

Land Development Committee Minutes
December 30, 2015

Attendees: Bill Doering (Committee Member), Natalie Wolf (Committee Member), Scot Lahrmer, Wes Brown, Rich Wallace, Peg Conway, Ed Hattenbach, Mike Gressel, Elida Kamine, Louis Katz, Larry Horwitz, Frank Davis, and Tom Muething (Committee Chair).

The meeting was called to order at 4:30 p.m. The minutes from the meeting of December 22, 2015 were reviewed and approved.

The purpose of the meeting was to discuss the four proposals related to the possible development of Amberley Green and the responses received from the four groups to the questions that were submitted to each group and then to determine whether the committee was ready to recommend to council a way forward. Scot Lahrmer distributed the written responses that were received from each group (copies attached to the minutes) and then reviewed the oral response from Amberley Development Partners. The response from Amberley Development Partners was received in a meeting with Fred Mayerson, Michael Schuster and John Volbracht from Amberley Development Partners and Scot Lahrmer and Tom Muething. The document that is attached to these minutes is based on the notes of Scot Lahrmer and Tom Muething from that meeting. All of the responses were then discussed.

Bill Doering then summarized his thoughts and the key points were:

- The Great Traditions group seems to have the best experience in a development like Amberley Green and they seem to have a good vision for the property. Although they do not currently see a lot of commercial prospects for the property, Bradicorp as part of their group is well positioned and has the right experience to identify prospects.
- The DOV Limited group envisions independent and assisted senior living facilities as part of the development. Not sure that this is the right property for these type of facilities and although this would create some earnings base for Amberley, it would not amount to much.
- The Project Planning Group has some good experience in this team but not sure that they have delivered on anything close to this project.
- The presentation by Amberley Development Partners was the weakest of the presentations and have not heard enough to overcome this shortcoming.

Natalie Wolf then summarized her thoughts as follows:

- All of the groups presented some good ideas for the development and any of the teams could do a good job on the project. It is a very difficult choice and in the end it will require judgment and gut feel as to which group is the best answer.
- The Project Planning Consultants approach seems to be more of a consulting approach in developing the plan and am not certain that this approach is best.
- The Great Traditions plan has very dense housing and seems to be driven towards maximizing the number of housing units.
- Given the nature of this project and its challenges, there seems to be a lot of advantages to having residents involved in the selected development group. The DOV group and Amberley Development Partners have residents in their teams so one of these groups is the preferred group.
- With respect to the Amberley Development Partners approach, Mrs. Wolf felt that she needed some additional information so met with Fred Mayerson to get a better understanding. As a result of this, now have a much better understanding of the approach and vision for the property and believe that their approach is best for the project. Their seems to be a real desire and passion to create something for all of the Amberley residents and a project that will truly be different and unique.

Tom Muething then summarized his thoughts:

- The Project Planning Consultants group have some excellent skills and experience that could be valuable to Amberley Village in the future on the project but they do not seem to be the right group to lead the development.
- Great Traditions are obviously very experienced but they seem to view this as primarily a residential development and other aspects are secondary. This is not what residents identified for the property when the long range plan was developed.
- The senior living aspect in the DOV proposal was not identified as a desired aspect for the development in the long range plan. This may be something that is right for the property down the road but not sure that this should be a primary focus at the beginning.
- The three most important factors in making the decision are Degree of alignment between developer and Amberley Village, the creativity of the group and the flexibility of the group to respond to changes along the way.
- Believe that Amberley Development Partners are the best group for the project followed by the DOV group.

Natalie Wolf then made a motion to recommend to council that the Village Manager be authorized to enter into discussions with Amberley Development Partners that would hopefully lead to a development agreement. This was seconded by Tom Muething and was approved by a two to one vote (Mr. Doering voting no).

There being no further business, the meeting was adjourned.

Tom Muething

DOV LIMITED

December 16, 2015

Mr. Scot Lahrmer, Village Manager
Amberley Village
7149 Ridge Road
Cincinnati, Ohio 45237

Re: Amberley Green follow questions

Dear Scot,

Our team is pleased to respond to the questions posed by Amberley Village, below please find our responses.

1. If your team is selected as the one that the Village wants to partner with, what would you see as the next step in our process? What do you think is the appropriate contractual relationship between your group and Amberley for Amberley Green?

If our team is fortunate enough to be chosen the first goal would be to establish and finalize the shared expectations for the project with the residents, Amberley Village and our development partners. We would discuss our initial thoughts with Village representatives who would share with our team the Village's ideas for the project. This meeting(s) would also confirm the preferred method of communication between the residents, the Village and our team. The product of these meetings would be a detailed timeline for investigation, investment outline and the initial conceptual development plan for the project. This would also be the right time to determine which third parties (like the JCC) would be interested in being on the team and in what capacity.

Upon completion of these meetings, which we would anticipate could take several weeks, the parties would then reduce their mutual understanding and agreement to a written document. This document would establish the rights, obligations and responsibilities of all the parties involved.

As for the relationship between Amberley Village and our team, at the most basic level, it is between property owner and developer. This type of relationship can exist in many forms with rights, responsibilities and obligations, with risk - reward definitions and with varying degrees of day to day involvement being negotiated and distributed depending upon a given situation.

We suggest the following steps as the logical process to move forward:

- A. Meet with Amberley Village to discuss history, roles and goals
- B. The development team will suggest an initial agreement:
 - Discuss mutual goals
 - Create a format that is equitable for all parties
 - Define responsibilities of each participant

-Execute final agreement

- C. Confirm the decision making entity and process
- D. Authorize a market study – 4-6 week duration
- E. Re-visit past site analysis efforts
- F. Develop a traffic impact study
- G. Assemble site specific reports
- H. Refine development program
- I. Begin site planning concepts – 8-10 week duration
- J. Develop budget and preliminary schedule
- K. Present summary to residents and Amberley Village

Our team would act as the developer, broker, construction manager, architect, engineer and advisor to Amberley Village as the Owner. We will coordinate each aspect as the process of development evolves. Our role is to manage the implementation of the development as agreed by the parties within the established timeline and budget. Members of our team may be future owners or lessee of one or more parts of the project. In each case, any business terms would be discussed and addressed within the context of the original development agreement.

- 1. There needs to be numerous studies and analysis completed during this initial phase. How would you envision that such costs are handled between your group and Amberley?**

Our team believes this project will require several key studies or reports in order to determine the highest value and best use of the property. This will include the viability of the project and the impact of the development upon the surrounding environment as well as all of Amberley Village. These reports or studies will include but not be limited to: infrastructure needs and demands, environmental analysis, soil testing, traffic report, market study, site utility impacts and development master plan. The costs will be included as part of the budget for the development and would be shared by the parties. These costs could be split 50/50 with Amberley Village, could be the full responsibility of the development team or if the project does not proceed, reimbursed by Amberley Village granting them full rights for their use in the future. The preferred option will be part of our final development agreement.

- 2. As indicated in the Long Range Plan for Amberley Green, there is a desire of Amberley residents to maximize the amount of green space on the property. At what percentage, of green space on the property, would your group no longer be interested in pursuing this project?**

Our team appreciates the importance of Amberley Green to the entire Village. This new development must complement the charm of the existing Village while also creating a new neighborhood acceptable to all Village residents. Amberley Green represents one of the few opportunities for the Village to incorporate a commercial use to increase revenues. Our partners recognize the competing interests that exist and we are confident that our experience along with input from the Village and citizens will enable our team to harmonize these competing elements into a unique solution. However, until a more complete investigation has occurred and we collectively determine the scope of the project it is premature to predict a precise amount of green space. We realize it is the quality of the open space that is important not just the quantity.

As both real estate developers and as residents we are sensitive to the fact that we, along with our friends and neighbors, will pass Amberley Green every day. We will develop a project that enhances the quality of life for the residents within the Village and expands the charm and beauty of our existing community. Anything short of this would leave us just as disappointed as any resident. As business owners we also understand that it would be irresponsible to commence the project without a solid business plan. We recognize the give and take nature of this project and of our relationship with the Village. We also understand the potential risks involved for both our team and for the Village and that a successful project is one that works for all the parties involved and not at the expense of any party.

- 3. The Amberley Land Development Committee believes that some commercial development on the property is critical to the economics for the Village. At what point do you believe that you will have a good view of the level on commercial development and does your team have an initial view today of what may be possible on the property?**

Our team is confident in our knowledge and expertise within the real estate market and we have several ideas based upon our preliminary assessment. Final determination of what is best included in the project will first depend upon the findings in the market study, the infrastructure analysis and traffic study. The results of these studies are critical in determining the final goals.

The raw cost of the land, infrastructure improvements, earth work and the cost of building the correct buildings are all determinates of the total investment. It is the sum of these costs which eventually determines rent. Rent can determine demand and the more attractive the rent the more attractive the site will be to the tenants.

Traffic flow is an extremely critical element to a potential tenant. As has been acknowledged by everyone, traffic along Ridge Road in the evening is a problem. Both the Village and our development team will need to determine the best way to address the current traffic as well as any increase from the development. One concept is to add uses whose traffic pattern is at alternate peak times to the current environment.

Once the market study is complete, both the Village and our development team will be in a position to determine which businesses and what type of retail are most suitable for this location. We will be able to assess the rent those types of businesses would expect as well as complete the analysis of their traffic patterns.

While our team is confident in our ability to develop a successful business district within the project, the Village and our development team need to determine together the quality and character of such a district.

- 4. The effective engagement of the Amberley residents will be critical for a successful development of the property. At what point(s) in the planning process do you believe that such engagement makes sense and how would you propose to engage residents in an effective discussion?**

As several members of our team are Amberley Village residents, it is important to us that the citizens have ample opportunity to review the project before and during development. All residents must consider themselves integral to the final solution. Our goal is for residents to be just as proud of this new neighborhood as our development team. This will require constant communication with the residents as well as routine opportunities for public comment and discussion. Certainly not all comments will be incorporated into the development nor will our development make everyone happy. Our task is to develop a high quality, successful and attractive development that has abundant public and private amenities for all of Amberley Village. It is our hope that those who are unhappy with the idea phase end up being impressed with the final result. The solution must maintain the charm and character that has been one of the communities defining characteristics for decades.

Our team plans to work with and listen to the residents to explore the best solutions and to communicate the best options clearly. Eventually, the decision timeline will need to be honored and a final set of goals confirmed. The goals will be those that best address the collective aspirations for the site. We are committed to building a consensus through our organization of this process and to presenting it to the community at large for their approval.

5. **As indicated in the Long Range Plan for the property some residential development is expected on the property. What is your view of:**
- **Size of residential units**
 - **Price point(s) of the units**
 - **Type of units**
 - **Number of units**

It is too early to estimate the actual size, type, and price point of the individual portions of the development. So many factors play into the development of a project of this magnitude, none as important as understanding the development landscape over the next 10, 15 or 20 years. Ultimately this will be defined in the market study report. We will use that information as a basis for refining the mix, scale and types of uses for which the site is best suited.

6. **What experience does your team have in working together on a development similar to Amberley Green?**

Our team has collaborated on a number of similar scale commercial projects over the past twenty years. The unique qualities of Amberley Green will be addressed by the development partner most knowledgeable for the uses that become our goal. With that being stated, our team successfully covers commercial, residential, retail, multi-family and senior housing options that preliminarily form the core of the anticipated uses. In addition to the development partners, we have engaged the best consultants for the anticipated program. Reztark Design Studio, LLC as our lead design firm brings expertise in large scale master planning projects. Their recent work includes both local, national and international projects of similar scale, use

and complexity. Through their sensitivity to planning, sustainability and overall design harmony, we believe our team is well positioned to make Amberley Green a major success.

7. **Who would conduct the national market analysis that you referenced in your presentation and how would that information be utilized in pin-pointing the best tenants mix and uses of the site?**

Our development team has worked with several local and national market study organizations. We are preparing a short list of these organizations that we will reach out to as part of the initial evaluation of the project. We will ask each of up to three organizations for a proposal for market study services, then evaluate their scope outline and their estimated professional fees. We will share each of these proposals with Amberley Village along with our recommendation for the firm best suited to assist with this assignment.

8. **In engaging the Mayerson JCC to be part of your overall development, are there uses of the property by the JCC that would not be compatible with your vision?**

Our team would welcome the opportunity to have discussions with the Executive Director and the Board of Directors of the JCC about their interest in Amberley Green. We would open a dialogue to determine how the JCC would participate as well as to define their goals. It is our opinion that most uses that the JCC would propose would be compatible with our development; however, until we have discussions with representatives from the JCC and until the particulars of the development itself have been determined it is difficult to conclude what potential uses would be or would not be compatible. Our goal is to ensure the developable property on the Amberley Green site is used for the highest and best use as determined by the residents, Amberley Village and our team.

Thank you for your consideration, should you have any additional comments please let us know.

Respectfully,

A handwritten signature in black ink, appearing to read 'B. Schneider', with a long horizontal flourish extending to the right.

Benjamin A. Schneider, Esq

AMBERLEY GREEN

Response to Committee Questions
from
Great Traditions & Brandicorp
Tom Humes, Doug Hinger & Jerry Royce

1. Suggested Next Steps – Grant preferred developer status to our company and sign Letter of Intent outlining key points of Preferred Developer Agreement.

Suggested outline of Planning & Approval Process

Timeline

90 days

a. Plan Development Phase

- Work with key stakeholders, government officials & marketplace to create recommended Development Plan with alternatives.
- Finalize Development Agreement with Village
- Create marketing concept

90 days

b. Plan Introduction & Stakeholders Feedback

- Introduce concept plan & alternatives to key stakeholders & get feedback.
- Introduce & get feedback from all government institutions required for plan approval.
- Refine plan with Amberley to identify potential inclusion of other public enhancements, i.e. traffic solution, hiker / biker path.
- All open items in Development Agreement finalized

60 days

c. Final Concept Plan Presented for Feedback

- Community officials, residents & stakeholders in public meetings
- Marketing concept finalized

90-180 days

d. Submission of Final Plan for Entitlements & Approvals

All of these stages would be coordinated with Village

2. There are a number of studies required in this process and during the initial 90 day period. We would utilize the existing studies to the greatest extent possible, relying on our team members to provide additional analysis as needed. In the second 90 day period, more detailed studies would be commissioned and the design would advance at an increased pace.

We believe it is in Amberley's best interest to commission studies for Environmental, Wetlands and Traffic as these analyses are relevant regardless of who develops the site. Site engineering, Planning and Design, Geotechnical and Market Studies would be paid for by the Development Team.

3. TBD – depends on final uses & best community plan. Quality, perception & purposefulness of greenspace should be a defining cornerstone of plans.
4. Jerry Royce, VP of Brandicorp & former Cincinnati President of Duke Realty will comment on all office / retail options.
 - He estimates it will take 60 days after completion of plan concept and get quality feedback & real answers to this question. From start of plan development, est. total time required is 120-150 days.
5. Residents would be engaged at every step of plan development as outlined in #1 above. Meetings would occur one on one, in small groups & public forum. We would request Amberley's help to identify key stakeholders.
6. Total numbers & product mix of residential will depend upon final plans, government & community feedback. Our preliminary identification of unit types, size, and price is an estimate / range only.

<u>UNIT TYPE</u>	<u>LOT WIDTH</u>	<u>PRICE POINT</u>	<u>NUMBER RANGE</u>
<u>Detached</u>			
Courtyard	60-70'	\$ 400- 800	35-50
Club	75-90'	500-1000	30-60
Estate	100' +/-	600-1.200	20-40
Grand Estate	120's +	750-1.700	12-20
<u>Attached</u>			
Townhomes	30-40'	350-500	15-24
Carriage Homes	Luxury Stacked Flats Elevator building 2 story with parking underneath	375-800	40-80
			152-274

7. Jerry Royce will respond in person
8. Jerry Royce will respond in person

Great Traditions

1. If your team is selected as the one that the Village wants to partner with, what would you see as the next step in our process? What do you think is the appropriate contractual relationship between your group and Amberley for Amberley Green?

2. There needs to be numerous studies and analysis completed during this initial phase. How would you envision that such costs are handled between your group and Amberley?

3. As indicated in the Long Range Plan for Amberley Green, there is a desire of Amberley residents to maximize the amount of green space on the property. At what percentage, of green space on the property, would your group no longer be interested in pursuing this project?

4. The Amberley Land Development Committee believes that some commercial development on the property is critical to the economics for the Village. At what point do you believe that you will have a good view of the level on commercial development and does your team have an initial view today of what may be possible on the property?

5. The effective engagement of the Amberley residents will be critical for a successful development of the property. At what point(s) in the planning process do you believe that such engagement makes sense and how would you propose to engage residents in an effective discussion?

6. As indicated in the Long Range Plan for the property some residential development is expected on the property. What is your view of:
 - Size of residential units
 - Price point(s) of the units
 - Type of units
 - Number of units

7. Brandicorp is an excellent developer of commercial property but most of the experience involves retail. In our case, retail is expected to be minimal but we believe some limited office development is important to the Village. Does your team have the skills to understand whether such development is possible?

8. During the presentation, you referenced that there may not be a market for office. How would you make this determination?

The Project Planning Consultants (“PPG”)

1. If your team is selected as the one that the Village wants to partner with, what would you see as the next step in our process? What do you think is the appropriate contractual relationship between your group and Amberley for Amberley Green?

Once our team is selected we would negotiate a Memorandum of Understanding with the Village that will define roles and responsibilities of both parties as well as establish a timeline. The end goal would be a Development Agreement between our team and the Village. This Agreement would define the relationship, the duties, financial terms, procedures and timeline of the project and parties.

2. There needs to be numerous studies and analysis completed during this initial phase. How would you envision that such costs are handled between your group and Amberley?

This is one of the items that will be defined in the Memorandum of Understanding. We anticipate that PPG would front the funds for the initial Due Diligence.

3. As indicated in the Long Range Plan for Amberley Green, there is a desire of Amberley residents to maximize the amount of green space on the property. At what percentage, of green space on the property, would your group no longer be interested in pursuing this project?

Greenspace is one of the primary constraints/uses of the property. We understand the desire to maximize the Greenspace. We understand that the economic considerations are also a constraint. The amount of green space and other constraints on the property will be directly proportionate to the revenue expected and other desires of the village. PPG will work with the Village to determine the optimal proportions for each use of the property. We would remain interested in the project unless the constraints on the project become such that the project becomes unfeasible. Our goal is to find the optimal proportions for each use of the property, including first class useable greenspace. Nonetheless, we are confident that based upon our experience, that we will be able to achieve consensus with the Village.

4. The Amberley Land Development Committee believes that some commercial development on the property is critical to the economics for the Village. At what point do you believe that you will have a good view of the level of commercial development and does your team have an initial view today of what may be possible on the property?

PPG is uniquely poised to use our vast experience in assigning reasonable and deliverable revenue projections based upon the final plan. We will have a greater understanding of your expectations once we have meet with the village to jointly develop a plan to meet your economics goals. We do have an initial view of what is possible. This view includes, but is not limited to, Medical offices, Technology center, Neighborhood retail, Class A offices and a Continuing Care facility.

5. The effective engagement of the Amberley residents will be critical for a successful development of the property. At what point(s) in the planning process do you believe that such engagement makes sense and how would you propose to engage residents in an effective discussion?

The public must be engaged in the initial stage of the development plan and continue throughout the life of the project. We would engage the residents thru public input sessions, website, and social media. By obtaining the public input early we can use the insights gained to optimize the proportionate uses of the property.

6. As indicated in the Long Range Plan for the property some residential development is expected on the property. What is your view of:

- Size of residential units - **1000 - 3000 square feet.**
- Price point(s) of the units - **\$150 - \$350 per foot.**
- Type of units - **Lifestyle Living Homes (ranch style)**
- Number of units - **Unknown at this point until plan is developed.**

7. Your submission did not have much specific information with respect to ideas for development on the property. At this early point, do you have any specific ideas that you think make sense for the property?

We have a broad starting vision which entails civic and green spaces, residential spaces, and commercial spaces. The final plan can only be determined after understanding the village's revenue requirements and the public's needs. The optimal uses of the property can only be determined when all of the aspects are understood. This project and the village deserve the time and effort needed to understand all aspects to determine the optimal development.

8. Your team includes a lot of experience around issues like zoning and financing public projects, however, we are concerned with the lack of experience in delivering a project of this size. Do you think that this is a valid concern and if so how would you compensate for this?

PPG has the ability to deliver on a project of this size. Currently our group has multiple projects varying in all sizes, scope, and locations. Our team has owned and been involved in over \$100 million dollars of private projects and over \$1 billion dollars of direct and indirect investment in community projects. At no time have we ever had to declare any bankruptcy or had to participate in a forced sale. We believe this is reflective of our team's core stability. No partnership should be entered into until the parties are comfortable with one another. We understand your concern but believe our experience and record speak for themselves. We look forward to working with you and believe that as you work with us you will understand that we can more than accomplish the tasks required for the success of this project.