



CITY OF MANTECA

P.D. Danna, LLC
520 E. McGlinchy Lane #1
Campbell, CA 95008

RE: **NON-BINDING LETTER OF OFFER TO EXCHANGE PROPERTY OWNED BY THE CITY OF MANTECA AND PD DANNA, LLC, ET. AL., (collectively, the "PARTIES")**

Dear Mr. Danna,

The City of Manteca ("CITY") is intending this letter to be a non-binding Letter of Intent that summarizes the terms and conditions under which the City proposes to exchange the property it owns located at 19465 MCKINLEY AVENUE, MANTECA, CA 95337 (APN: 241-41-019) AND 2901 BRONZAN ROAD, MANTECA, CA 95337 (APN: 241-41-020) (the "CITY PROPERTY") (an approximate depiction of the land DANNA expects to receive is attached hereto and incorporated by reference in **Exhibit A**) in exchange for a portion of the real property owned or will be owned by P.D. Danna, LLC, and/or Peter Danna and/or an entity in which Peter Danna has a controlling interest, or an entity in which Peter Danna has the authority to bind the entity, et al., or assignee ("DANNA"), located at 3131 W. WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-260-330) and a portion of the real property located at 3005 W WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-26-013) (an approximate depiction of the land CITY expects to receive is attached hereto and incorporated by reference in **Exhibit B**) (the "DANNA PROPERTY") (collectively, the "PROPERTIES"). The property exchange is subject to the preparation and approval of a mutually acceptable land swap agreement with DANNA for the Properties, and the approval of the City Council prior to execution of the land exchange agreement. The general terms and conditions under which the CITY and DANNA would consider entering into a binding land exchange agreement are set forth below.

1. **City Property.** The CITY is the fee-title owner of the real property located at 19465 MCKINLEY AVENUE, MANTECA, CA 95337 (APN: 241-41-019) AND 2901 BRONZAN ROAD, MANTECA, CA 95337 (APN: 241-41-020) more particularly depicted in **Exhibit A**.
2. **Danna Property.** DANNA (or assignee) is or will be the fee title owner of certain portions of real property located at 3131 W. WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-260-330), and 3005 W. WOODWARD AVENUE, MANTECA, CA 95337, (APN: 241-26-013) more particularly depicted in **Exhibit B**.
3. **Land Exchange.** The CITY agrees to deed its entire interest in the CITY PROPERTY to DANNA in exchange for DANNA agreeing to simultaneously deed its entire interest in the DANNA PROPERTY, as roughly depicted in **Exhibits A and B** to CITY. The CITY and DANNA agree to simultaneously record the controlling instruments with the San Joaquin County Clerk Recorder's Office. The CITY and DANNA agree that in exchange for the PROPERTIES, no additional funds shall be exchanged and the PROPERTIES.

4. **Escrow.** If not previously opened, escrow shall be opened no later than three (3) business days after mutual execution of a land swap agreement.
5. **Property Documents.** Within ten (10) days after mutual execution of the land exchange agreement, PARTIES agree to provide to each other (to the extent readily available in CITY OR DANNA's possession) true, correct and complete copies of any plans, surveys, building permits issued in connection with the PROPERTIES, environmental reports, surveys, property condition reports, engineering studies, notices from local, state and federal government agencies, leases (including amendments thereto), service and maintenance agreements and other contracts that will affect the Property after closing, and other documents reasonably requested by the PARTIES to assist the PARTIES in their feasibility study). Neither the CITY nor DANNA shall cause any document to be created or produced if it does not already exist.
6. **Feasibility Period.** The PARTIES' obligation to exchange PROPERTIES shall be subject to the following conditions, which must be satisfied or waived on or before one hundred twenty (120) days (the "Feasibility Deadline") from the date a land exchange agreement is executed by both:
- a) CITY and DANNA shall undertake at its own expense, inspection and review of the property it is acquiring, including, but not limited to, inspections, investigations, tests, reports, copies, verifications, assessments, surveys and studies as the CITY or DANNA, as applicable, considers reasonably necessary or desirable under the circumstances regarding the property it is acquiring and its condition, which may include, without limitation, inspections regarding zoning, building codes and other governmental regulations; imposition of governmental obligations and assessments; architectural inspections; engineering tests; economic feasibility and marketing studies; availability of sewer, water, storm drain and other utilities; availability of roads, access and services; soils, seismic, engineering and geologic reports; structural and mechanical systems inspections; and availability of permits, land use entitlements, development rights and approvals and other governmental approvals.
 - b) CITY and DANNA agree to grant access to the other party to the property they are acquiring during the pendency of the Feasibility Period in order to conduct any investigations listed in Section 6(a), above.
 - c) CITY and DANNA shall exchange either Notices of Feasibility Approval or Feasibility Disapproval no later than 5:00 PM on the last day of the Feasibility Deadline.
 - d) At close of Escrow, CITY and DANNA respectively are conveyed good and marketable title to the property it is acquiring, which shall be evidenced by the irrevocable commitment of title company to issue an ALTA standard coverage owner's policy of title insurance at Closing.
 - e) CITY and DANNA shall deliver into Escrow all documents or instruments required by the land exchange agreement.

- f) CITY's and DANNA's representations and warranties are correct as of the date of the land exchange agreement.
- g) CITY and DANNA shall perform all obligations under the land exchange agreement and the related documents executed, including related documents thereto.
- h) Prior to the close of Escrow, CITY and DANNA shall have received evidence of the Escrow Holder's title insurer is ready, willing, and able to issue, upon payment of Title Company's regularly scheduled premium, a CLTA or ALTA standard coverage owner's policy of title insurance, with the endorsements required by CITY or DANNA, respectively.
- i) CITY and DANNA shall deliver and deposit in Escrow all title costs and fees apportioned to that respective party.

7. General Plan / Zoning.

CITY acknowledges that a General Plan Amendment and Zone Change (collectively, "Entitlements") are necessary to support the intended use of the subject parcels identified as 19465 MCKINLEY AVENUE, MANTECA, CA 95337 (APN: 241-41-019) AND 2901 BRONZAN ROAD, MANTECA, CA 95337 (APN: 241-41-020). CITY shall, in good faith and to the fullest extent permitted by law, process and consider at duly noticed public hearings a General Plan Amendment and Rezone for the subject parcels to have Commercial (C) General Plan land use designations and General Commercial (GC) Zoning classifications. Both parties acknowledge that the completion of the Entitlements is a condition precedent to the close of escrow.

The CITY acknowledges that a General Plan Amendment and Zone Change (collectively, "Entitlements") are necessary to support the intended use of the subject parcels identified a portion of the real property located at 3131 W. WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-26-330) and a portion of the real property located at 3005 W WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-26-013). For the parcel being acquired by DANNA, the CITY shall, in good faith and to the fullest extent permitted by law, process and consider at duly noticed public hearings a General Plan Amendment and Rezone for the subject parcels to have a High Density Residential (HDR) General Plan land use designation and a Multiple Family Dwelling (R3) Zoning classification. For the parcel being acquired by CITY, CITY shall, in good faith and to the fullest extent permitted by law, process and consider at a duly noticed public hearing a General Plan Amendment and Rezone for the subject parcels to have Public/Quasi-Public (PQP) General Plan land use designation and a Public/Quasi-Public (PQP) Zoning classification. Both parties acknowledge that the completion of the Entitlements is a condition precedent to the close of escrow. Both parties acknowledge that the completion of the Entitlements is a condition precedent to the close of escrow.

8. Storm Drainage

CITY shall ensure that the subject parcels, identified as 19465 MCKINLEY AVENUE, MANTECA, CA 95337 (APN: 241-41-019), 2901 BRONZAN ROAD, MANTECA, CA 95337 (APN: 241-41-020), a portion of the real property located at 3131 W. WOODWARD AVENUE, MANTECA, CA 95337 (APN: 241-26-330) and a portion of the real property located at 3005 W WOODWARD AVENUE, MANTECA, CA

95337 (APN: 241-26-013) have adequate and lawful access to the regional storm drainage basin serving the area. CITY affirms that the existing and/or planned public storm drainage infrastructure has sufficient capacity to accommodate stormwater runoff generated by development of the subject parcels in accordance with applicable City standards. Such access shall include physical connection to the regional drainage facility, and the right to discharge stormwater in compliance with applicable City, State, and Federal regulations. CITY shall, as necessary, grant or facilitate the granting of any easements, permits, or approvals required to enable the subject parcels to utilize the regional storm drainage system.

9. **Close of Escrow.** Close of escrow shall occur within sixty (60) days after expiration of the Feasibility Period if all Entitlements have been obtained. The parties shall each have the right to extend the close of escrow for two (2) consecutive periods of ninety (90) days each, by providing written notice to the other party of its election to extend the closing date. Regardless of which party(ies) exercise the right to extend the close of escrow, the maximum extension period shall not exceed one hundred eighty (180) days, unless the CITY and DANNA mutually agree in writing to an additional extension of the close of escrow. Such written notice shall be sent on or before the then currently scheduled closing date.
10. **Escrow Holder.** The parties to mutually select an Escrow Holder and memorialize as such in the land exchange agreement.
11. **Release.** Parties agree to execute a "Release" provision pursuant to California Civil Code Section 1542 in the land exchange agreement.
12. **Brokerage Fees.** CITY shall not be required to pay any brokerage fees for DANNA's broker, if any.
13. **Approvals.** The forms of the land exchange agreement shall be subject to the approval of the City Council. Nothing in this letter shall bind the City Council in its action in regards to authorizing the execution of a land exchange agreement, nor shall it bind DANNA.
14. **Expression of Intent.** This offer letter shall not constitute a formal and binding agreement. This offer letter reflects CITY's and DANNA's present understanding of the terms and conditions of the proposed transaction and CITY and DANNA expect that the definitive land exchange agreement, which is negotiated between the City and the Seller with respect to this transaction, will be generally consistent with the foregoing material business terms. This offer letter shall not create any legal rights or obligations between CITY and DANNA. It is intended that all legal rights and obligations between CITY and DANNA will come into existence only when a definitive agreement is signed and delivered by both parties after approval of the City Council. DANNA will prepare the initial draft of the agreement for the CITY'S review and comment.

(Remainder of page intentionally left blank)

If the terms contained in the Letter are acceptable, please indicate agreement by signing below. On behalf of the CITY, I look forward to hearing from you regarding this matter.

Best regards,

Toni Lundgren
City Manager

**ACKNOWLEDGED AND APPROVED BY P.D.
DANNA, LLC, a California limited liability
company**

By: _____

Name: Peter D. Danna
Title: Manager, PD Danna, LLC
Date: November __, 2025

EXHIBIT A - CITY PROPERTIES

EXHIBIT "A" PARCEL 16785-01-01

Being a portion of Section 2, Township 2 South, Range 6 East, Mount Diablo Base and Meridian, State of California, County of San Joaquin, and more particularly that portion of the lands conveyed in Document No. 97064503, Official Records San Joaquin County, described as follows:

Beginning at the southeast corner of said land, said point also being on the northerly line of Bronzan Road; thence along the easterly line of said land North 00°22'31" East, 150.41 feet; thence North 89°37'29" West, 120.30 feet to the westerly line of said land; thence along the westerly line of said land South 00°22'31" West, 150.74 feet to the southwest corner of said land and said northerly line of Bronzan Road; thence along the southerly line of said land South 89°46'53" East, 120.30 feet to the **Point of Beginning**.

Reserving therefrom the northerly twenty-five feet (25') thereof as a public utility easement for sewer purposes.

Containing: 18,114 Sq. Ft. (0.43 acres), more or less

Subject to all covenants, rights, right-of-way and easements of record.

All as shown on the plat attached hereto as "EXHIBIT B" and by this reference made a part hereof.

This legal description was prepared by me or under my direction in conformance with the Land Surveyors' Act.

Prepared By

NV5, Inc.



Robert A. Stevenson, PLS 9833

09/26/2025

Date



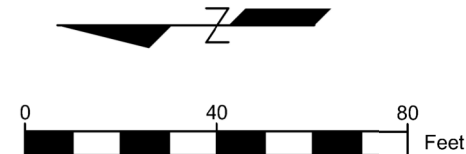


APN 241-410-18

EXHIBIT A - CITY PROPERTIES

EXHIBIT "B"

APN 241-410-19
DOCUMENT NO. 97073040
RECORDED 7/25/1997



POR. SE $\frac{1}{4}$
SEC 2
T2S R6E
MDBM

POINT OF BEGINNING
N00°22'31"E 340.00'

189.59'

150.41'

NORTHERLY LINE
OF BRONZAN ROAD

APN 241-410-20
DOCUMENT NO. 97064503
RECORDED 7/1/1997

PARCEL 16785-01-01
18,114± S.F.

BRONZAN ROAD

N89°46'53"W 120.30'

N89°37'29"W 120.30'

S89°46'53"E 120.30'

189.26'

25.00'

150.74'

S00°22'31"W 340.00'



2100 West Bullard Avenue, Suite 145
559.6615220 TEL 559.492.3457 FAX

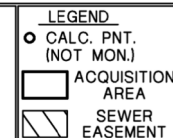
FRESNO, CA 93711
WWW.NV5.COM

DATE: 9/26/2025 TIME: _____
NETWORK: _____
PATH: 2262\2262116-0000037.00\Cadd\Exhibits
DWG NAME: PARCEL 16785-01-01
LAYOUT: 8.5 X 11
DESIGNER: JM MGR: RS

RTE 120 & MCKINLEY AVENUE RIGHT OF WAY ACQUISITION CITY OF MANTECA

PREPARED FOR: CITY OF MANTECA

DATE SUBMITTED: 9/26/2025



SHEET NUMBER

1

OF 1 SHEETS

JOB NUMBER
226216-0000037

EXHIBIT A - CITY PROPERTIES

EXHIBIT "A" PARCEL 16797-01-01

Being a portion of Section 2, Township 2 South, Range 6 East, Mount Diablo Base and Meridian, State of California, County of San Joaquin, and more particularly that portion of the lands conveyed in Document No. 97073040, Official Records San Joaquin County, described as follows:

Beginning at the intersection of the westerly line of said lands with the northerly line of Bronzan Road, said point also being the southeast corner of the lands conveyed in Document No. 97064503, thence along the westerly line of said lands conveyed in Document No. 97073040 North 00°22'31" East, 150.41 feet; thence leaving said westerly line South 89°37'29" East, 97.22 feet; thence South 44°37'29" East, 90.91 feet; thence South 00°22'31" West, 85.69 feet to said northerly line of Bronzan Road, said point lies 58.50 feet westerly along said northerly line from the intersection with the westerly line of McKinley Avenue; thence along said northerly line North 89°46'53" West, 161.50 feet to the **Point of Beginning**.

Reserving therefrom the northerly twenty-five feet (25') thereof as a public utility easement for sewer purposes.

Containing: 22,189 Sq. Ft. (0.51 acres), more or less

Subject to all covenants, rights, right-of-way and easements of record.

All as shown on the plat attached hereto as "EXHIBIT B" and by this reference made a part hereof.

This legal description was prepared by me or under my direction in conformance with the Land Surveyors' Act.

Prepared By

NV5, Inc.



Robert A. Stevenson, PLS 9833

09/26/2025

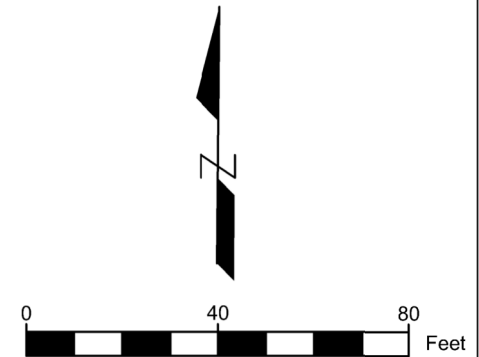
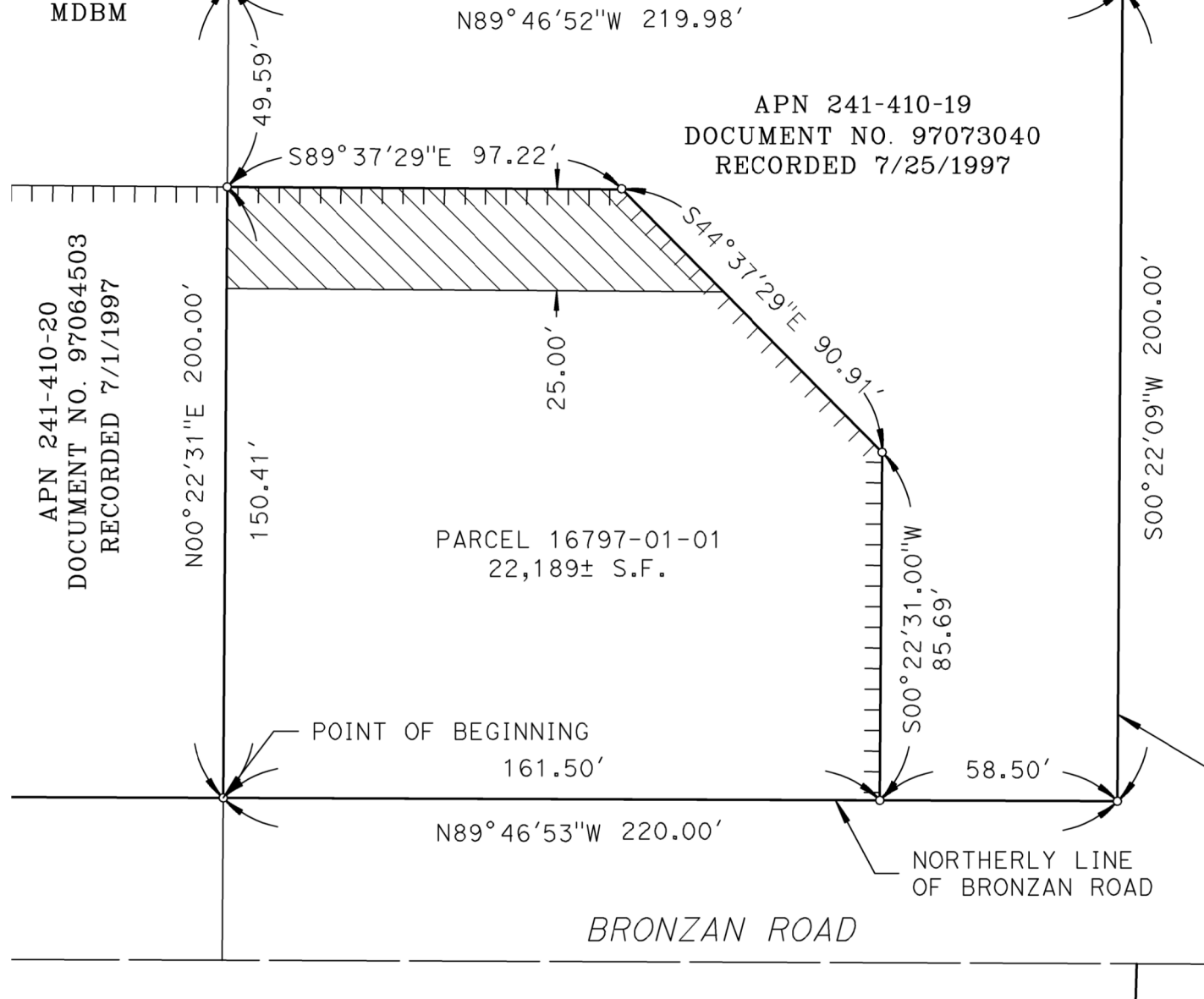
Date



POR. SE 1/4
SEC 2
T2S R6E
MDBM

EXHIBIT A - CITY PROPERTIES
APN 241-410-18

EXHIBIT "B"



Robert A. Stevenson

WESTERLY LINE OF
McKINLEY AVENUE



2100 West Bullard Avenue, Suite 145
Fresno, CA 93711
559.6615220 TEL 559.492.3457 FAX

FRESNO, CA 93711
WWW.NV5.COM

DATE: 9/26/2025 TIME: _____
NETWORK: _____
PATH: 2262\2262116-0000037.00\Cadd\Exhibits
DWG NAME: PARCEL 16797-01-01
LAYOUT: 8.5 X 11
DESIGNER: JM MGR: RS

RTE 120 & McKINLEY AVENUE
RIGHT OF WAY ACQUISITION
CITY OF MANTECA

PREPARED FOR: CITY OF MANTECA

LEGEND
○ CALC. PNT.
(NOT MON.)
□ ACQUISITION
AREA
▨ SEWER
EASEMENT

SHEET NUMBER

1

OF 1 SHEETS

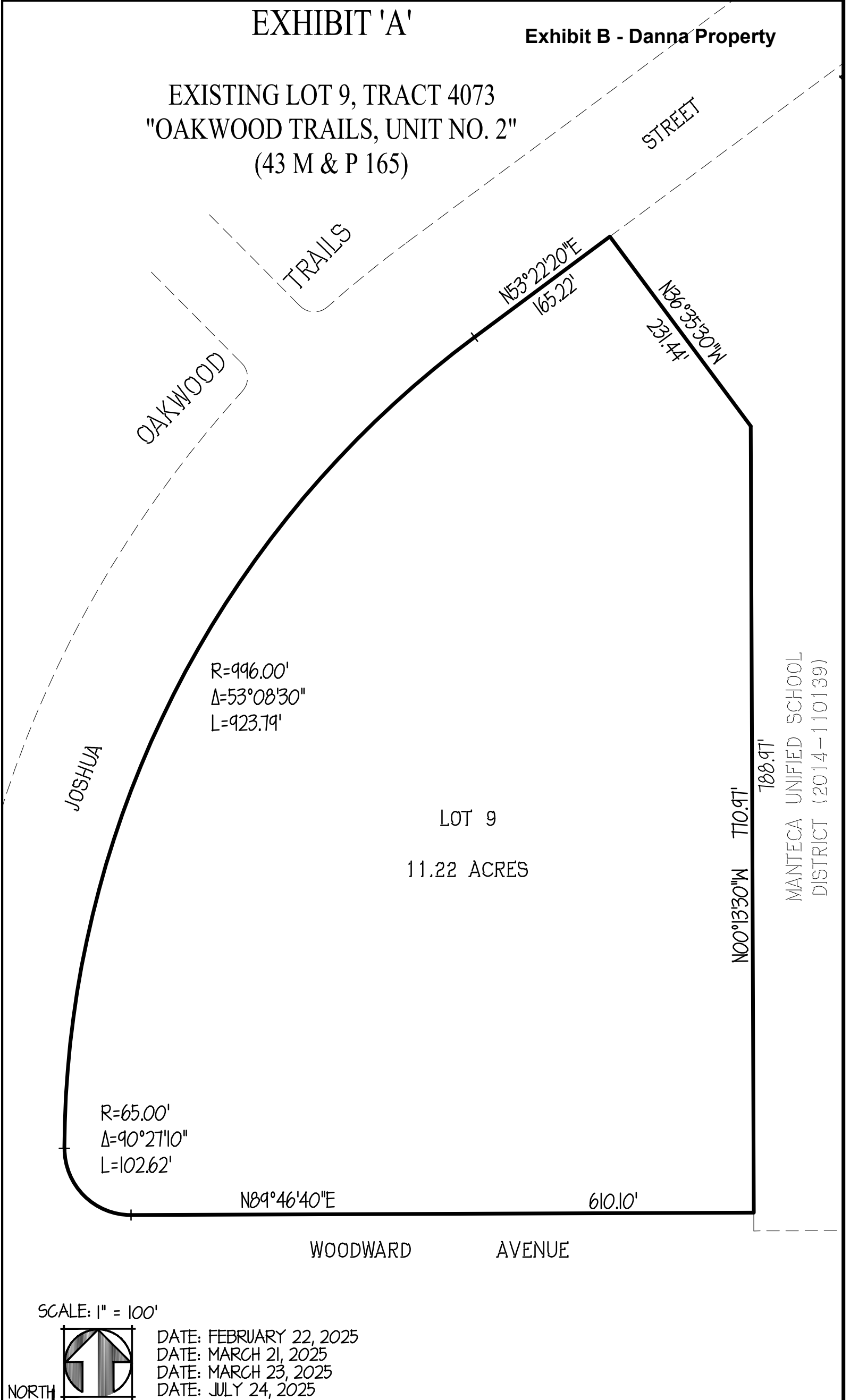
DATE SUBMITTED: 9/26/2025

JOB NUMBER
226216-0000037

EXHIBIT 'A'

Exhibit B - Danna Property

EXISTING LOT 9, TRACT 4073
"OAKWOOD TRAILS, UNIT NO. 2"
(43 M & P 165)



SCALE: 1" = 100'

DATE: FEBRUARY 22, 2025
DATE: MARCH 21, 2025
DATE: MARCH 23, 2025
DATE: JULY 24, 2025

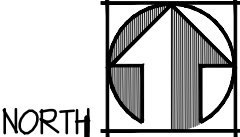


EXHIBIT 'B'

Exhibit B - Danna Property

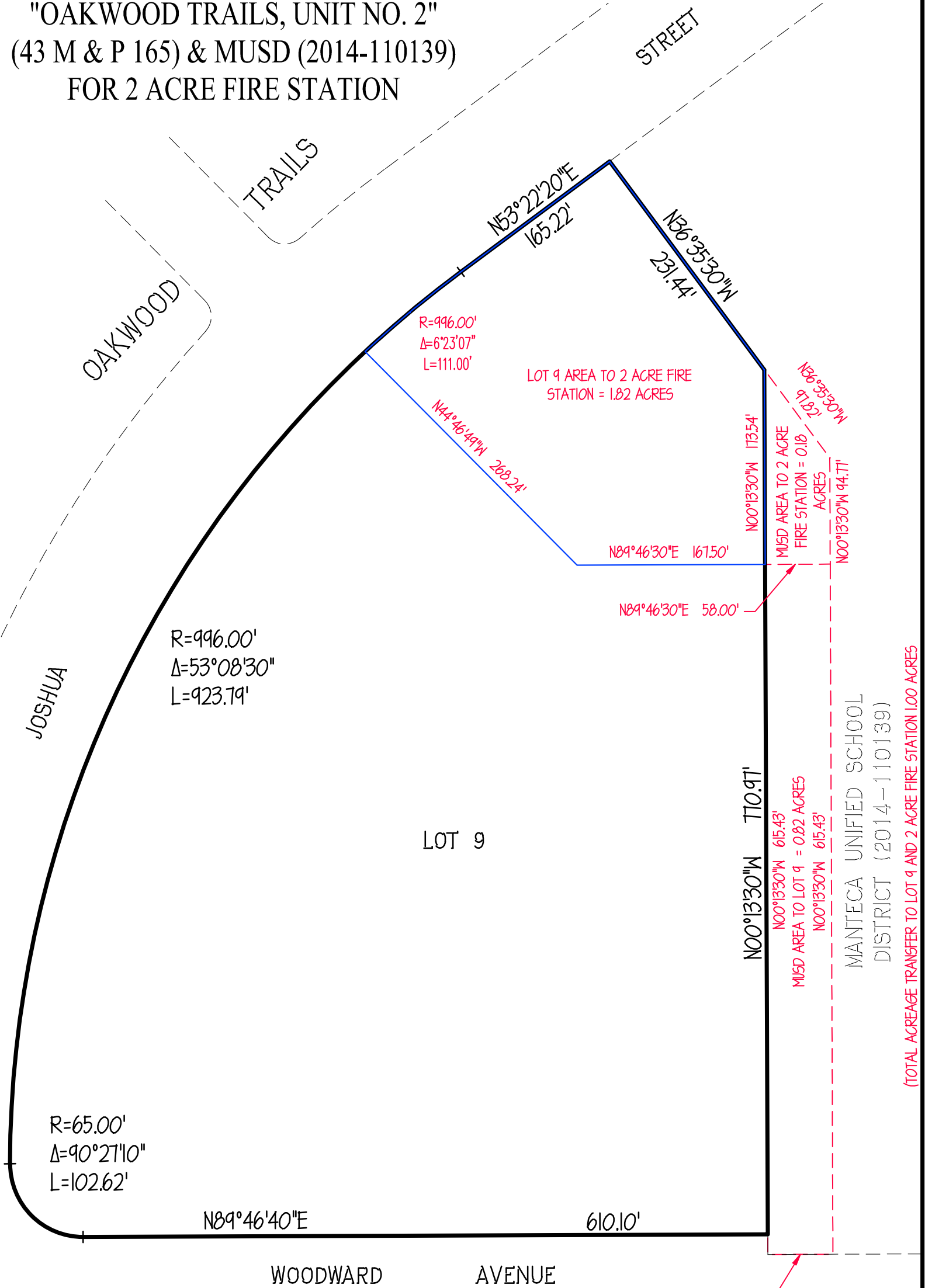
LOT ADJUSTMENTS

LOT 9, TRACT 4073

"OAKWOOD TRAILS, UNIT NO. 2"

(43 M & P 165) & MUSD (2014-110139)

FOR 2 ACRE FIRE STATION



SCALE: 1" = 100'

DATE: FEBRUARY 22, 2025
DATE: MARCH 21, 2025
DATE: MARCH 23, 2025
DATE: JULY 24, 2025

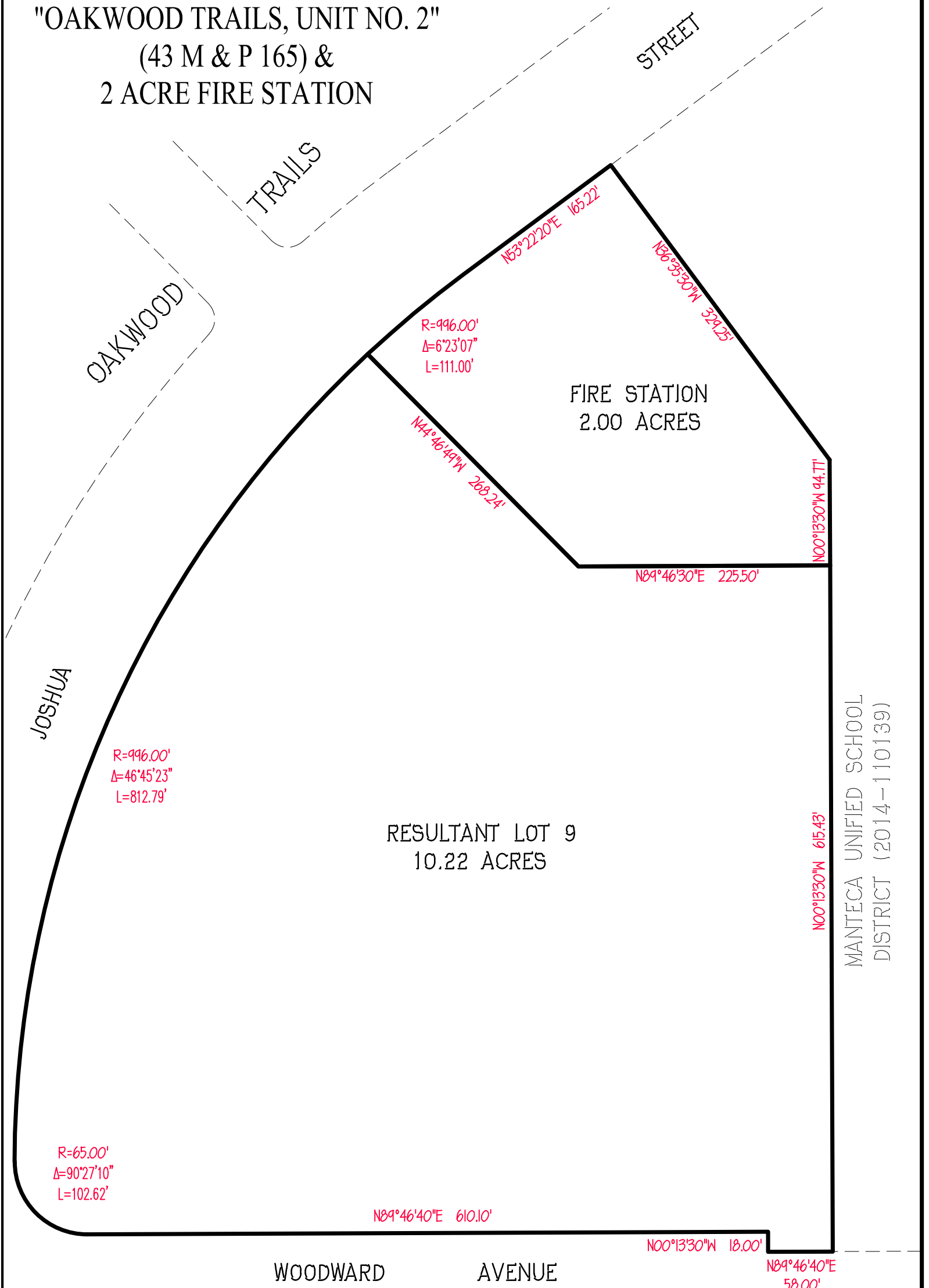


NORTH

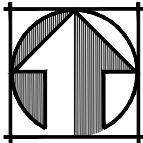
Exhibit B - Danna Property

LOT 9, TRACT 4073

(43 M & P 165) &
2 ACRE FIRE STATION



SCALE: 1" = 100'



DATE: FEBRUARY 22, 2025
DATE: MARCH 21, 2025
DATE: MARCH 23, 2025
DATE: JULY 24, 2025

NORTH