

NEWS

Delco Builders, The City of Petaluma and Housing Land Trust of Sonoma County Open Workforce Housing Community Frates Square 23 of 26 of workforce homes in Petaluma pre-sold in first partnership between a private developer, a municipal government and the Housing Land Trust

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September 17, 2007 – Petaluma, Calif.; **Delco Builders & Developers** announced today the opening of **Frates Square**, the workforce housing component at **Southgate** in Petaluma. The special housing program is a collaborative effort between Delco Builders, the **City of Petaluma** and **Housing Land Trust of Sonoma County (HLTSC)**.

An event to celebrate the opening of Petaluma's workforce housing community will be held at the site on **Thursday September 20 from 4:30 to 6 PM**. Petaluma Mayor Pamela Torliatt, Police Captain David Sears, Director of Petaluma Health Care District Daymon Doss, Delco Builders representative, other community VIPs and many of the home buyers will be on hand to celebrate the welcomed occasion. (Directions: take Lakeville Highway 116 east of Highway 101 approximately 1.5 miles to Frates Road and go north on Frates about 200 yards, then turn right on Calle Ranchero Road).

The structure of the partnership to create and build Frates Square is the first of its kind in Sonoma County. It is the second community in Sonoma County created by HLTSC– the Kali subdivision in Santa Rosa was the first and with six houses built by Habitat for Humanity and four workforce houses built by The Housing Company -- but Kali was built without city participation.

Southgate is a master-planned community comprised of 242 new homes in Petaluma. The newest neighborhood known as Frates Square comprises 26 new homes. All of the homes are being sold to members of the “local workforce” at below market prices through the

City of Petaluma's affordable housing program. These 26 homes are selling at prices approximately between \$250,000 and \$350,000, depending on the purchasing household's income. 23 of the 26 homes have been pre-sold to first-time home owners that are local teachers, police department, other city employees and health care workers.

Southgate is located along Frates Road at Lakeville Highway and also includes two collections of market-rate homes: the Muirwood Collection and the Turnberry Collection that are currently being marketed for sale to the general public. The Southgate community features two new public parks and a system of walking paths that were built within the community's dedicated open space area.

Over 100 applications to buy Frates Square homes were taken during the spring and summer months, after HLTSC hosted several community outreach meetings to introduce this home ownership opportunity. Candidate buyers were then screened by the city and the project lender.

Rick Rosenbaum, vice president of sales and operations at Delco Builders, said that "Delco is pleased to have collaborated on such an important public/private endeavor and expanding the base of home ownership opportunities in Petaluma helps to build stronger communities."

Grading and foundation work for the 26 homes began in mid-July. The first households to occupy the homes should be able to move in by Thanksgiving and Frates Square should be completed and fully occupied by Spring 2008.

"We're delighted to have had such a terrific response from a diverse group of Sonoma County's workforce residents. The model we developed with Delco Builders and the City of Petaluma is one we hope to replicate elsewhere in the county to fulfill our mission of creating homeownership opportunities for people who provide core services for everyone that lives in the county," said Housing Land Trust of Sonoma County Executive Director **Dev Goetschius**.

FRATES SQUARE – Workforce Housing site/program details

In order to qualify to be eligible to purchase one of these homes, the following parameters must be satisfied by the purchaser and the developer:

- Household income: must be at or below 120% of the Sonoma County Area Median Income (currently around \$90,000 for a family of four). Buyers typically qualify in a range of 80 percent to 120 percent of Area Median Income, or “AMI.”
- Sales price: all of the homes in this phase will be sold at prices approximately between \$275,000 and \$350,000 depending on the purchasing household’s income in order to meet the city’s requirements for this program.
- Preference will be given to City of Petaluma employees and households who currently work and live in Petaluma.
- The Frates Square homes are designated to be owner-occupied.

The City of Petaluma is working with the Housing Land Trust of Sonoma County (HLTSC) as part of its plan to assure permanent affordability. HLT has a successful track record in being involved with workforce housing projects in Sonoma County and has mortgage partners committed to this program.

Delco retained **KTGY Architects** to design two house plans for Frates Square that are consistent in appearance and quality to the market-rate homes in the Southgate community. Each home features 3 or 4 bedrooms, 2 ½ to 3 baths, a 2-car garage, front yard landscaping and private fenced backyard area. The homes range in size from 1,479 square feet and 1,608 square feet. Interior finishes are impressive and will include generous hardwood oak cabinetry, tile countertops, window coverings and a complete GE® appliance package. The exteriors of the homes will be finished with a variety of materials including stucco, horizontal lap and vertical board and batten siding painted in an appealing palette of exterior colors to create an attractive

street scene that will complement the Muirwood and Turnberry Collections of homes at Southgate.

The reasons why these homes can be sold at below market rates are varied: (1) a City of Petaluma policy requires developers of new projects like Delco Builders to provide workforce housing programs at a substantially reduced cost; (2) the Housing Land Trust acquires land from the City or developers like Delco Builders for workforce housing programs at a substantially reduced cost; (3) buyers of workforce homes enter into a long-term ground lease with HLTSC for the lot that the house is built on, thus saving the home buyers the land cost of a new home; (4) there are resale restrictions associated with the sale of these homes in order to maintain an inventory of workforce housing stock in the city for subsequent buyers.

For more information, visit www.housinglandtrust.org.

About Delco Builders

For over a quarter of a century, Delco Builders & Developers has been providing outstanding service, craftsmanship and customer satisfaction to homebuyers. Delco communities are carefully planned and selected in prime Bay Area locations, with proximity to employment centers, transportation, schools, shopping and recreational opportunities. Delco Builders is active in Contra Costa, Alameda, Napa, Solano, Sonoma and Marin counties. Delco Builders is noted for its infill developments, master-planned neighborhoods and a range in home sizes, product type and pricing. There are some 500 + Delco homes being built, planned or pending approval. Delco Builders & Developers is based in Pleasant Hill, Calif. For more information on our communities and services, please see www.delcobuilders.com.