



Project Update

JANUARY 2022



The Team



- Larry Anderson started building homes nearly 40 years ago and in 1989 formed Anderson Homes. His sons, James and Michael, joined the family business and work at the Hollister office.
- Starting with the Sunnyslope Village community in 1989, Anderson Homes has been active in San Benito County for over 32 years.
- In San Benito County, the Anderson team has constructed over 1,000 homes, developed over 1,250 lots, developed a school site, constructed several parks, and have permanently conserved 1,095 acres of habitat important to the region for threatened species.



Established 1989



Established 2001



Established 2006



Established 2014



San Benito County Subcontractors and Vendors

Our relationships with SBC subcontractors date back over 30 years

Sitework and Construction

- ACS Clean Up
- Accent Clean and Sweep*
- ACE Hardware
- Al Fresco Landscaping
- AT&T*
- Brigantino Irrigation
- California Overhead Door
- CCOI Gate & Fence
- City of Hollister
- Charter Communications*
- Earth Systems Pacific
- Ferguson Plumbing
- McKinnon Lumber
- MCH*
- Milgard Windows*
- PG&E*
- Pinnacle West Pest Control
- Ponzini Insulation
- Sabbatini Plumbing
- San Benito County

- Sunnyslope County Water District
- Taliaferro Fence
- TFK Drywall
- Valley Excellent Paint*

Business Services (to name a few)

- Carlisle Office Park
- Central Ag Supply
- Design Line & Granger Printing
- Executive Office Systems
- Galaxy Self Storage
- Heritage Bank and Commerce
- Hollister Moving and Storage
- Hollister Safe and Lock
- Postal Graphics
- Steve Loos Photography
- Waltz Creative (formerly Schipper Design)

Realtors (to name a few)

- Bertao Real Estate Group

- Century 21 Showcase
- Intero Real Estate Services
- Nino Real Estate
- Pierce Real Estate
- San Benito Realty

Holiday Employee Parties

- The Grove

Homeowner Welcome Gifts

(rotating vendors)

- BeeWise local honey
- Brigantino Olive Oil
- B&R Farms
- DeBrito Chocolate Factory
- Guerra Nut Shelling
- Mansmith BBQ
- Vertigo Coffee

As a local business, our employees purchase goods and services from local auto dealers, barbers, gas stations, grocery stores, food trucks, pharmacies, restaurants, tire repair shops, and more.

*Indicates business where one or more of our contacts is a San Benito County resident, but office may be based outside of the County.



Homeowner testimonials



"We lived in our first Anderson Home for 19 years and are purchasing a second Anderson home because of the superior quality. Their customer service team is always willing and able to help resolve any issues. Anderson Homes outshines other builders when compared against them."
-Sharon and Brian



"As first-time homebuyers, we feel buying an Anderson Home was the best choice. The houses are beautiful and the Anderson staff is very efficient and friendly."
-Ricardo and Irma



"We wanted to take some time to say thank you to Tami and the team. This is our first time buying a house and it went so smooth and Tami helped us with so much, so it wasn't so overwhelming. You always hear people say buying a house is so stressful, we never had that problem purchasing with Anderson. Everything went great from having multiple choices to great communication with us throughout the whole process."
-Derek and Shelby



"Our experience with Tami in purchasing our beautiful "BIG SUR" home was extremely unforgettable. Her team was very professional and provided us with the highest level of service and went above and beyond. We highly recommend Tami, her team and of course Anderson Homes."
-Marcy and Carl



Giving Back Starts at Home

- The Andersons' annual "Giving Back Starts at Home" promotion raises awareness and money for local non-profits each Fall.
- In the last few years, the Andersons have donated over \$100,000 to many non-profit organizations in San Benito County.
- Anderson Homes is also proud to sponsor many community events.





San Benito County Organizations and Events Supported:



Community Foundation
FOR SAN BENITO COUNTY



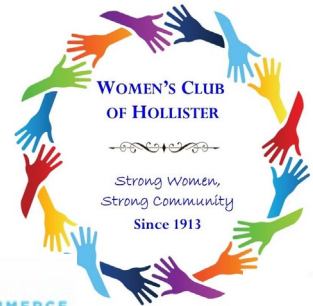
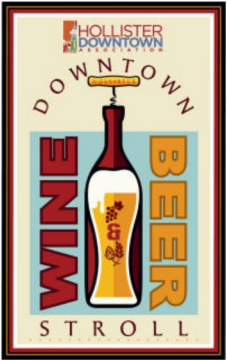
Emmaus House
A Safe Gateway for a Women's Journey



Hollister Presbyterian Cooperative Preschool
Since 1903
"helping children put it all together."



Youth Alliance
ENGAGE TRANSFORM GROW CONNECT LEAD



United Way of San Benito County



Small Steps of San Benito County

Community Feedback

- We are deeply grateful for your support. It is through the efforts of exceptional people like you both, who care about community that San Benito County will continue to thrive for future generations.
- **Gary Byrne, Community Foundation of SBC**
- These funds have allowed us to expand our capacity at our non-public school with a second classroom, allowed us to make sure the children in our care experience fun and educational activities, outings and more with the goal of helping each child increase their social skills and self-esteem, setting a course for healthy, happy and meaningful lives. Thank you Anderson Homes family for becoming part of the Chamberlain's community of Heroes!
- **Denise Cauthen Wright, Chamberlain's Youth Services**
- The Anderson Homes 'Giving Back Starts at Home' promotion is a wonderful opportunity for new San Benito County residents to learn about our local nonprofits and the important programs they provide. United Way of San Benito County is very grateful to Anderson Homes and the L/G Anderson Family for including us in this annual initiative. The proceeds raised are very important to the services that United Way supports, especially in our COVID-19 environment when the need has been so much greater. Not only will this funding help us support much needed services in SBC, it will also support our 2-1-1 helpline that continues to connect residents to the services that they need. We send a heartfelt thank you to Anderson Homes!
- **Vicki Fortino, United Way of San Benito County**
- We are very grateful for your Giving Back Starts at Home annual community giving program. This generous donation warms our hearts and the desire to make a difference was undoubtedly behind this gift.
- **Diane Ortiz, Youth Alliance**



**United Way
of San Benito County**





Santana Ranch

Santana Ranch

- Several landowners have been involved in processing the project approvals. The Guerra family purchased a portion of the property in 1981 and in 1989 the Board of Supervisors designated this area as an “Area of Special Study” to encourage growth at up to 4 units per acre. The Anderson family became involved in the project in the 1990’s.
- The Board of Supervisors adopted the Santana Ranch Specific Plan and approved the Development Agreement in 2010.
- After the project was approved by the local agencies, the landowners spent several additional years working with state and federal agencies for their approvals and broke ground in 2014.
- Each phase in Santana Ranch has been built consistent with plans approved by the County and other government agencies.
- Santana Ranch includes single-family homes, apartments, commercial, parks, and an elementary school.



Santana Ranch



Building Parks + Park Fees

- Paseo Park trail (shown) was the first park completed at Santana Ranch
- In addition to dedicating land and building parks in Santana Ranch, Santana Ranch agreed to pay park fees as an important benefit to the County for the County entering into the development agreement.
- These park fees will total around \$4,500,000 at build out.

Community Park

- PG&E is scheduled to energize the park in a few weeks. As soon as the County accepts the dedication of the park, the park will open.
- The County worked with the Hollister School District and the Santana Ranch developer to accommodate the needs of the HSD to store soil on the park site during school construction. On July 13, 2018, the County deferred the requirement to construct the Community Park to the 505th occupancy.



LEGEND

1. NATIVE GRASS/ WILDFLOWER MIX
2. FLOWER/ SHRUB BED
3. CONNECTION TO STREET
4. LAWN AREA
5. LINEAR TRAIL
6. BENCH
7. FUTURE RESIDENTIAL
8. PICNIC AREA
9. AREA FOR POTENTIAL ART
10. DECORATIVE SPLIT RAIL FENCING (TRAIL ENTRANCE ONLY)
11. TOT LOT

ANDERSON
HOMES



Linear Park and Art Trail

- Conceptual plan in design
- Anderson Homes is working with the San Benito County Arts Council to create public art in the linear park and will forward the concepts to the County for their approval after finalized.

Draft is artist's conception only. Colors and placement of landscaping will vary.

1/12/2022



Rancho Santana School Site

- Specific plan 8-23 “It is the Property Owners intention to sell the school site to the school district for a price less than full market value and under terms that will make the site available to the district when the need for the facilities occurs. The acquisition costs of the school site and the construction costs of the school facilities shall be the responsibility of the School District. Development of the Project shall be subject to the applicable school mitigation fees imposed under state law.”
- For the 12-acre school site, we processed land use approvals through several agencies, purchased conservation credits, developed site frontage improvements, brought additional soil to the site, and made available a connection to our drainage basin.
- The Andersons sold the property to the school district for less than half the market value based on an appraisal and worked cooperatively with the school district throughout the purchase and construction. We are thrilled to have a beautiful new school in Santana Ranch.



Construction of four traffic signals

- Complete: Fairview Road and Sunnyslope Road; and two traffic signals not at the project site: Valley View Road and Sunnyslope Road, and Fairview Road and McCloskey Road.
- Under construction: Fairview Road and Hillcrest Road.
- Santana Ranch builders pay traffic fees to mitigate our fair share of traffic impacts. These fees go towards funding traffic improvements typically constructed by the government. However, we agreed to build these signals and pay the traffic fee, and the County agreed to reimburse us beyond our fair share of impact.
- For McCloskey and Fairview, we submitted our reimbursement invoice in January 2021 and the County reimbursed us in September 2021.
- We are still working with the County to be reimbursed beyond our fair share of costs for constructing the Valley View signal.

Local Builder Lots

- Per the Development Agreement, “Local Builder” means those homebuilders that have their primary place of business in San Benito County and that have constructed 10 or fewer residential units in any year within the previous 3 years.
- The Santana Ranch Owners are required to offer a total of **48 Local Builder** lots prior to commencement of the Project’s 500th single-family unit. From 2016-2021, the Santana Ranch Owners advertised a total of **98 Local Builder Lots**.
- Details of the advertisements were submitted to the County after each 9-month advertising period was completed and an update was presented with each Final Map.
- For local builders interested in purchasing lots, please contact us.

2.8 Offer for Sale of Lots to Local, Small Builders.

Owner shall offer for sale a total of ten percent (10%) of the Project's single-family lots to Local Builders for the purpose of promoting additional variety in housing types and benefiting the local economy (collectively, “**Local Builder Lots**”). A total of sixteen (16) Local Builder Lots shall be offered for sale prior to commencement of construction of the Project's three hundredth (300th) single-family unit; a total of thirty two (32) Local Builder Lots shall be offered for sale prior to commencement of construction of the Project's four hundredth (400th) single-family unit; a total of forty eight (48) Local Builder Lots shall be offered for sale prior to commencement of construction of the Project's five hundredth (500th) single-family unit; a total of sixty four (64) Local Builder Lots shall be offered for sale prior to commencement of construction of the Project's six hundredth (600th) single family unit; and a total of seventy seven (77) (or the remaining balance due) Local Builder Lots shall be offered for sale prior to commencement of construction of the Project's seven hundredth (700th) single family unit. Owner shall advertise the sale of Local Builder Lots in a paper of local, general circulation and shall offer each Local Builder Lot for sale for a total of nine (9) months at the then-market rate based on comparable sales of similar lots; provided, however, if any such Local Builder Lot is ultimately not sold to a Local Builder during this required 9-month period, then Owner or another third party may construct a unit on said lot and all obligations within this Section 2.8 shall be deemed satisfied. Owner shall provide an annual status report of its progress in satisfying the Local Builder Lot obligations under this Section 2.8 as part of its Periodic Review (under Section 6 below).



Linear Basin

- Linear basin improvement plans were approved by the County Engineer and the City Engineer in 2015.
- Construction of the Linear Basin was completed in 2016.
- In 2018, the City of Hollister notified Anderson Homes to modify the basin to meet City of Hollister/MS4 General Permit Storm Water standards.
- After working diligently with the City for several years and spending in excess of \$70,000 in engineering costs and studies, final approval was received in December 2021. We have already completed some of the revisions and have ordered material that will be installed upon arrival.

Basin A



BASIN A WAS IN THE SPECIFIC PLAN APPROVED IN 2010 AND TENTATIVE MAP APPROVED IN 2013.

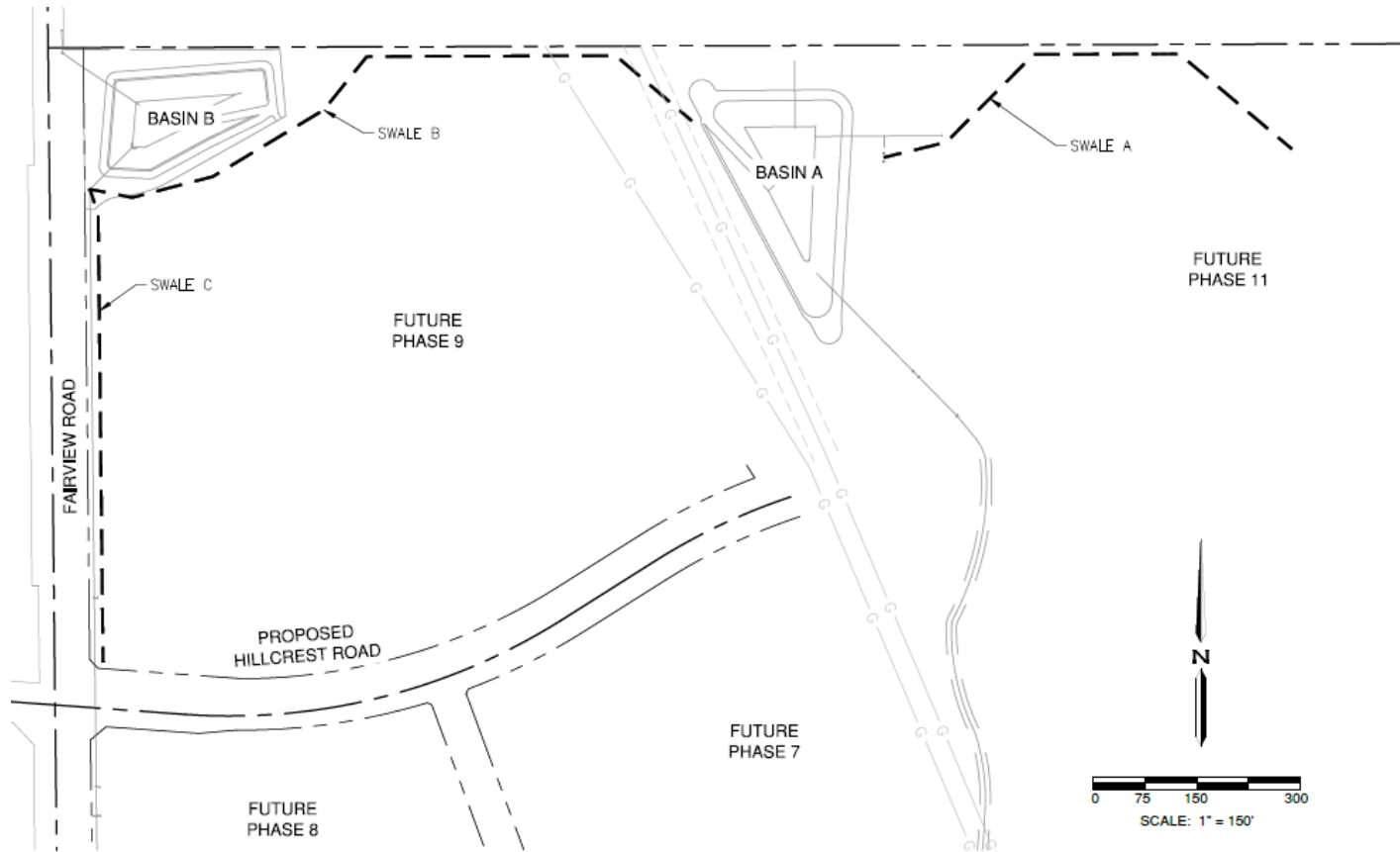


DETAILED IMPROVEMENT PLANS WERE APPROVED BY THE COUNTY IN 2019. WE CONSTRUCTED BASIN A PER THE APPROVED COUNTY PLANS.



AFTER BASIN A WAS CONSTRUCTED, THE COUNTY INSPECTOR REQUIRED US TO INSTALL A CONCRETE SPILLWAY WHICH COST ROUGHLY \$40,000.

Interim Drainage Improvements



- Anderson Homes has been working with County staff on an improvement plan to direct runoff from undeveloped portions of Santana Ranch to Basin A and Basin B.
- We recently received approval from the County for this plan and have notified our contractor to schedule this work.



Photo 1 (pictured left) Community Park. Grass, landscaping and fabric filter installed below atrium grate for erosion and sediment control BMPs. Bark for ground cover.



Photo 2 (pictured right) Community Park area west of basketball court. Grass, landscaping and bark for ground cover.



Photo 7 (pictured left) looking east from edge of pavement on Fairview Rd. Rock placed in the swale with fabric filter below atrium grate, loose soil has been sprayed with Hydroseed and silt fence has been placed for erosion and sediment control. Bark and landscaping for ground cover.



Photo 8 (pictured right) looking south on Fairview Rd. Silt fence, 4x8 rock apron on geo textile fabric at storm drain inlets with Yellow Jacket inlet filters, Hydroseed and improvements to existing natural drainage adjacent to Fairview.



Photo 3 (pictured left) Community Park boundary, Cal Fire to the left. Grass, landscaping and bark for ground cover, 2x4 rock placed in swale with fabric filters below atrium grates.



Photo 6 (pictured right) looking east from Fairview Rd. Rock placed in the swale with fabric filters below atrium grates. Bark and landscaping for ground cover.



Photo 12 (pictured left) looking south from north end of Linear Basin, Fairview Rd to right.



Photo 15 (pictured right) Hillcrest Rd at Fairview Rd., Hydroseed, silt fence, 4x8 rock check dam, rock check dam at culvert for erosion and sediment control BMPs.

Erosion and Sediment Control

SANTANA RANCH – BEST MANAGEMENT PRACTICES (BMPS)

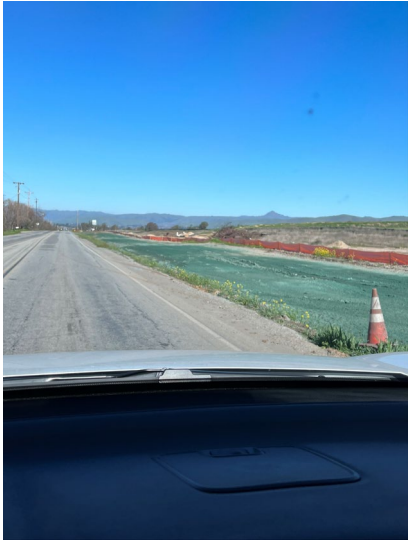


Photo 16 (pictured left) Hillcrest Rd. at Fairview Rd. Hydroseed and silt fence for erosion and sediment control. Improvements to existing natural drainage adjacent to Fairview.



Photo 18 (pictured right) Haul Rd. about 0.25 miles east of Fairview Rd. Hydroseed, wattle and silt fence for erosion and sediment control BMPs.



Photo 17 (pictured left) Fairview Rd near Basin B. Hydroseed and silt fence for erosion and sediment control BMPs. Improvements to existing natural drainage adjacent to Fairview.



Photo 17b (pictured right) Fairview Rd near Basin B. Hydroseed and silt fence for erosion and sediment control BMPs. 4x8 rock apron on geo textile fabric at culvert. Improvements to existing natural drainage adjacent to Fairview.

Erosion and Sediment Control - Continued



Jobs and Revenue

- Santana Ranch has created jobs for hundreds of people. An economic study estimated over 500 jobs each year are created during the construction period.
- To date, Santana Ranch builders have paid roughly \$25,000,000 in developer fees to the County, City, SSCWD, and School Districts.
- In addition to collectively paying millions of dollars in property taxes, homeowners pay a CFD tax to supplement the funding of County services.



1st Phase of Affordables

- There are very few apartments locally and few units, if any, that have been constructed recently. There is a huge need for rental apartments, and we are excited to fill this need with quality apartment homes.
- Phase 1 includes 56 apartment units and clubhouse (55 affordable units)
- Estimate construction drawings to be submitted in Spring 2022 for the 2nd Phase of Affordables



Phase 1 Affordables - Under Construction



Phase 1 Affordables renderings

- Renderings are conceptual. Furniture will be provided by the tenant.

Timeline of apartment plan submittal



On May 12, 2020, Anderson Homes submitted the Phase 1 apartment building plans to the County. There were several plan submittals and revisions based on County comments.



About four months later, on September 9, 2020, as Anderson Homes began development of the apartment site, Anderson Homes was notified that there was a miscommunication. The County did not circulate our apartment plans to the City of Hollister nor Sunnyslope County Water District. Typically, our building plans are only reviewed by the County.



Anderson Homes was forced to stop construction until the plans were approved by the City of Hollister and SSCWD.



On November 12, 2020, all agencies approved the apartment plans. Anderson Homes scheduled its site contractor to resume work.



In summary, the apartments would have been completed already if we did not have this miscommunication and delays in processing the plans. These delays are in addition to delays caused by labor and material shortages due to the pandemic.

Follow the
Development
Agreement,
issue building
permits, and
keep
everyone
working

- The County has been holding up building permits since July 2021. As each trade finishes their work, i.e. foundation, framing, insulation, drywall, etc., there is no more work for that trade until more market rate permits are released and the construction sequence can begin again. People are out of work.
- Development Agreement Section 6.2(d) “Enforced Delay; Extension of Time of Performance” states: ***No party shall be deemed in default of its obligations under this Agreement where a delay or default is due to an act of God, natural disaster, accident, breakage or failure of equipment, enactment of conflicting federal or state laws or regulations, third-party litigation, strikes, lockouts or other labor disturbances or disputes of any character, interruption of services by suppliers thereof, unavailability of materials or labor, rationing or restrictions on the use of utilities or public transportation whether due to energy shortages or other causes, war, civil disturbance, riot, or by any other severe and unforeseeable occurrence that is beyond the control of that party*** (collectively, “Enforced Delay”) provided, however, the parties agree a delay that results solely from unforeseen economic circumstances shall not constitute an Enforced Delay for purposes of this Section 6.2(d). ***Performance by a party of its obligations under this Section 6.2(d) shall be excused during, and extended for a period of time equal to, the period (on a day-for-day basis) for which the cause of such Enforced Delay is in effect.***”



Unit 14 Final Map

- Staff determined we are in compliance with the Unit 14 Final Map.
- The detailed improvement plans were signed in March 2021 by County RMA Director Young, County Engineer, City Engineer, SSCWD, and Fire Prevention.
- 13 permits under consideration: 3 permits (Unit 14) and 10 permits (Unit 12 and 13).
- Unit 14 provides smaller two-story homes on smaller lots at a different price point than standard lots. These are new floorplans.