30%	491	27,000	0.29%	509
Rentals and Other Income	250,000	3.97%	4,717	288,000	3.93%	5,434	317,000	3.89%	5,981	333,000	3.84%	6,283	350,000	3.79%	6,604
<b>Total Revenues</b>	<b>\$ 6,290,000</b>	<b>100.00%</b>	<b>\$ 118,679</b>	<b>\$ 7,319,000</b>	<b>100.00%</b>	<b>\$ 138,094</b>	<b>\$ 8,157,000</b>	<b>100.00%</b>	<b>\$ 153,906</b>	<b>\$ 8,675,000</b>	<b>100.00%</b>	<b>\$ 163,679</b>	<b>\$ 9,226,000</b>	<b>100.00%</b>	<b>\$ 174,075</b>
<b>Departmental Expenses</b>															
Rooms	\$ 792,000	30.45%	\$ 14,943	\$ 857,000	27.87%	\$ 16,170	\$ 898,000	25.73%	\$ 16,943	\$ 939,000	24.89%	\$ 17,717	\$ 997,000	24.44%	\$ 18,811
Food & Beverage	2,079,000	64.98%	39,226	2,393,000	65.02%	45,151	2,631,000	65.00%	49,642	2,763,000	65.00%	52,132	2,901,000	65.00%	54,736
Spa / Health Club	209,000	95.00%	3,943	240,000	94.98%	4,528	264,000	95.10%	4,981	277,000	94.92%	5,226	291,000	94.93%	5,491
Other Operated Departments	18,000	90.00%	340	22,000	95.83%	415	23,000	93.10%	434	25,000	96.77%	472	26,000	96.97%	491
<i>Sub-total</i>	<i>\$ 3,098,000</i>	<i>49.25%</i>	<i>\$ 58,453</i>	<i>\$ 3,512,000</i>	<i>47.98%</i>	<i>\$ 66,264</i>	<i>\$ 3,816,000</i>	<i>46.78%</i>	<i>\$ 72,000</i>	<i>\$ 4,004,000</i>	<i>46.16%</i>	<i>\$ 75,547</i>	<i>\$ 4,215,000</i>	<i>45.69%</i>	<i>\$ 79,528</i>
<b>Undistributed Expenses</b>															
Administrative & General	479,000	7.61%	9,038	520,000	7.10%	9,811	538,000	6.60%	10,151	553,000	6.37%	10,434	578,000	6.27%	10,906
Marketing	328,000	5.22%	6,189	358,000	4.88%	6,755	370,000	4.53%	6,981	381,000	4.39%	7,189	397,000	4.31%	7,491
Property Operation and Maintenance	131,000	2.09%	2,472	143,000	1.95%	2,698	148,000	1.82%	2,792	152,000	1.75%	2,868	159,000	1.73%	3,000
Utility Costs	120,000	1.91%	2,264	130,000	1.77%	2,453	135,000	1.65%	2,547	138,000	1.59%	2,604	144,000	1.56%	2,717
Base Management Fee	189,000	3.00%	3,566	220,000	3.00%	4,151	245,000	3.00%	4,623	260,000	3.00%	4,906	277,000	3.00%	5,226
<i>Sub-total</i>	<i>\$ 1,247,000</i>	<i>19.83%</i>	<i>\$ 23,528</i>	<i>\$ 1,371,000</i>	<i>18.73%</i>	<i>\$ 25,868</i>	<i>\$ 1,436,000</i>	<i>17.60%</i>	<i>\$ 27,094</i>	<i>\$ 1,484,000</i>	<i>17.11%</i>	<i>\$ 28,000</i>	<i>\$ 1,555,000</i>	<i>16.85%</i>	<i>\$ 29,340</i>
<b>Fixed Expenses &amp; Reserves</b>															
Property Taxes	320,000	5.09%	6,038	358,000	4.89%	6,755	378,000	4.63%	7,132	392,000	4.51%	7,396	411,000	4.46%	7,755
Insurance	64,000	1.02%	1,208	83,000	1.14%	1,566	88,000	1.08%	1,660	94,000	1.08%	1,774	99,000	1.07%	1,868
FF&E Reserves	252,000	4.00%	4,755	293,000	4.00%	5,528	326,000	4.00%	6,151	347,000	4.00%	6,547	369,000	4.00%	6,962
<i>Sub-total</i>	<i>\$ 636,000</i>	<i>10.11%</i>	<i>\$ 12,000</i>	<i>\$ 734,000</i>	<i>10.03%</i>	<i>\$ 13,849</i>	<i>\$ 792,000</i>	<i>9.71%</i>	<i>\$ 14,943</i>	<i>\$ 833,000</i>	<i>9.60%</i>	<i>\$ 15,717</i>	<i>\$ 879,000</i>	<i>9.53%</i>	<i>\$ 16,585</i>
<b>Total Expenses</b>	<b>\$ 4,981,000</b>	<b>79.19%</b>	<b>\$ 93,981</b>	<b>\$ 5,617,000</b>	<b>76.75%</b>	<b>\$ 105,981</b>	<b>\$ 6,044,000</b>	<b>74.10%</b>	<b>\$ 114,038</b>	<b>\$ 6,321,000</b>	<b>72.86%</b>	<b>\$ 119,264</b>	<b>\$ 6,649,000</b>	<b>72.07%</b>	<b>\$ 125,453</b>
<b>Net Operating Income</b>	<b>\$ 1,309,000</b>	<b>20.81%</b>	<b>\$ 24,698</b>	<b>\$ 1,702,000</b>	<b>23.25%</b>	<b>\$ 32,113</b>	<b>\$ 2,113,000</b>	<b>25.90%</b>	<b>\$ 39,868</b>	<b>\$ 2,354,000</b>	<b>27.14%</b>	<b>\$ 44,415</b>	<b>\$ 2,577,000</b>	<b>27.93%</b>	<b>\$ 48,623</b>
<b>Debt Service on Perm Loan</b>	<b>\$ 693,687</b>	<b>11.03%</b>		<b>\$ 693,687</b>	<b>9.48%</b>		<b>\$ 693,687</b>	<b>8.50%</b>		<b>\$ 693,687</b>	<b>8.00%</b>		<b>\$ 693,687</b>	<b>7.52%</b>	
<b>Net Distributable Cash Flow</b>	<b>\$ 615,313</b>	<b>9.78%</b>		<b>\$ 1,008,313</b>	<b>13.78%</b>		<b>\$ 1,419,313</b>	<b>17.40%</b>		<b>\$ 1,660,313</b>	<b>19.14%</b>		<b>\$ 1,883,313</b>	<b>20.41%</b>	
<b>Investor Equity Remaining*</b>	-			-			-			-			-		

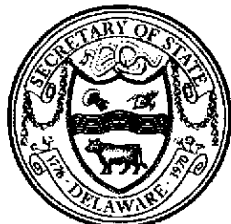
\*All investor equity is projected to be returned through a combination of proceeds from condo sales and the financing of construction debt upon stabilization of the property (see previous page).

# Delaware

PAGE 1

*The First State*

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "NORTH PALM CANYON DRIVE DEVELOPMENT, LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF JULY, A.D. 2015, AT 5:39 O'CLOCK P.M.



5782266 8100

151031311

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 2544309

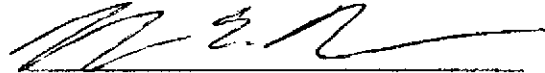
DATE: 07-10-15

Development, LLC (the "Company").

**SECOND:** The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, County of New Castle, Delaware 19808.

**THIRD:** The name of its Registered Agent at such address is Corporation Service Company.

**IN WITNESS WHEREOF**, the undersigned has executed this Certificate of Formation this 9<sup>th</sup> day of July, 2015.



Karl E. Kuhn, Authorized Person

**LIMITED LIABILITY COMPANY AGREEMENT  
OF  
NORTH PALM CANYON DRIVE DEVELOPMENT, LLC  
A DELAWARE LIMITED LIABILITY COMPANY**

**PREAMBLE**

This Limited Liability Company Agreement (“Agreement”) of North Palm Canyon Drive Development, LLC is made effective as of July 10, 2015 (the “Effective Date”) by the Persons that are a party to this Agreement on the signature pages hereto, as all of the “Members” of the Company.

NOW, THEREFORE, the undersigned hereby declares the following to be the Limited Liability Company Agreement of the Company as of the Effective Date.

**Article I. DEFINITIONS AND TERMS**

Section 1.01 Definitions. Unless the context otherwise requires, the following terms shall have the following meanings for the purposes of this Agreement:

“Act” means the Delaware Limited Liability Company Act, 6 Del C. §§ 18-101, et seq., as amended from time to time (or any corresponding provisions of succeeding law).

“Agreement” means this Limited Liability Company Agreement, as the same may be amended from time to time.

“Assets” means, at any time, any real property and other assets owned or leased by the Company from time to time.

“Certificate” means the Certificate of Formation filed with the Secretary of State of the State of Delaware on July 9, 2015 to form the Company pursuant to the Act, and as amended, modified, supplemented, or restated from time to time, as the context requires.

“Company” means the limited liability company formed pursuant to this Agreement.

“Effective Date” shall have the meaning set forth in the opening recital.

“Interest” means the ownership interest in the Company at any time, including the right of the Member to any and all benefits to which the Member may be entitled as provided in this Agreement, together with the obligations of the Member to comply with all the terms and provisions of this Agreement. The Member shall have a one hundred percent (100%) ownership interest in the Company.


“Member” means any member or members admitted to the Company in accordance with this Agreement or any amendment or restatement hereof in accordance with Section 18301 of the Act, and as defined in opening recital.

IN WITNESS WHEREOF, this Limited Liability Company Agreement has been duly executed effective as of the date first set forth above.

**Member:**

Atelier Zinque LLC

By: \_\_\_\_\_  
Emmanuel Dossetti  
Manager

  
\_\_\_\_\_  
James Vincent

**Signature Page to Limited Liability Company Agreement**

**Exhibit A**

**Members, Capital Contributions, and Ownership Percentages**

<u>Name</u>	<u>Capital Contribution</u>	<u>Ownership Percentage</u>
Atelier Zinque LLC	\$102,000.00	6.17%
James Vincent	\$1,552,205.00	93.83%
<hr/>		
Total:	\$1,654,205.00	100.00%

**FATCOLA/RESALE**

**RECORDING REQUESTED BY:**  
First American Title

**AND WHEN RECORDED MAIL TO:**

**MR. EMMANUEL DOSSETTI**  
726 Palms Blvd  
Venice, CA 90291

**DOC # 2015-0345392**  
08/03/2015 04:49 PM Fees: \$31.00  
Page 1 of 3  
Recorded in Official Records  
County of Riverside  
Peter Aldana  
Assessor-County Clerk-Recorder

\*\*This document was electronically submitted  
to the County of Riverside for recording\*\*  
Received by: MABRERA

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 4830394-60

Escrow No.: 56906-TL

AP#: 513-081-011-0 and 513-081-016-5

**GRANT DEED**

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

*TRA : 011-008*

**DOCUMENTARY TRANSFER TAX is \$2,090.00**

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale.
- Unincorporated area  City of PALM SPRINGS AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged.

**PROJECT 92, a California General Partnership**

hereby GRANT(s) to:

**NORTH PALM CANYON DRIVE DEVELOPMENT, LLC, a Delaware Limited Liability Company**

the real property in the City of PALM SPRINGS, County of RIVERSIDE, State of California, described as:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

**Also Known as: 340 NORTH PLAM CANYON DRIVE & 317 NORTH INDIAN CANYON DRIVE, PALM SPRINGS, CA 92262**

**DATED: July 29, 2015**

**Signature Page attached hereto  
and made a part hereof**

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS SHOWN ABOVE:

DOC # 2015-0329840  
07/24/2015 04:27 PM Fees: \$30.00  
Page 1 of 6  
Recorded in Official Records  
County of Riverside  
Peter Aldana  
Assessor-County Clerk-Recorder

RECORDING REQUESTED BY:  
ORANGE COAST TITLE

AND WHEN RECORDED MAIL TO:

Mr. Emmanuel Dossetti  
726 Palms Blvd.  
Venice CA 90291

\*\*This document was electronically submitted  
to the County of Riverside for recording\*\*  
Received by: MABRERA

TRA 011

THIS SPACE FOR RECORDER'S USE ONLY:

Title Order No.: 2101557559-02

Escrow No.: 56352-TL

AP#: 513-081-010-9/-018-7/-019-8

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$1,595.00

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale.
- Unincorporated area  City of Palm Springs AND

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**Wolf Investment Properties, LLC, a Delaware Limited Liability Company, a ~~one-half interest~~ and a ~~one-half undivided interest~~ to Kenneth Goldberg, Trustee of the Kenneth Goldberg Trust dated June 10, 2003**

hereby GRANT(s) to:

**North Palm Canyon Drive Development, LLC, a Delaware Limited Liability Company**

the real property in the City of Palm Springs, County of Riverside, State of California, described as:

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND MADE A PART HEREOF

**Also Known as:** 351 North Indian Canyon and 354 North Palm Canyon, Palm Springs, CA 92262

DATED: July 9, 2015

Signature Page attached hereto  
and made a part hereof

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW; IF NO PARTY SHOWN, MAIL AS SHOWN ABOVE:



## TEAM MEMBERS

### Owner-Developer

North Palm Canyon Drive Development, LLC  
A Delaware Limited Liability Company  
726 Palms Blvd.  
Venice, CA 90291  
Emmanuel@lezinque.com  
(310) 748-8258

### Managing Member

Atelier Zinque, LLC  
Att: Emmanuel Dossetti  
726 Palms Blvd.  
Venice, CA 90291  
Emmanuel@lezinque.com  
(310) 748-8258

### Member

James Vincent  
2908 Clune Avenue  
Venice, CA 90291

### Other Development Team Members

#### Project Manager

Team Integrated  
Rick Stokes  
PO BOX 987  
Palm Springs, CA 92263  
rstokes@teamintegrated.com  
(760) 285-5388

#### Civil Engineer

Feiro Engineering, Inc.  
Ron Feiro, President  
PO BOX 12980  
Palm Desert, CA 92255  
ron@feiro.net  
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**Attachment No. 3**  
**Evaluation Scoring Spreadsheet**

### Cork n Bottle RFP-Evaluation Scoring

Name of Proposer: Jack R. Frost							
Criteria	Weighting	Point Value	SCORE			Average	
			Evaluator #1	Evaluator #2	Evaluator #3		
Developer Qualifications	20%	20	4	12	4	7	
Economic Proforma	20%	20	4	4	4	4	
Development Concept/Planned Use	30%	30	18	6	6	10	
Schedule	10%	10	4	2	2	3	
Price	20%	20	16	8	4	9	
<b>TOTAL</b>	<b>100%</b>	<b>100</b>	<b>46</b>	<b>32</b>	<b>20</b>	<b><u>33</u></b>	

Name of Proposer: Aiece Pickett and Edward P. Schroeder							
Criteria	Weighting	Point Value	SCORE			Average	
			Evaluator #1	Evaluator #2	Evaluator #3		
Developer Qualifications	20%	20	4	8	4	5	
Economic Proforma	20%	20	4	8	4	5	
Development Concept/Planned Use	30%	30	24	24	12	20	
Schedule	10%	10	8	6	4	6	
Price	20%	20	16	8	4	9	
<b>TOTAL</b>	<b>100%</b>	<b>100</b>	<b>56</b>	<b>54</b>	<b>28</b>	<b><u>46</u></b>	

Name of Proposer: Atelier Zinque							
Criteria	Weighting	Point Value	SCORE			Average	
			Evaluator #1	Evaluator #2	Evaluator #3		
Developer Qualifications	20%	20	8	4	12	8	
Economic Proforma	20%	20	16	16	12	15	
Development Concept/Planned Use	30%	30	30	24	24	26	
Schedule	10%	10	6	6	8	7	
Price	20%	20	20	16	16	17	
<b>TOTAL</b>	<b>100%</b>	<b>100</b>	<b>80</b>	<b>66</b>	<b>72</b>	<b><u>73</u></b>	