

June 25, 2018

## Via Email

San Jose City Councilmembers 200 E. Santa Clara St. San Jose, CA 95113

Re: Hayes Mansion Purchase & Sale Transaction – UNITE HERE! Local 19

To the Members of San Jose City Council:

JMA Ventures, LLC ("JMA"), is excited about the pending acquisition of the Hayes Mansion (the "Property"). As we understand, UNITE HERE! Local 19 (the "Union"), is the sole collective bargaining representative of nearly all hourly employees at the Property, as reflected in the collective bargaining agreement ("CBA") between Dolce Hayes Mansion and the Union effective July 1, 2012 through December 31, 2016.

If JMA and its financial partner are successful in acquiring the Property, we plan to utilize a leading third-party hotel management company to operate the Property, employ the employees, and to enter into a new long-term CBA with the Union. We are committed to working expeditiously during the diligence period to negotiate a new CBA with the Union to ensure a seamless closing and transition process as well as to continue the employment of all employees at the Property. We are committed to the following:

- Entering into new 5-year CBA that provides for:
  - o Competitive wages with market increases;
  - o Health insurance trust fund contributions, as needed by the fund;
  - o Pension trust fund contributions, as needed by the fund;
  - o Review of current work rules and business plan of the hotel;
  - o All other terms of prior CBA to remain the same.
- If a new 5-year CBA can be reached prior to closing of the transaction, our new hotel operator would:
  - Offer employment to all bargaining unit employees; and
  - Honor bargaining unit employees' seniority dates.
- We plan to invest significant capital in renovating, upgrading and rebranding the Property to ensure the long-term operating success and competitive positioning of the Property. Our vision is to create an iconic urban resort destination that leverages the historic nature of the asset and location in the growing area of South San Jose.

By way of background, JMA is a San Francisco-based real estate investment company having acquired and/or developed in the aggregate \$2.5+ billion of real estate assets in our 30+ year history, including landmark assets such as the Sacramento Downtown Commons mixed-use development that includes a 250 room Kimpton hotel, the Fairmont Heritage Place Private Residence Club at Ghirardelli Square, the Hyatt Regency La Jolla, Epic Steak & Waterbar, Homewood Mountain Resort, the West Shore Café in Lake Tahoe and several additional hotel projects in the pipeline.

While we have had productive initial conversations with representatives of the Union, we look forward in the coming weeks to negotiating a long-term CBA with the Union to ensure the continued longevity of this important and historic asset to the community, the City of San Jose and the dedicated employees at the Property.

Sincerely,

Kevin Morgan, Vice President

Cc: Enrique Fernandez (UNITE HERE! Local 19, Business Manager)

From: Ginny Stafford

**Sent:** Monday, June 25, 2018 11:17 PM

**To:** mayorsemail@sanjoseca.gov

Cc: District1; District2; District3; District4; District5; District 6; District7; District8; District9;

district10@sanjoseca.gove; City Clerk

**Subject:** Letter of Intent to Purchase Hayes Mansion

Dear Mayor Liccardo & San Jose City Council Members,

Please find attached a Letter of Intent from the Hayes Collaboration regarding the purchase of the Hayes Mansion for the purpose of creating a Hayes Healing Oasis in the midst of our city.

It's a Great Life!

Ginny Stafford Hayes Collaboration Dear Mayor Sam Liccardo,

This letter of intent has a two-fold purpose: 1) to introduce our organization to you and 2) to inform you of our intent to purchase the Hayes Mansion Property by the end of this 2018 Year.

I, Ginny Stafford, the Executive Director of the Hayes' Collaboration, am writing this letter on behalf of more than a dozen diverse ministries within the Santa Clara County. We recently developed this united group to help meet some of the needs of the homeless, the veterans, and former prisoners within San Jose and the Santa Clara County. We strongly believe the accomplishment of our goals will have a major impact for our city and eventually throughout the State of California as well as throughout the United States.

Our vision is to serve as catalysts to create a healed city in which the lives of people have been transformed so they are whole, free and healthy in all aspects in order for them to be self-sufficient, sustainable, and fulfilling God's purpose.

Our Collaboration's mission is to facilitate spiritual, emotional, mental, and physical healing 24/7; prayer 24/7, various kinds of training including vocational and life skills, worship services, Bible studies, and mentoring to former prisoners, veterans, and those who are unemployed, homeless or brokenhearted.

One of the goals the Hayes Collaboration is to purchase the Hayes Mansion before 2018 ends. Hopefully, we will be given an opportunity to purchase this property in the near future. If you are interested in knowing more about our organization, we would love to make a presentation to our City and County leaders at your convenience. Please advise.

In conclusion, if you have questions regarding this matter, please contact me via my phone: or email:

Sincerely,

Ginny Stafford, Executive Director Hayes Collaboration

CC: City Clerk and City Council Members