



AGENDA

DECEMBER 17, 2024

**REGULAR MEETING OF THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY AND
CITY COUNCIL
CITY OF YUBA CITY**

**5:00 P.M. CLOSED SESSION
SUTTER ROOM/VIRTUAL**

**6:00 P.M. REGULAR MEETING
COUNCIL CHAMBERS/VIRTUAL**

MAYOR	• Dave Shaw
VICE MAYOR	• Marc Boomgaarden
COUNCILMEMBER	• Wade Kirchner
COUNCILMEMBER	• Mike Pasquale
COUNCILMEMBER	• Toni Cole
CITY MANAGER	• Diana Langley
CITY ATTORNEY	• Shannon L. Chaffin

**1201 Civic Center Blvd
Yuba City CA 95993**

Wheelchair Accessible

*The City has adopted a Reasonable Accommodations Policy that provides a procedure for receiving and resolving requests for accommodation to participate in this meeting. Please visit [yubacity.net ADA & Accessibility Resources page](http://yubacity.net/ADA&AccessibilityResources). If you need assistance in order to attend the City Council meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the City Council, the City is happy to help. Accommodations should be requested as early as possible as additional time may be required in order to provide the requested accommodation; 72 hours in advance is suggested. Please contact City offices at (530) 822-4817 or **(TTY: 530-822-4732)**, so such aids or services can be arranged. Requests may also be made by email at cityclerk@yubacity.net or citymanager@yubacity.net or mail City Clerk, 1201 Civic Center Blvd, Yuba City, CA 95993.*

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AGENCY AND
CITY COUNCIL - CITY OF YUBA CITY
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Materials related to an item on this Agenda submitted to the Successor Agency to the Development Agency and City Council after distribution of the agenda packet are available for public inspection in the City Clerk's office at 1201 Civic Center Blvd., Yuba City, during normal business hours. Such documents are also available on the City of Yuba City's website at www.yubacity.net, subject to staff's availability to post the documents before the meeting.

The Council Chambers will be open for public attendance and participation. The meeting will also be live streamed for public viewing, but not participation, at the following link: https://yubacity-net.zoom.us/webinar/register/WN_meEe49I7Qk-7YQT7bsIH1A. Emailed comments sent to cityclerk@yubacity.net at least 24 hours before the meeting will be distributed to the Successor Agency to the Redevelopment Agency and City Council prior to the meeting. Please identify the Agenda item(s) addressed by the comments.

Public Comment:

Any member of the public wishing to address the City Council on any item listed on the closed session agenda will have an opportunity to present testimony to the City Council in the Council Chamber prior to the City Council convening into closed session. Comments from the public will be limited to three minutes. No member of the public will be allowed to be present once the City Council convenes into closed session.

Closed Session

- A. Conference with Labor Negotiators (Pursuant to Government Code, Section 54957.6.)
Agency designated representatives: Diana Langley, City Manager, Natalie Springer, Human Resources Director, Ann Gillen, Community Services Director, Diona Pope, Finance Director, Ben Moody, Public Works and Development Services Director, Brian Baker, Police Chief, Jesse Alexander, Fire Chief, Michael Jarvis, LCW, Ian Sangster, Kronick Moskovitz Tiedemann & Girard
Employee organizations: Yuba City Police Officers; Police Sergeants; Yuba City Firefighters Local 3793; Yuba City Fire Management; First Level Managers, Mid Managers, Police Sworn Mid Managers; and Public Employees Local No. 1
Unrepresented employees: Confidential Employees, Executive Services Employees

Regular Meeting

Call to Order

Roll Call

- ☐ Mayor Shaw
- ☐ Vice Mayor Boomgaarden
- ☐ Councilmember Kirchner
- ☐ Councilmember Pasquale
- ☐ Councilmember Cole

Invocation/Inspiration

Pledge of Allegiance to the Flag

City Attorney's Report on Closed Session Items, City Attorney Shannon Chaffin

Agenda Modifications

Ceremonial Presentations

- 1. Eric Ball Retirement Proclamation**
- 2. Spencer Morrison Retirement Proclamation**

Public Communication

3. Appearance of Interested Citizens

You are welcome and encouraged to participate in this meeting. Public comment is taken on action items appearing on the Consent Calendar or Business Items on the Agenda when they are called. Public comment on any other items within the scope of the City's jurisdiction, including items not listed on the Agenda will be considered at this time. Public comment is limited to three minutes per speaker. Members of the public submitting written requests at least 24 hours prior to the meeting will be allotted five minutes to comment per speaker. Repetitive comments may be limited, and large groups are encouraged to select representatives to express the opinions of the group.

Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that Council votes on the motion unless members of the City Council request specific items to be discussed or removed from the Consent Calendar for individual action.

4. Minutes of the November 19, 2024 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council; and Minutes of the December 10, 2024 Special Meeting of the City Council

Recommendation: Approve the Minutes of the November 19, 2024 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council; and the Minutes of the December 10, 2024 Special Meeting of the City Council

5. 2025 Minimum Wage Increase

Recommendation: Adopt a Resolution to adjust the City's salary schedule to comply with the new California wage requirements effective January 1, 2025

6. Business License Ordinance Update

Recommendation: Adopt an Ordinance of the City Council of the City of Yuba City to repeal Municipal Code Subsection (b)(2) of Section 3-4.24 to exclude the license application requirement for non-profit

organizations by title only and waive the second reading

7. Purchase and Installation of Video Surveillance & Door Access Control at the Yuba City Police Department, Sutter Animal Services Authority, and Corporation Yard

Recommendation: Adopt a Resolution awarding the purchase of Verkada surveillance and access control systems to Monarch Connected of San Francisco, CA, in the amount of \$134,317.69 utilizing CMAS contract number 3-23-01-1017 with the finding that it is in the best interest of the City

8. Annual Investment Policy Adoption

Recommendation: Approve Investment Policy as presented

9. Spiva Avenue Waterline Replacement Project - Award Construction Contract

Recommendation: Adopt a Resolution with the following actions:

A. Awards a construction contract to Platinum General Engineering LLC (d.b.a. Platinum Dirt Worx), of Modesto, CA in the amount of their total bid \$199,400.00 and authorizes the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney, and approves CEQA Class 1 and Class 2 exemptions

B. Authorizes the Finance Director to make supplemental appropriation of \$279,170.00 to account 951093-65501 with an offsetting revenue budget adjustment to 517-43480 for the receipt of grant funds

10. Aquifer Storage and Recovery Well Project - Plans and Specifications Approval

Recommendation: Adopt a Resolution approving the plans and specifications for construction of the below-ground facilities of the Aquifer Storage and Recovery Well (Well #3) Project at the Water Treatment Plant and authorizing advertisement for bids on the project

11. Submission of Recertification Application for Tree City USA Designation

Recommendation: Adopt a Resolution authorizing the City to apply for recertification to the National Arbor Day Foundation for consideration of the City to continue its designation as a Tree City USA community

12. Chima Ranch Subdivision Development Agreement Assignment

Recommendation: Adopt a Resolution of the City Council of the City of Yuba City approving the assignment of responsibilities under the Development Agreement associated with the Chima Ranch Tentative Subdivision Map (SM 22-07) from Interwest Homes Corporation to LGI Homes, LLC, and authorize the Development Services Director to sign the Consent to Assignment

13. Henson Ranch Estates Subdivision (Acceptance of Public Improvements)

Recommendation: Adopt a Resolution accepting certain street and related improvements pursuant to the Henson Ranch Estates Subdivision Agreement with YC Hooper Ventures, LLC, A California Limited Liability Company, and authorizing the Subdivider to file a Notice of Completion. [Subdivision is located north of North Colusa Frontage

Road, East of Hooper Road, and west of El Margarita Road]

14. SACOG Grant Agreement for City Welcome Sign Project (Gateway Signs Improvement Project)

Recommendation: Adopt a Resolution authorizing the City Manager of the City of Yuba City to execute a Memorandum of Understanding between Sacramento Area Council of Governments and the City of Yuba City, and all other necessary grant agreements for the Community Design Funding Program: Gateway Signs Improvement Project

15. Fourth Amendment to the Disposition and Development Agreement for the Feather River Mill and Associated Properties (Noyan Properties, L.P., and H-NYC, LLC)

Recommendation:

- A. Adopt a Resolution of the City Council approving the fourth amendment to the Disposition and Development Agreement with H-NYC, LLC, and Noyan Properties, L.P., authorizing the sale and development of real property located at the southeast corner of Bridge and Shasta Streets (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- B. As the City Council, authorize the City Manager to approve and sign on behalf of the City, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- C. As the Board of Directors of the Successor Agency, authorize the Executive Director to approve and sign on behalf of the Agency, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)

16. Bogue Road Sewer Extension Project

Recommendation: Adopt a Resolution to:

- A. Award a construction contract to Ranger Pipelines, Inc., of San Francisco, CA in the amount of their total bid for bid schedules A & B of \$4,275,341.00 and authorize the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney
- B. Award a Professional Services Agreement to Inferrera Construction Management Group, Inc., of Shingle Springs, CA for Inspection Services in the amount of \$188,219.00 and authorize the City Manager to execute the contract on behalf of the City, subject to material

terms, subject to review and approval as to legal from by the City Attorney, and with the finding that it is in the best interest of the City

C. Award a Professional Services Agreement to The Solis Group of Pasadena, CA for Labor Compliance Services in the amount of \$20,000.00, subject to material terms, with the finding that it is in the best interest of the City

D. Authorize the Finance Director to make a budget transfer in the amount of \$2,070,000 from CIP Account No. 1277 (Harter-Bridge Trunk Sewer) to CIP Account No. 1295 (Bogue Road Sewer Extension)

E. Authorize the Finance Director to appropriate a total of \$4,000,000.00 in American Rescue Plan Act funds for wastewater obligations outlined in the Newkom Ranch Development Agreement

17. Terex Hi-Ranger XT PRO 56 Aerial Truck

Recommendation: Adopt a Resolution to approve an increase to the capital acquisition budget allocation for the Park's Department Terex Hi-Ranger XT PRO 56 Aerial Truck in the amount of \$6,507.73 for a total capital asset value of \$280,369.73

18. City of Yuba City Advisory Board Appointment List

Recommendation: Note and File the 2024 Local Appointment List and Direct Staff to post on the City's website

19.. Biennial Review of the City of Yuba City Conflict of Interest Code

Recommendation: Adopt a Resolution Amending the City of Yuba City Conflict of Interest Code and list of Designated Positions

20. Lease of the Madden House for the Yuba-Sutter Chamber of Commerce Offices

Recommendation: Adopt a Resolution approving a Lease Agreement with the Yuba-Sutter Chamber of Commerce for the use of the Madden House (1300 Franklin Road), authorizing the City Manager to make non-material modifications, subject to City Attorney approval

21. Parks and Recreation Commission Ordinance Update

Recommendation: Adopt an Ordinance of the City Council of the City of Yuba City to repeal Chapter 1 (Parks and Recreation Commission) of Title 9 by title only and waive the second reading

Business Items

22. Annual Report from the Downtown Yuba City Business Improvement District and Proposed Levy of Annual Assessment for 2025

Recommendation: A. Adopt a Resolution Accepting and Approving the 2024-2025 Annual Report of the Downtown Yuba City Business Improvement District

B. Adopt a Resolution of Intention to Levy and Collect 2025 Annual Assessments and set a Public Hearing for January 21,

2025

23. Downtown Yuba City Business Improvement District Ordinance

Recommendation: A. Conduct a Public Hearing; then

B. Introduce an Ordinance of the City Council of the City of Yuba City to amend Municipal Code Section 3-9.050 for the collection of delinquent assessments, by title only, and waive the first reading

24. Small Wireless Telecommunication Facilities within the City's Right of Way

Recommendation: Adopt a Resolution that:

A. Amends the City's Fee Schedule to include new fees for the processing of Wireless Telecommunication Facility Permits in the City's Public Right-of-Way

B. Authorizes the City Manager to execute a Master License Agreement with New Cingular Wireless PCS, LLC (AT&T) for use of Municipal Facilities to install Small Wireless Facilities

25. Time extension for Development Plan 20-03, Richland Village Affordable Housing Development, and associated City funding commitment

Recommendation: Approve a two-year extension of time for Development Plan 20-03 and the associated City funding commitment, pursuant to City Municipal Code Section 8-5.7106, resulting in a new expiration date of January 19, 2027

26. General Plan Amendment 24-02 and Rezone 24-04 for the Gary Smith project located at 2192 Live Oak Blvd.

Recommendation: A. Conduct a Public Hearing, and;

B. Adopt a Resolution of the City Council of the City of Yuba City approving Environmental Assessment 24-09 by adopting a Mitigated Negative Declaration, subject to the Mitigation Measures, and approve General Plan Amendment (GPA) 24-02 re-designating 0.43-acres from the Manufacturing, Processing, and Warehousing land use designation to the Community Commercial designation, and;

C. Introduce an Ordinance of the City Council of the City of Yuba City to adopt Rezone (RZ) 24-04 rezoning 0.43 acres Light Industrial District (M-1) Zone District to Community Commercial (C-2) Zone District, for the Smith project, located at 2192 Live Oak Blvd (APN 51-490-028), and waive the first reading.

27. General Plan Amendment 24-03, Tentative Subdivision Map 24-04 and Planned Development 19: Brownstone Estates, located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road

Recommendation: A. Conduct a Public Hearing; then

B. Adopt a Resolution approving Environmental Assessment (EA) 24-10, by adopting a Mitigated Negative Declaration, subject to the Conditions of Approval and Mitigation Measures, and approving General Plan Amendment (GPA) 24-03, and

Tentative Subdivision Map 24-04, Brownstone Estates, for 54-single family residential lots

C. Introduce an Ordinance of the City Council of the City of Yuba City approving Planned Development 19, on 7.84 acres located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road (Assessor's Parcel Numbers 62-082-019, -020, -021) and waive the first reading

28. Update X₁₉ Combining (Zoning) District

Recommendation: Initiate a Municipal Code amendment to revise the X₁₉ Combining District to provide for future intersection improvements at the State Highway 20 / El Margarita Road intersection

29. Planning Division Fee Schedule Update

Recommendation: Conduct a Public Hearing to receive comments on a proposed Planning Fee Schedule Update and provide staff direction on bringing the item forward

30. Planning Commission Representation

Recommendation: A. Receive staff information and presentation, then provide feedback and direction to staff; and

B. Initiate a Municipal Code amendment, changes to the Planning Commission Bylaws, and other recommended changes to update the composition of the Planning Commission from seven to five members with appointments to be made by individual City Council members coinciding with Council members' individual districts

Future Agenda Items

31. Future Agenda Items

Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

32. City Manager's Report

33. City Council Reports

Adjournment



Proclamation

of the City Council

**ERIC BALL
Code Enforcement Officer II
December 10, 2005, to December 30, 2024**

WHEREAS, Eric Ball has dedicated 19 years of exceptional service to the City of Yuba City as a Community Service Officer with the Yuba City Police Department and as a Code Enforcement Officer with the Development Services Department demonstrating an unwavering commitment to the improvement of public safety, health and welfare, protection of property rights and property values, and improving the City's aesthetics through the enforcement of the City's Municipal Codes; and

WHEREAS, through his extensive tenure, Eric Ball has played a vital role in addressing the impacts of blight, improving the City's aesthetics and protection of the environment through his work to pursue grant funding that provided for California Conservation Corps teams working in our community to mitigate the impacts of the homeless both along the Feather River and within the City; and

WHEREAS, his expertise, hard work, and attention to detail have contributed significantly to the quality of life for our community, earning him the respect and admiration of his colleagues, City leadership, and residents alike; and

WHEREAS, Eric Ball has consistently exemplified professionalism, reliability, and teamwork, serving as a valued and trusted member of both the Police Department and the Development Services Department and a role model for his peers; and

WHEREAS, as he retires, the City of Yuba City recognizes and celebrates his dedication, achievements, and the lasting impact he has made on the community he has served so diligently.

NOW, THEREFORE, BE IT RESOLVED, that I, Dave Shaw, Mayor of the City of Yuba City, and on behalf of the entire City Council, do hereby commend Eric for his outstanding and loyal service and sincerely urge all residents of the City of Yuba City to join with me in recognizing Mr. Eric Ball for all of his contributions to the Yuba City community for the past 19 years.

Done this 17th day of December 2024, at the City of Yuba City, County of Sutter, State of California.



Proclamation

of the City Council

SPENCER MORRISON

Finance Director

Retirement Proclamation

To Be Presented by Mayor Shaw

CITY OF YUBA CITY

Public Communication

Members of the public may address the City Council on items of interest that are within the City's jurisdiction. Individuals addressing general comments are encouraged to limit their statements.

Procedure

You are welcome and encouraged to participate in this meeting. Complete a Speaker Card located in the lobby and give to the Clerk, public comment is taken on action items appearing on the Consent Calendar or Business Items on the Agenda when they are called. Public comment on any other items within the scope of the City's jurisdiction, including items not listed on the Agenda, will be considered at this time.

When a matter is announced, wait to be recognized by the Mayor to provide your comments to the Council. Comments should begin by providing your name and place of residence. A three minute limit is requested when addressing Council.

Request for additional time to address Council

Members of the public submitting written requests at least 24 hours prior to the meeting will be allotted 5 minutes to comment per speaker. Repetitive comments may be limited, and large groups are encouraged to select representatives to express the opinions of the group.

Procedure

When requesting to comment, please indicate your name and the topic and mail to:

City of Yuba City
Attn: City Clerk
1201 Civic Center Blvd
Yuba City CA 95993

Or email to:
Jackie Sillman, City Clerk
cityclerk@yubacity.net

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Ciara Wakefield, City Clerk

Summary

Subject: Minutes of the November 19, 2024 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council; and Minutes of the December 10, 2024 Special Meeting of the City Council

Recommendation: Approve the Minutes of the November 19, 2024 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council; and the Minutes of the December 10, 2024 Special Meeting of the City Council

Fiscal Impact: None

Attachments:

1. 11-19-2024 Regular Meeting Minutes (DRAFT)
2. 12-10-2024 Special Meeting Minutes (DRAFT)

Prepared By:
Ciara Wakefield
City Clerk

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

MINUTES (DRAFT)
**AMENDED AGENDA OF REGULAR MEETING OF THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
AND CITY COUNCIL - CITY OF YUBA CITY**

NOVEMBER 19, 2024

**6:00 P.M. REGULAR
MEETING COUNCIL
CHAMBERS/VIRTUAL**

Call to Order

The Regular Meeting of the Successor Agency to the Redevelopment Agency and the City Council was called to order by Mayor Harris at 6:00 PM

Roll Call

Present: Mayor Harris and Councilmembers Boomgaarden, Kirchner, Shaw, and Pasquale

Absent: None

Invocation/Inspiration

Pastor Greg Mansur, Adventure Church of Yuba City

Pledge of Allegiance to the Flag

Members of Boy Scout Troop 389 and Cub Scout Pack 43 led the pledge of allegiance

City Attorney's Report on Closed Session Items

No Closed Session

Agenda Modifications

Item 6 (Proclamation for the 10th Street Bridge as the POW/MIA Bridge), was moved immediately following Item 4. Item 5 (2025-2029 CDBG Consolidated Plan Process) became the last Ceremonial Presentation.

Mayor Harris recused himself from Item 12 (Lighting & Landscape Maintenance District No.5 Zone K Budget Allocation). This item was pulled from the Consent Calendar and voted on separately

Ceremonial Presentations

1. Recognition of Boy Scout Troop 389 and Cub Scout Pack 43 for Flag Posting along Veteran's Memorial Circle

Mayor Harris presented a proclamation to:

- Andrew Stockmal, Senior Patrol Leader

- Scott Bowden, Scoutmaster
- Members of Boy Scout Troop 389
- Devin Crosby, Cubmaster
- Members of Cub Scout Pack 43

2. Retirement Proclamation for Drew Crawford, Fire Apparatus Operator

Mayor Harris presented a proclamation to Drew Crawford, Fire Apparatus Operator

3. Retirement Proclamation for Sam Escherman, Police Commander

Mayor Harris presented a proclamation to Sam Escherman, Police Commander

Laura Nicholson and Isabella Morgan presented a joint resolution on behalf of Senator Niello and Assemblyman Gallagher

David Morgan presented a certificate on behalf of Congressman LaMalfa

4. Homelessness Awareness Month Proclamation and Presentation

Mayor Harris presented a proclamation to Johnny Burke, Executive Director, Sutter Yuba Homeless Consortium

6. Proclamation for the 10th Street Bridge as the POW/MIA Bridge

Mayor Harris presented a proclamation to Brock Bowen, Veteran of Foreign Wars and Yuba City American Legion Post 705

5. 2025-2029 CDBG Consolidated Plan Process

Shannon Sardo, Administrative Analyst, gave a presentation

Public Communication

7. Appearance of Interested Citizens

No public comment

Consent Calendar

Vice-Mayor Shaw moved and Councilmember Pasquale seconded the motion to approve Consent Calendar items 8-11 & 13-19

8. Minutes of the November 5, 2024 Regular Meeting of the City Council

Approve the Minutes of the November 5, 2024 Regular Meeting of the City Council

9. Purchase one (1) Ford Maverick Truck for the Police Volunteer (VIP) Program and five (5) Police Motorcycles for Patrol

Adopt **Resolution 24-141** to:

- A. Award the purchase of one (1) Ford Maverick truck to Larry Geweke Ford of Yuba City, CA., for the amount of \$29,009.98, with the finding it is in the best interest of the City
- B. Authorize the purchase of five (5) Harley-Davidson FLHTP motorcycles to Yuba City Harley-Davidson of Yuba City, CA, in the amount of \$130,938.65 with the finding that it is in the best interest of the City
- C. Authorize the purchase and installation of equipment for Cop Shop Installations of Yuba City, CA, in the estimated amount of \$4,444.77 with the finding that it is in the best interest of the City
- D. Authorize the Finance Director to transfer \$131,986.40 from 225-Z69990 (Traffic and Safety) to 6610-Z69980 (vehicle replacement fund) to cover the remaining cost of the purchase. The accumulated replacement funds for the motorcycles in the amount of \$32,407 is available in account 6610-69401 (vehicle replacement fund)
- E. Authorize the Finance Director to record a supplemental budget appropriation to account 6610-69401 for the purchase of one (1) Ford Maverick Truck and Five (5) Police Motorcycles in the amount of \$164,393.40

10. Engineering Inspector Vehicle Purchase

Approve an increase to the capital acquisition budget allocation for the VRF-2501 Engineering Inspector Vehicle in the amount of \$3,230.47, for a total capital asset value of \$45,230.47

11. AB1600 Annual Report

- A. Accept the AB1600 Annual Report
- B. Adopt **Resolution 24-142** finding that there is a reasonable relationship between current needs for the fees and the purposes for which they were originally collected

12. [Pulled from Consent – To be voted on separately]

~~Lighting & Landscape Maintenance District No.5 Zone K Budget Allocation~~

~~Presented by: Tim Bybee, Parks & Grounds Superintendent~~

~~Action: _____ Adopt a Resolution authorizing the Finance Director to make supplemental appropriation for Lighting and Landscape No. 5, Zone K (Fund 271) to Account No. 6190-63684 (Spec O&M Landscape) in the amount of \$28,600. There are sufficient reserves available.~~

13. Water and Wastewater Operators' Thanksgiving Holiday Side Letter

Adopt **Resolution 24-144** approving the Public Employees' Union, Local 1/AFSCME 57 (Local 1) Water and Wastewater Operators' Thanksgiving Holiday side letter that amends Local 1's Memorandum of Understanding

14. 442 B Street Environmental Assessment - EKI Contract Contingency Authorization

Adopt **Joint Resolution 24-145** authorizing a contingency of \$157,500 to the existing contract with EKI for the 442 B Street Environmental Assessment, with the finding that it is in the best interest of the City

15. Water Treatment Plant Streaming Current Monitor

A. Approve a capital acquisition of a Streaming Current Monitor for the Water Treatment Plant

B. Adopt **Resolution 24-146** awarding the purchase of one (1) Streaming Current Monitor and associated equipment in the amount of \$22,000 to Ryan Process of Benicia, CA, with the finding that it is in the best interest of the City

C. Authorize the Finance Director to make a supplemental appropriation and related transfers in the amount of \$22,000 from Account No. 7120-61210 (WTP Salaries - Regular) to Account No. 7120-69201 (WTP Equipment)

16. Zoning Code Amendment (ZC) 24-01; Updating the development standards for accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) for consistency with State law

Adopt **Ordinance 010-24** of the City Council of the City of Yuba City repealing, replacing, and renaming Section 8-5005 to Accessory Dwelling Units and Junior Accessory Dwelling Units, adopt a CEQA finding under Public Resources Code Section 21080.17, and waive the second reading

17. Presentation of Investment Report – Quarter Ended September 30, 2024

Note & File Quarterly Investment Report

18. Purchase ProQA EMS Interface software

Adopt **Resolution 24-147**:

A. Authorize the Police Chief to execute sole source Professional Services Agreements totaling \$18,951.06 with Motorola Solutions and Software One for the purchase of the maintenance and programming package for the Medical Priority Dispatch System (MPDS), ProQA, with the finding that it is in the best interest of the City

B. Authorize the Finance Director to make a supplemental budget appropriation in the amount of \$18,951.06 from account 2250-62701 to cover the cost of the interface software from Motorola Solutions and additional server licenses from Software One for the Medical Priority Dispatch system, ProQA

19. Personnel Classification Changes - Fiscal Year 24/25

A. Adopt **Resolution 24-148**:

1. Approving side letters with the Mid-Managers and First Level

Managers bargaining units to modify their represented classifications to accommodate two (2) classifications approved by Council in the Fiscal Year 24/25 operating budget for the Public Works Department

2. Approving a side letter with the Yuba City Police Officers' Association bargaining unit to modify their represented classifications to accommodate two (2) requested classifications for the Police Department
3. Authorizing the Finance Director to amend the salary schedule to establish new classifications and alter existing classifications to reflect the personnel changes approved by Council
4. Reclassifying the incumbent Development Liaison, Public Works Administrative Analyst II, and Police Department employees impacted by the approved reclassifications

- B. Authorize the Finance Director to make supplemental appropriations and related transfers in the amount of \$4,443 from Account No. 2140-61210 to Account No. 2120-61210 and in the amount of \$6,678 from Account No. 2140-61210 to Account No. 2155-61210 (Police Department Salary & Benefits) to fund the two (2) reclassifications

The motion was passed unanimously

Business Items

12. [Pulled from Consent – Mayor Harris to recused himself]

Lighting & Landscape Maintenance District No.5 Zone K Budget Allocation

Councilmember Kirchner moved and Councilmember Pasquale seconded the motion to:

Adopt **Resolution 24-143** authorizing the Finance Director to make supplemental appropriation for Lighting and Landscape No. 5, Zone K (Fund 271) to Account No. 6190-63684 (Spec O&M Landscape) in the amount of \$28,600. There are sufficient reserves available.

The motion was passed with 4 votes (Harris recused)

20. Parks and Recreation Commission

Councilmember Kirchner moved and Councilmember Pasquale seconded the motion to:

Introduce an Ordinance of the City Council of the City of Yuba City to repeal Chapter 1 (Parks and Recreation Commission) of Title 9 of the Yuba City Municipal Code, and waive the first reading

The motion was passed unanimously

21. Plumas Tower Plaza Mini Park Re-Naming

Mayor Harris opened a Public Hearing

Natalie Syverson spoke

Sandee Drown spoke

Mayor Harris closed the Public Hearing

Item tabled. No action taken

22. Certifying Need for CalPERS 180-Day Wait Period Exception for Spencer Morrison to be appointed as Extra Help Finance Director

Councilmember Boomgaarden moved and Vice-Mayor Shaw seconded the motion to:

Adopt **Resolution 24-150**:

- A. Certifying the need for an exception to the CalPERS 180- day wait period for Spencer Morrison to be appointed as Extra Help-Finance Director
- B. Approving the employment agreement and appointing Spencer Morrison as provided in the Resolution following approval by CalPERS
- C. Authorize Finance Director to make a supplemental appropriation of \$40,000 to account 1510-61310 (extra help) for FY 2024/25
- D. Authorize Finance Director to make a supplemental appropriation of \$40,000 to transfer funds from Enterprise Resource Planning (ERP) project 941313-Z69990 to 100- 699980

The motion was passed unanimously

23. Business License Ordinance Update

Mayor Harris opened a Public Hearing

No public comment

Mayor Harris closed the Public Hearing

Vice-Mayor Shaw moved and Councilmember Kirchner seconded the motion to:

Introduce an Ordinance of the City Council of the City of Yuba City to repeal Municipal Code Subsection (b)(2) of Section 3-4.24 to exclude the license application requirement for non-profit organizations, and waive the first reading

The motion was passed unanimously

24. Harter Estates North - Reimbursement Agreement

Councilmember Pasquale moved and Councilmember Kirchner seconded the motion to:

Adopt **Resolution 24-151** approving the execution of a Reimbursement Agreement with D.R. Horton CA2, Inc., a California corporation, for public improvements associated with the Harter Estates North Subdivision

The motion was passed unanimously

25. Traffic Calming Pilot Project - Sanborn Road at McCune Drive

Tony Kurlan spoke

Councilmember Pasquale moved and Councilmember Kirchner seconded the motion to:

Adopt **Resolution 24-152** approving the design of the temporary roundabout on

Sanborn Road and McCune Drive in Yuba City as shown in the exhibit, approving the installation of a temporary roundabout on Sanborn Road and McCune Avenue in Yuba City including improvements to accommodate pedestrian access

The motion was passed unanimously with a caveat that the Fire Department will be consulted prior to installation

26. 2025 City Council Meeting Calendar

Vice-Mayor Shaw moved and Councilmember Kirchner seconded the motion to:

Cancel the January 7, 2025 Regular City Council Meeting, approve the 2025 City Council Meeting Calendar, and provide for Special Workshops to be scheduled as needed

The motion was passed unanimously

Future Agenda Items

27. Future Agenda Items

No suggestions were made

Reports and Communications

28. City Manager's Report

29. City Council Reports

- Councilmember Boomgaarden
- Councilmember Kirchner
- Councilmember Pasquale
- Vice Mayor Shaw
- Mayor Harris

Adjournment

Mayor Harris adjourned Regular Meeting of the Successor Agency to the Redevelopment Agency and the City Council at 8:18 PM

ATTACHMENT 2

MINUTES (DRAFT)
SPECIAL MEETING
CITY COUNCIL - CITY OF YUBA CITY
DECEMBER 10, 2024
6:00 P.M. SPECIAL MEETING
COUNCIL CHAMBERS/VIRTUAL

Special Meeting

Call to Order

The Special Meeting of the City Council called to order by Mayor Harris at 6:00 PM

Roll Call

Present: Mayor Harris and Councilmembers Boomgaarden, Kirchner, Shaw, and Pasquale

Absent: None

Invocation/Inspiration

Pastor Alan Hearl, Bayside Church

Posting of the Colors

Joint YCPD & YCFD Color Guard

Pledge of Allegiance to the Flag

Pastor Alan Hearl, Bayside Church

Agenda Modifications/Approval of Agenda

No changes were made

Public Communication

1. Appearance of Interested Citizens

No public comment

Presentations

2. Comments from Outgoing Mayor Shon Harris

Mayor Harris spoke

3. Presentations to Outgoing Mayor Harris

Vice-Mayor Shaw presented Mayor Harris with a proclamation, a ceremonial gavel, and a gift

Laura Nicholson and Isabella Morgan presented a joint proclamation from Senator Niello & Assemblyman Gallagher

David Morgan presented a Congressional Certificate from Congressman LaMalfa

4. Proclamation for Outgoing City Clerk Jackie Sillman

Mayor Harris presented Jackie Sillman with a proclamation

Laura Nicholson and Isabella Morgan presented a joint Certificate of Recognition from Senator Niello & Assemblyman Gallagher

David Morgan presented a Congressional Certificate from Congressman LaMalfa

5. Comments from Outgoing City Clerk Jackie Sillman

Jackie Sillman spoke

Election Results

6. Declaration of 2024 Election Results

Vice-Mayor Shaw moved and Councilmember Pasquale seconded the motion to:

Adopt **Resolution 24-153** declaring the results of the November 5, 2024 General Municipal Election

The motion was passed with a unanimous vote

7. Administer Oaths of Office

Toni Cole, Council-elect (District 5) was sworn in by her father, Rick Cole

Wade Kirchner, City Council (District 4) was sworn in by his son, Jack Kirchner

Ciara Wakefield, City Clerk was sworn in by Jackie Sillman

Diona Pope, City Treasurer was sworn in by Spencer Morrison

Ciara Wakefield spoke

Diona Pope spoke

Business from the City Council

8. Presentation to Toni Cole, Councilmember (District 5)

Vice-Mayor Shaw presented Councilmember Cole with a City Council pin

9. Comments from new Councilmembers

Councilmember Cole spoke

Councilmember Kirchner spoke

10. Appointment of Mayor and Vice-Mayor

Shannon Chaffin, City Attorney, outlined the process for Mayor/Vice-Mayor appointments

Dave Shaw, as the Councilmember for District 1, accepted the nomination as Mayor of the City of Yuba City

Councilmember Boomgaarden, as the Councilmember for District 2, accepted the nomination as Vice-Mayor of the City of Yuba City

Councilmember Boomgaarden moved to nominate and appoint Dave Shaw as the Mayor of the City of Yuba City, Councilmember Kirchner seconded the motion

The motion was passed with a unanimous vote

Councilmember Pasquale moved to nominate and appoint Marc Boomgaarden as the Vice-Mayor of the City of Yuba City, Councilmember Kirchner seconded the motion

The motion was passed with a unanimous vote

11. Comments from City Council

- Councilmember Pasquale
- Vice-Mayor Boomgaarden
- Mayor Shaw

Adjournment

Mayor Shaw adjourned the Special Meeting of the City Council at 7:46 PM

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Human Resources Department
Presentation By: Reyna Jimenez, Administrative Analyst I

Summary

Subject: 2025 Minimum Wage Increase
Recommendation: Adopt a Resolution to adjust the City's salary schedule to comply with the new California wage requirements effective January 1, 2025
Fiscal Impact: Hourly rate increase of \$0.50 per classification affected. The overall estimated impact in 2025 is \$1,700 affecting two (2) job classifications and six (6) subclassifications.

Purpose:

To comply with California minimum wage requirements.

Council's Strategic Goal:

Complying with the California minimum wage requirement addresses the City Council's Strategic Goal of Fiscal Responsibility.

Background:

The California minimum wage increase is effective January 1, 2025, and will increase from \$16.00 to \$16.50 per hour. To be in compliance, an increase in salary to two classifications in the Part-Time, Extra Help, Limited Term, and At-Will Contract Employees is required. Specifically, the Police Officer Trainee classification and the Recreation Worker classification, including its subclassifications, will be affected. Finally, any future Limited Term employees will also have to be paid at least at the new minimum wage level, although currently no Limited Term classification is affected.

Additionally, on the November election ballot there was a ballot measure known as Proposition 32 to increase the State of California's minimum wage. For employers with 26 or more employees, the minimum wage would increase to \$17.00 per hour effective immediately and \$18.00 per hour beginning January 1, 2025. The Proposition is pending the certification of the November election results, but based upon the unofficial November election results, the Proposition 32 measure did not pass. The official certification of the November election results will be certified on December 13, 2024. If these results are certified, the California minimum wage would only increase to \$16.50.

Analysis:

The minimum wage increase to \$16.50 per hour will affect the Police Officer Trainee classification and the Recreation Worker classification, including some subclassifications. The following job classifications and subclassifications will be affected:

1. Police Trainee
2. Recreation Worker - subclassifications
 1. Recreation Leader I
 2. Recreation Leader II
 3. Recreation Leader III
 4. Recreation Specialist I
 5. Lifeguard/Instructor I
 6. Lifeguard/Instructor II

Fiscal Impact:

Hourly rate increase of \$0.50 per classification affected. The overall estimated impact in 2025 is \$1,700 affecting two (2) job classifications and six (6) subclassifications.

Alternatives:

If not adopted, the City will be in violation of California state law.

Recommendation:

Adopt a Resolution to adjust the City's salary schedule to comply with the new California wage requirements effective January 1, 2025.

Attachments:

1. Resolution
2. Salary Schedule Minimum Wage Increase effective 1-1-2025

Prepared By:
Reyna Jimenez
Administrative Analyst

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE ADJUSTMENT OF THE SALARY SCHEDULE TO IMPLEMENT
THE NEW CALIFORNIA MINIMUM WAGE REQUIREMENT**

WHEREAS, it is the City's responsibility to provide fair wages;

WHEREAS, the City complies with all mandatory Federal and State wage requirements;
and

WHEREAS, the California minimum wage will increase on January 1, 2025 to \$16.50
per hour;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as
follows:

Approve the adjustment to the City's salary schedule to implement the new California
minimum wage requirement of \$16.50 hourly effective January 1, 2025.

Additionally,

The Director of Finance is hereby authorized to modify the publicly
available compensation schedule and to make the necessary budget adjustments to
implement the provisions of this resolution.

The forgoing Resolution of the City Council of the City of Yuba City was duly
introduced, passed and adopted at a regular meeting thereof held on the 17th
day of December 2024.

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

Approved as to form:

Ian Sangster
Kronick, Special Counsel

ATTACHMENT 2

**CITY OF YUBA CITY
SALARY SCHEDULE AND GENERAL COMPENSATION PLAN
EFFECTIVE JANUARY 1, 2025**

Part-Time, Extra Help, Limited Term, and At-Will Contract Employees

JCN	CLASSIFICATION	Bargaining Group	SALARY STEPS				
			1	2	3	4	5
0110*	Intern Worker		18.68	19.61	20.59	21.62	22.70
4002	Park Maintenance Worker (Temp)		22.23	23.35	24.51	25.74	27.02
4000	Public Works Maintenance Worker (Temp)		22.23	23.35	24.51	25.74	27.02
4125	Water/Wastewater Operator-in-Training		22.23	23.35	24.51	25.74	27.02
2030*	Reserve Police Officer (Level I) - see notes 1 & 2		20.83	—	—	—	—
	Reserve Police Officer (Level Ia) - see notes 1,2&3		32.05	—	—	—	—
2020*	Reserve Police Officer (Level II) - see notes 1 & 2		16.67	—	—	—	—
300	Police Officer Trainee		16.50	—	—	—	—
0200*	Recreation Worker		16.50		TO		50.00
	(Sub Classifications)						
*	Recreation Leader I		16.50	16.98	17.83		
*	Recreation Leader II		17.83	18.72	19.66		
*	Recreation Leader III		19.66	20.64	21.67		
*	Recreation Specialist I		16.50		TO		25.00
*	Recreation Specialist II		25.00		TO		50.00
*	Lifeguard/Instructor I		17.83	18.72	19.66	20.64	21.67
*	Lifeguard/Instructor II		21.67	22.75	23.89	25.08	26.33
4116	Veterinary Assistant		20.60	21.62	22.70	23.84	25.03
3410**	Fire Recruit		20.40	—	—	—	—
3310	Fire Recruit - 40 hour work week		28.56	—	—	—	—

**CITY OF YUBA CITY
SALARY SCHEDULE AND GENERAL COMPENSATION PLAN
EFFECTIVE JANUARY 1, 2025**

Part-Time, Extra Help, Limited Term, and At-Will Contract Employees

- 1/ Reserves must serve a minimum of 16 hours per month reserve service.
 - 2/ City purchases safety equipment and uniforms (except for regular employees who receive a uniform allowance). Shirts, ties, hats, and badge only are purchased.
 - 3/ The Reserve Police Officer would only receive the higher pay after he/she has completed the Field Training Program, has already worked his/her mandatory sixteen hours per month, and is covering a shift or partial shift for a regular full-time Officer.
 - * Indicates classifications which are not eligible for overtime compensation and are exempt from the Fair Labor Standards Act (FLSA).
 - ** Indicates classifications whose hourly rates are computed on the basis of an average 56 hour duty week.
- Effective date for minimum wage increases are based on the work date, not the pay date.

EMPLOYEE BARGAINING GROUPS

CON - Confidential	FLM - 1st Level Manager
PUE, Local #1 - General Employees	PD - Police Department
DH - Department Head	FIRE - Fire Department
MM - Middle Manager	PSMM - Police Sworn Mid Manager
FM - Fire Management	PFLM - Police First Level Manager

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Finance/IT Department
Presentation By: Diona Pope, Director of Finance

Summary

Subject: Business License Ordinance Update
Recommendation: Adopt an Ordinance of the City Council of the City of Yuba City to repeal Municipal Code Subsection (b)(2) of Section 3-4.24 to exclude the license application requirement for non-profit organizations by title only and waive the second reading
Fiscal Impact: The City will experience a revenue reduction of \$60 per non-profit application with an impact of less than \$4,000 per year

Purpose:

To remove the non-profit business license application language from the Municipal Code.

Council's Strategic Goal:

This item supports the City Council priority of business friendly.

Background:

In 1993, the City of Yuba City adopted a business license tax Ordinance to help offset the impacts commerce has on local resources that go beyond that which is covered by other taxes and to raise awareness of businesses operating within city limits. The Ordinance includes language specific to nonprofit organizations which are revenue-generating enterprises operating within the city limits. While no license taxes are collected from non-profit enterprises, they are required to file an application with the intention of a better understanding of who is operating in Yuba City.

City staff have received complaints from the non-profit enterprise community about the City's Ordinance, collection of applications, and the related \$60 processing fee. Fees, unlike fines, are in place to cover costs for tasks that are benefiting individuals and are therefore not funded through taxes collected, e.g., staff time for processing license fees, permits, recreation classes, abatement responses, and other individualized services. Taxes pay for services that benefit many residents at one time, like police and fire services, parks maintenance, and City support divisions like human resources, custodians, and accounting staff.

On November 19, 2024, the City Council introduced the proposed ordinance after first conducting a

public hearing.

Analysis:

Staff has evaluated the value of requiring non-profit business license applications and determined that the administrative convenience for non-profit enterprises outweighs the City's desire to know about the business this segment is conducting.

Fiscal Impact:

The City will experience a revenue reduction of \$60 per non-profit application with an impact of less than \$4,000 per year.

Alternatives:

1. Do not remove the non-profit application language from the ordinance; or
2. Provide staff with different language to alter the Ordinance pertaining to nonprofit enterprise applications.

Recommendation:

Adopt an Ordinance of the City Council of the City of Yuba City to repeal Municipal Code Subsection (b)(2) of Section 3-4.24 to exclude the license application requirement for non-profit organizations by title only and waive the second reading.

Attachments:

1. Proposed Ordinance Update
2. Municipal Code Subsection (b)(2) of Section 3-4.24

Prepared By:

Diona Pope
Finance Director

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO REPEAL
MUNICIPAL CODE SUBSECTION (B)(2) SECTION 3-4.24 TO EXCLUDE
THE NON-PROFIT APPLICATION REQUIREMENT**

WHEREAS, the City of Yuba City has a business license ordinance last updated on April 15, 2019, requiring all businesses based in Yuba City or engaged in commerce within city limits to apply for a business license annually and pay a tax calculated on gross revenues; and

WHEREAS, non-profit organizations as covered under Revenue and Taxation Code Section 23701 are required to submit a business license application but are not required to pay a license tax; and

WHEREAS, City staff have received complaints from the non-profit enterprise community about the City's Ordinance, collection of applications, and the related \$60 processing fee; and

WHEREAS, Staff have evaluated the value of requiring non-profit business license applications and determined that the administrative convenience for non-profit enterprises outweighs the City's desire to know about the business this segment is conducting; and

WHEREAS, the City Council now desires to repeal Municipal Code Subsection (b)(2) of Section 3-4.24 by adopting an ordinance to exclude the license application requirement for non-profit organizations; and

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

Section 1. The above recitals are incorporated by reference.

Section 2. Subsection (b)(2) of Section 3-4.24 of the Yuba City Municipal Code shall be removed in its entirety:

(2) *Business license required; exceptions.* Any person, institution or organization claiming exemption from the payment of a business license tax shall, nevertheless, apply to the Collector for a business license in the same manner, and at the same time as is required in this chapter of all other persons applying for a business license and shall be subject to the same procedures for enforcement and to the same penalties as provided herein.

SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

PUBLICATION. The City Clerk shall certify the adoption of this Ordinance and cause it to be published, in accordance with Government Code, Section 36933, or as otherwise required by law.

EFFECTIVE DATE. This Ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper

of general circulation.

Introduced and read at a regular meeting of the City Council of the City of Yuba City on the 19th day of November 2024, and adopted at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor
City of Yuba City

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBACITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

Sec. 3-4.24. Tax-exempt status.

- (a) *Disabled veterans.* Every person who has been honorably discharged from military service of the United States and who is exempted from the payment of business license tax by statute of the State may distribute circulars, hawk, peddle, and vend any goods, wares or merchandise owned by him or her, except spirituous, malt, vinous or other intoxicating liquor, without payment of this license tax; subject however to the restrictions, limitations, regulations and conditions hereinafter set forth.
- (1) Every applicant must furnish a certificate of physical disability executed by a qualified physician or submit equivalent evidence of disability.
 - (2) A license, when issued, is subject to the following conditions:
 - (i) Said license shall not be defaced, mutilated, disfigured or otherwise altered subsequent to its issuance, and failure to comply herewith is grounds for revocation of said license and for refusing its renewal or the issuance of a new license thereafter.
 - (ii) It is nontransferable and for the exclusive use of the licensee named.
 - (iii) Should a license be found in the possession of one other than the licensee named, it shall be surrendered to the Collector and revoked. Neither the licensee named nor the holder thereof shall thereafter be entitled to hold a license under the provisions of this section.
 - (iv) The licensee named must identify himself or herself whenever required to do so by any City police officer, or any authorized agent of the Collector.
 - (v) It shall be unlawful for any person other than the licensee named to use or have in his or her possession any license issued pursuant to the provisions of this section.
 - (vi) It shall be unlawful for any person to purchase or transfer any license issued pursuant to the provisions of this section or for any person to transfer or convey the certificates mentioned in this section to any other person for the purpose of securing a license as herein provided.
- (b) *Nonprofit organizations.*
- (1) *Nonprofit organizations in general.* The provisions of this chapter shall not be construed to require the payment of a license tax to conduct any business, occupation or activity or require the payment of any license tax from any institution or organization which currently has or is eligible for an exemption from the payment of federal income taxes under Section 501 of the Federal Internal Revenue Code as amended from time to time and/or exemption from the payment of State income taxes under Revenue and Taxation Code § 23701 et seq. as amended from time to time. An institution or organization claiming a license fee exemption under this section has the burden of furnishing to the Collector such information as the Collector may require to support the claim or eligibility for exemption.
- Nothing in this section shall be construed to relieve an institution or organization which is eligible for or claims to be eligible for exemption from payment of a business license tax from the requirement to obtain a business license as provided in this Code.
- ~~(2) *Business license required; exceptions.* Any person, institution or organization claiming exemption from the payment of a business license tax shall, nevertheless, apply to the Collector for a business license in the same manner, and at the same time as is required in this chapter of all other persons applying for a business license and shall be subject to the same procedures for enforcement and to the same penalties as provided herein.~~
- (c) *Special events; community promotion.* The provisions of this chapter shall not be construed to require the payment of a license tax to conduct any business, occupation or activity that in the opinion of the City shall provide community promotion activities such as but not limited to: festivals, farmer's markets.

(d) *Tax-exempt licenses; limitations.*

- (1) Every license issued without payment of the usual tax shall be stamped "Tax-Exempt" upon its face.
- (2) Any license issued as tax-exempt shall be subject to suspension and revocation by the Collector in the event that it is determined by the Collector that the applicant is not entitled to exemption. All such suspensions and revocations shall be made after notice and right to a hearing pursuant to this chapter.
- (3) Any license issued as tax-exempt shall be void and shall afford no defense in any civil or criminal prosecution if any material statement contained in the application, statement of facts or any other document or representation made to the Collector in claiming the exemption is false or fraudulent.
- (4) No tax-exempt license may be transferred or loaned.
- (5) Upon uncertainty, for lack of information or otherwise, as to the entitlement of any organization or activity to a tax-exempt license, the Collector may require the filing of a verified report of all funds received and disbursed by any licensee. Upon demand such licensee shall file said report in the form and detail as required by the Collector.

(§ 1, Ord. 01-93, eff. April 15, 1993)

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Finance/IT Department
Presentation By: Michael Castaneda, Senior IT Analyst

Summary

Subject: Purchase and Installation of Video Surveillance & Door Access Control at the Yuba City Police Department, Sutter Animal Services Authority, and Corporation Yard

Recommendation: Adopt a Resolution awarding the purchase of Verkada surveillance and access control systems to Monarch Connected of San Francisco, CA, in the amount of \$134,317.69 utilizing CMAS contract number 3-23-01-1017 with the finding that it is in the best interest of the City

Fiscal Impact: \$134,317.69 funds available in account number 6630-69201 (Technology Replacement-ISF, Equipment)

Purpose:

To update both video surveillance and door access control systems to the Yuba City Police Department, Sutter Animal Services Authority (SASA), and Corporation Yard facilities to help protect and secure the assets and infrastructure of the City as well as the well-being and safety of City staff and the public.

Council's Strategic Goal:

This item addresses City Council's Strategic Goal of public safety and infrastructure by modernizing the City's video surveillance and access control. In the long term, this new video surveillance and access control system will be more cost effective than the existing systems while adding more functionality.

Background:

Ensuring the safety and well-being of staff, facilities and the public is a top priority for the City. It's important for the City to create a safe environment for employees and the public and to have a system in place to secure, track and document access to city facilities. Access control systems were installed in the Police Department in 2019 and the Corporation Yard Facility in 2019. This equipment is now obsolete and finding replacement parts is becoming increasingly difficult. The video surveillance hardware at SASA was installed in 2019, this equipment is outdated and the City would benefit from newer technology at the facility. The City has seen an increase in vandalism/theft, being able to add both video surveillance and door access control systems to these facilities will aid to better secure, track and document access to city facilities.

Analysis:

Over the last couple of years, staff has identified the benefit in standardizing on a single door access and camera platform. Some of the benefits include the ease of management and training as well as being able to provide access to multiple locations within a single application. The City has standardized on the Verkada platform for both video surveillance and access control. Monarch Connected has proven to be a valuable partner in implementing these systems and have gone out of their way to make sure they are providing excellent service in the design, installation and support of these systems. Monarch Connected has been awarded the contract under the California Multiple Award Schedule (CMAS) for the sale and installation of Verkada security and access control systems. Their CMAS contract number is 3-23-01-1017 and is valid through December 31, 2025.

Fiscal Impact:

Sufficient budget funds are currently available as requested as part of FY 2024/2025 adopted budget. Costs will come out of account 6630-69201, Technology Replacement ISF, Equipment.

Alternatives:

- 1: Advise staff to submit the project for formal bids and bring back to council with bid results.
- 2: Do not purchase and discontinue Avigilon door access control at these locations and revert back to standard locks at an undetermined cost.

Recommendation:

Adopt a Resolution awarding the purchase of Verkada surveillance and access control systems to Monarch Connected of San Francisco, CA, in the amount of \$134,317.69 utilizing CMAS contract number 3-23-01-1017 with the finding that it is in the best interest of the City.

Attachments:

1. Monarch Connected Resolution

Prepared By:
Michael Castaneda
Senior IT Analyst

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AWARDING THE PURCHASE TO MONARCH CONNECTED FOR THE PROCUREMENT OF
VERKADA VIDEO SURVEILLANCE & ACCESS CONTROL SYSTEMS IN THE AMOUNT OF
\$134,317.69 FOR THE PURCHASE OF VIDEO SURVEILLANCE, ACCESS CONTROL
HARDWARE & SOFTWARE UTILIZING THE CMAS CONTRACT NUMBER 3-23-01-1017
FOR A TOTAL PROJECT COST OF \$134,317.69**

WHEREAS, the City of Yuba City desires to purchase and install Verkada surveillance & access control hardware for the Yuba City Police Department, Animal Control and Corporation Yard; and

WHEREAS, the existing surveillance and access control systems are aging and lack the features the new systems will provide; and

WHEREAS, the City desires to piggyback off of California Multiple Award Schedule (CMAS) contract number is 3-23-01-1017 for the sale and installation of Verkada security and access control systems; and

WHEREAS, Monarch Connected has provided a proposal for the purchase and installation of Verkada surveillance and access control systems; and

WHEREAS, the city desires to award the purchase to Monarch Connected for the procurement of Verkada video surveillance & access control systems in the amount of \$134,317.69 for the purchase of video surveillance, access control hardware & software utilizing the CMAS contract number 3-23-01-1017 for a total project cost of \$134,317.69 with the finding that it is in the best interest of the City.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The City Council hereby awards, in the amount of \$134,317.69, to Monarch Connected of San Francisco, CA for the purchase and installation of Verkada video surveillance and access control and finds that the award is in the best interest of the City. In addition, the City Council authorizes, in the amount of \$134,317.69, the purchase of video surveillance and access control hardware utilizing the CMAS contract number 3-23-01-1017. The City Council further authorizes the City Manager, or designee, to enter into an agreement with Monarch Connected for the purchase and installation of Verkada surveillance and access control consistent with the terms of this Resolution and the material terms of the proposal attached hereto, and subject to approval of the agreement as to legal form by the City Attorney.

2. This Resolution shall become effective immediately.

The foregoing Resolution was duly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, Special Counsel
Aleshire & Wynder, LLP

Exhibit(s):

A. Proposal from Monarch Connected

EXHIBIT A



Monarch
1819 Polk St, # 320
San Francisco, CA 94109

Prepared By Anthony D'Ambrosio
Email anthony@monarchconnected.com

Quote Number 00005692
Term (Months) 60

Created Date 10/17/2024

Bill To Name Yuba City
Bill To 1201 Civic Center Boulevard
Yuba City, CA 95993
United States

Customer Name Yuba City
Ship To 1201 Civic Center Boulevard
Yuba City, CA 95993
United States

Product Code	Product	Quantity	MSRP	Amount	Final
AD34-HW	AD34 Multi-format Card Reader	4.00	\$349.00	\$1,396.00	\$977.20
TD53-HW	TD53 Video Intercom Reader	2.00	\$1,799.00	\$3,598.00	\$2,518.60
ACC-INT-SURF	Verkada Intercom Surface Mount	1.00	\$199.00	\$199.00	\$139.30
ACC-INT-HOOD-1	Intercom Rain Hood	1.00	\$49.00	\$49.00	\$34.30
ACC-INT-ANGLE-2	TD53 Angle Mount	1.00	\$399.00	\$399.00	\$279.30
AC62-HW	Verkada AC62 16 Door Controller	1.00	\$5,299.00	\$5,299.00	\$3,709.30
ACC-BAT-18AH	Verkada 18AH Backup Battery for AC62	1.00	\$699.00	\$699.00	\$489.30
AD34-HW	AD34 Multi-format Card Reader	4.00	\$349.00	\$1,396.00	\$977.20
LIC-AC-5Y	Verkada 5 Year Door License	5.00	\$999.00	\$4,995.00	\$3,496.50
LIC-TD-5Y	Verkada 5-Year Intercom License	2.00	\$999.00	\$1,998.00	\$1,398.60
ProSer	Professional Services	1.00	\$10,962.00	\$10,962.00	\$10,962.00

Subtotal \$30,990.00
Total Discount -\$6,008.4
Tax \$974.20
Shipping and Handling \$191.00
Grand Total \$26,146.80

Please confirm acceptance of this quote by signing below:

Signature: _____

Print Name: _____

This order is a binding agreement between you and The ELD Experts LLC, dba Monarch. By placing this order, you hereby agree to Monarch's Terms of Sale, which are incorporated herein by reference, and can be found at <https://www.monarchconnected.com/terms-of-sale>

In the event of a conflict between this order and the Terms of Sale, the Terms of Sale shall control.

Customer agrees that their use of and access to the Verkada products and services purchased hereunder are subject to Verkada's terms of service at <https://www.verkada.com/terms-of-service/>



Monarch
1819 Polk St, # 320
San Francisco, CA 94109

Date: _____

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Suite 130-203
16321 Main St Suite 130
Chino, CA 91708

Prepared By Anthony D'Ambrosio Quote Number 00005693
Email anthony@monarchconnected.com Term (Months) 60

Created Date 10/28/2024

Bill To Name CA-Municipality-Yuba City Customer Name CA-Municipality-Yuba City
Bill To 1201 Civic Center Boulevard Ship To 1201 Civic Center Boulevard
Yuba City, CA 95993 Yuba City, CA 95993
United States United States

Product Code	Product	Quantity	MSRP	Amount	Final
CF83-1TBE-HW	CF83-E Outdoor Fisheye Camera, 1TB, 60 Days Max	10.00	\$2,599.00	\$25,990.00	\$18,193.00
AC62-HW	Verkada AC62 16 Door Controller	1.00	\$5,299.00	\$5,299.00	\$3,709.30
AC42-HW	Verkada AC42 4 Door Controller	1.00	\$1,799.00	\$1,799.00	\$1,259.30
AD34-HW	AD34 Multi-format Card Reader	18.00	\$349.00	\$6,282.00	\$4,397.40
CD62-60-HW	Verkada CD62 Indoor Dome Camera, 4K, Zoom Lens, 60 Days of Storage	1.00	\$2,399.00	\$2,399.00	\$1,679.30
CD62-60-HW	Verkada CD62 Outdoor Dome Camera, 4K, Zoom Lens, 60 Days of Storage	5.00	\$2,599.00	\$12,995.00	\$9,096.50
CD42-512-HW	Verkada CD42 Indoor Dome Camera, 5MP, Fixed Lens, 512GB of Storage, Maximum 60 Days of Retention	1.00	\$1,399.00	\$1,399.00	\$979.30
	Verkada CB62-E Outdoor Bullet Camera, 4K, Zoom Lens, 1TB of Storage, Maximum 60 Days of Retention	2.00	\$2,599.00	\$5,198.00	\$3,638.60
CD52-512E-HW	CD52-60 Day Outdoor 5MP	1.00	\$1,799.00	\$1,799.00	\$1,259.30
ACC-MNT-7	Verkada Angle Mount	1.00	\$149.00	\$149.00	\$104.30
ACC-MNT-SJBOX-1	Square Junction Mount Box	1.00	\$89.00	\$89.00	\$62.30
ACC-MNT-3	Verkada L-Bracket Mount	1.00	\$129.00	\$129.00	\$90.30
ACC-BAT-18AH	Verkada 18AH Backup Battery for AC62	1.00	\$699.00	\$699.00	\$489.30
CF83-1TBE-HW	CF83-E Outdoor Fisheye Camera, 1TB, 60 Days Max	2.00	\$2,599.00	\$5,198.00	\$3,638.60
ACC-MNT-7	Verkada Angle Mount	2.00	\$149.00	\$298.00	\$208.60
AC42-HW	Verkada AC42 4 Door Controller	1.00	\$1,799.00	\$1,799.00	\$1,259.30
AD34-HW	AD34 Multi-format Card Reader	2.00	\$349.00	\$698.00	\$488.60
ACC-BAT-4AH	Verkada 4AH Backup Battery for AC41	1.00	\$129.00	\$129.00	\$90.30
LIC-AC-5Y	Verkada 5 Year Door License	20.00	\$999.00	\$19,980.00	\$13,986.00
LIC-5Y	Verkada 5 Year Camera License	22.00	\$899.00	\$19,778.00	\$13,844.60

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Suite 130-203
16321 Main St Suite 130
Chino, CA 91708

ProSer	Professional Services	1.00	\$25,184.00	\$25,184.00	\$25,184.00
--------	-----------------------	------	-------------	-------------	-------------

Subtotal	\$137,290.00
Total Discount	-\$33,631.8
Tax	\$3,671.69
Shipping and Handling	\$841.00
Grand Total	\$108,170.89

Please confirm acceptance of this quote by signing below:

Signature: _____

Print Name: _____

Date: _____

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CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Finance/IT Department
Presentation By: Diona Pope, Director of Finance

Summary

Subject: Annual Investment Policy Adoption
Recommendation: Approve Investment Policy as presented
Fiscal Impact: None

Purpose:

To review the City's Investment Policy to ensure that it continues to meet statutory requirements and reflects treasury best practices.

Council's Strategic Goal:

This item addresses the City Council Strategic Goal of fiscal responsibility.

Background:

In accordance with the City's Investment Policy ("Policy") and Government Code Section 53646 (a) (1), the Policy is submitted annually to the City Council for review and approval. Each year, the City Treasurer and the City's investment advisors review the policy for updates to present to City Council.

Analysis:

Upon completion of this year's review, the City Treasurer is recommending minor language changes to the policy as it pertains to suitable and allowable investments. Both of the City's investment advisors, PFMAM and Insight Investments, have reviewed the document. The final policy draft will be posted to the City's website.

Staff is suggesting these edits:

- *US Treasury Notes* - add, "There is no limit to that amount of the City's portfolio that may be invested in United States Treasuries" to be consistent with current government code
- *Bankers' Acceptances* - add, "...and no more than 30% of the City's money may be invested with any one commercial bank" to clarify compliance with current government code
- *Commercial Paper and Medium-term Notes* - add to both categories, "The City may invest no more than 10% of its total investment assets in the commercial paper and medium-term notes

of any single user" to be consistent with current government code

- *Asset Backed Securities*- update to comply with SB 882, Code Section 53601(o) effective on January 1, 2024, "For securities eligible for investment under this subdivision not issued or guaranteed by the United States, a federal agency, or U.S. government-sponsored enterprise, the following limitations apply:
 - The security shall be rated in rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less.
 - Purchases of securities authorized by this paragraph shall not exceed 20% of the City's total investment portfolio.

These changes will not significantly impact the City's pooled treasury portfolio as market conditions have pushed trade decisions to adequate diversification across all investment types.

Fiscal Impact:

None

Alternatives:

1. Reject some or all recommended changes; or
2. Provide staff with changes needed to satisfy the City Council

Recommendation:

Approve the Investment Policy as presented.

Attachments:

1. Investment Policy 2024 Final - Redlined

Prepared By:

Diona Pope
City Treasurer

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1



City of Yuba City

Investment Policy

January 1, 2025

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I. PURPOSE

It is the policy of the City of Yuba City to invest public funds in a prudent manner which will provide maximum security while meeting daily cash flow demands and conforming to all statutes governing the investment of public funds. Within these parameters, funds will be invested to optimize investment return.

II. SCOPE

This Investment Policy ("the Policy") shall apply to all financial assets, other than proceeds of debt issues, of the City of Yuba City and the Successor Agency to the Redevelopment Agency of Yuba City (collectively "the City"). These funds are accounted for in the City's comprehensive annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds
- Any new fund created by the governing body, unless specifically exempted by the governing body

This Policy applies to all transactions involving the financial assets and related activity of all the foregoing funds, with the exception of the proceeds of debt issuance. Investment of bond proceeds will be governed by the permitted investment section of bond documents.

III. OBJECTIVES

The City's funds shall be invested in accordance with all applicable City policies, ordinances, and codes, State statutes, and Federal regulations, and in the manner designed to accomplish the following primary objectives, in priority order:

- Preservation of capital and protection of investment principal
- Maintenance of sufficient liquidity to meet anticipated cash flows
- Diversification to avoid incurring unreasonable market risks
- Attainment of a market rate of return
- Conformance with all applicable City ordinances, State statutes and Federal regulations

IV. STANDARD OF CARE

Prudence. The standard of prudence to be used by investment officials shall be the "prudent investor standard" which states:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the

conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

Investment officers acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy.

V. INVESTMENT AUTHORITY AND RESPONSIBILITIES

Delegation of Authority. Authority to manage the investment program is granted to the City Treasurer and derived from the California Government Code Section 53607 and the City of Yuba City Municipal Code Section 3-7.201. The City Treasurer serves as the Chief Investment Officer for the City and the Successor Agency to the Redevelopment Agency of Yuba City, and is authorized to invest or deposit the City's funds in accordance with this Policy, California Government Code Sections 53600 and 53630 et seq., and all other related federal and State laws.

The City Finance Director is responsible for the day-to-day administration and implementation of the Investment Policy.

Internal Controls. An internal control structure shall be established and maintained to ensure that the financial assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Internal controls shall be subject to an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

Investment Procedures. Written investment procedures for the operation of the investment program shall be established that are consistent with this Policy. The procedures should include reference to:

- Safekeeping
- Master repurchase agreements
- Wire transfer agreements
- Banking service contracts

- Collateral/depository agreements

Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the established procedures set forth.

Ethics and Conflicts of Interest. City employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees shall disclose to the City Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio, and they shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

VI. PROVIDERS OF FINANCIAL SERVICES

Authorized Broker/Dealers. A list of broker/dealers from which the City purchases investments directly shall be maintained. It shall be the policy of the City to purchase securities only from those authorized firms. To be eligible, a firm must have minimum capital of \$10,000,000 and at least five years of operation. These may include “primary” dealers, financial firms that have a primary dealer within their holding company structure, or regional dealers. All must qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

All approved broker/dealers must supply the following annually:

- (1) Audited financial statements
- (2) Proof of Financial Industry Regulatory Authority (FINRA) registration
- (3) Proof of State registration

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria for commercial paper in the Suitable and Authorized Investments section of this Policy.

An annual review of the minimum capital requirement and registration of qualified financial institutions and broker/dealers will be conducted.

From time to time, the City Treasurer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria above may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with State or local law. These types of investment purchases should be approved by the City Council in advance.

Contracted Investment Advisor Services. The City Treasurer may engage the services of registered external investment advisors in regard to the City’s investment program. The City Treasurer may, by written agreement with investment advisors, delegate the day-to-day placement of investments. Investment advisors shall make all investment decisions and transactions in strict accordance with State law and this Investment Policy.

If the City has granted to an outside investment advisor authority to buy or sell securities, the

investment advisor may place orders for the execution of such transactions with the broker/dealers of its choice.

Safekeeping and Custody. One or more banks shall be selected to provide safekeeping and custodial services for the City. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing the bank's safekeeping services. Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping-related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities, except non-negotiable Certificates of Deposit, Money Market Funds, LAIF and CAMP will be delivered by book entry to be held by the City's custodian bank or its Depository Trust Company (DTC) participant account.

VII. SUITABLE AND AUTHORIZED INVESTMENTS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686. Percentage limits and credit criteria, where listed, are applied at the time of purchase. Credit ratings, where shown, specify the minimum credit rating category required at purchase without regard to +/- or 1, 2, 3 modifiers, if any. In the event a security held by the City is subject to a credit rating change that brings it below the minimum credit ratings specified in this Policy, the City Treasurer will review the security with the course of action to be determined on a case-by-case basis, considering such factors as the reason for the credit rating change, prognosis for recovery or further rate drops, and the market price of the security. The City has further restricted authorized investments to the following:

Government Obligations.

United States Treasury bills, notes, bonds, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest, with a final maturity not exceeding five years from the date of trade settlement. There is no limit to that amount of the City's portfolio that may be invested in United States Treasuries.

Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government sponsored enterprises securities, with a final maturity not exceeding five years from the date of trade settlement. There is no limit to that amount of the City's portfolio that may be invested in Federal Agency or GSE securities.

State and Local Agency Obligations.

1. California Obligations.

- a. ***State Obligations.*** Registered State warrants or treasury notes or bonds of this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the State or by a department, board, agency, or authority of the State. Such obligations must have a final maturity not exceeding five years from the date of trade settlement, and rated in a rating category of “A-1”, or the equivalent or higher short-term; or “A”, or the equivalent or higher long-term by a Nationally Recognized Statistical Rating Organization (NRSRO) at the time of trade settlement.
- b. ***Local Agency Obligations.*** (1) Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this State, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency with a final maturity not exceeding five years from the date of trade settlement, and rated in a rating category of “A-1”, or the equivalent or higher short-term; or “A” or the equivalent or higher long-term by a NRSRO at the time of trade settlement; and (2) Obligations of the City of Yuba City and the Successor Agency to the Redevelopment Agency of the City of Yuba City, including RDA tax allocation bonds.

2. ***Other 49 state Obligations.*** Registered treasury notes or bonds of any of the other 49 states, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Such obligations must have a final maturity not exceeding five years from the date of trade settlement, and rated in a rating category of “A-1”, or the equivalent or higher short-term; or “A”, or the equivalent or higher long-term by a NRSRO at the time of trade settlement.

Supranationals. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a final maturity not exceeding five years from the trade settlement, and eligible for purchase and sale within the United States. Supranationals shall be rated in a rating category of “AA” or the equivalent or higher by a NRSRO at the time of purchase. The aggregate investment in supranationals shall not exceed 30% of the City’s total portfolio.

Special Assessment District Obligations. Limited Obligation Improvement Bonds issued by the City of Yuba City related to special assessment districts. Investment in such obligations requires the approval of the City Council and maturities may extend to 30 years from the date of trade settlement.

Bankers’ Acceptances. Eligible Banker’s Acceptances with a maturity not exceeding 180 days from the date of trade settlement, rated in a rating category of “A-1” or the equivalent or higher by a NRSRO, drawn on or accepted by a commercial bank with combined capital and surplus of at least \$250 million, whose deposits are insured by the FDIC, and whose senior long-term debt is rated in a rating category of “A” or the equivalent or higher by a NRSRO at the time of trade settlement. The aggregate investment in banker’s acceptances shall not exceed 40% of the

City's total portfolio and no more than 30% of the City's money may be invested with any one commercial bank.

Commercial Paper. Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:

A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five hundred million dollars (\$500,000,000) and (3) have debt other than commercial paper, if any, that is rated in a rating category of "A" or higher by a NRSRO.

B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program-wide credit enhancements, including, but not limited to, overcollateralization, letters of credit or a surety bond and (3) have commercial paper that is rated in a rating category of "A-1" or higher, or the equivalent, by a NRSRO.

The aggregate investment in commercial paper shall not exceed 40% of the City's total portfolio. The City may invest no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.

Negotiable Certificates of Deposit. Negotiable Certificates of Deposit with a maturity not exceeding five years from the date of trade settlement, issued by a nationally or State-chartered bank, a savings association or a federal association, a State or federal credit union, or by a federally licensed or State licensed branch of a foreign bank. Purchases are limited to institutions which have long-term debt rating in a rating category of "A" or the equivalent or higher by a NRSRO. The aggregate investment in Negotiable Certificates of Deposit shall not exceed 30% of the City's total portfolio.

Bank Deposits. Deposits in FDIC insured financial institutions located in California including, but not limited to, demand deposit accounts, savings accounts, market rate accounts, negotiable order of withdrawal accounts, and non-negotiable certificates of deposits are required to be collateralized as specified under Government Code. Collateral may be waived for any portion that is covered by federal deposit insurance. The amount on deposit shall not exceed the shareholder's equity of any depository bank, nor shall the deposit exceed the total net worth of any institution. In addition, the financial institution must have received a minimum overall satisfactory rating for meeting the needs of California Communities in its most recent evaluation under the Community Reinvestment Act. For non-negotiable certificates of deposit, the maximum maturity is five years from the date of trade settlement and the maximum allocation is 30% of the City's total portfolio.

Placement Service Certificates of Deposit. The City may invest in Placement Service Certificates of Deposit with a "Selected Depository Institution" in accordance with California Government Code Section 53601.8. The aggregate investment in Placement Service Certificates of Deposit shall not exceed 30% of the City's total portfolio.

Repurchase Agreements. Repurchase Agreements with a final termination date not exceeding 30 days and collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal

Instrumentality securities listed above with the maturity of the collateral not exceeding five years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the funds borrowed. The market value of the collateral securities shall be marked-to-the-market daily. All collateral securing Repurchase Agreement must be delivered to the City's custodian bank, or be handled under a tri-party repurchase agreement. The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

Repurchase Agreements shall be entered into only with broker/dealers who are recognized as Primary Dealers with the Federal Reserve Bank of New York, or with financial firms that have a primary dealer within their holding company structure. A copy of the City's Master Repurchase Agreement shall be maintained along with a list of the broker/dealers who have executed the same.

Medium-Term Notes. Medium-Term Notes ("Corporate Notes") issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the trade settlement, and rated in a rating category of "A" or the equivalent or higher by a NRSRO at the time of purchase. The aggregate investment in medium term notes shall not exceed 30% of the City's total portfolio. The City may invest no more than 10% of its total investment assets in the commercial paper and the medium-term notes of any single issuer.

Asset Backed Securities. A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum remaining maturity of five years. For securities eligible for investment under this subdivision not issued or guaranteed by the United States, a federal agency, or U.S. government-sponsored enterprise, the following limitations apply:

- a) The security shall be rated in rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less.
- b) Purchases of securities authorized by this paragraph shall not exceed 20% of the City's total investment portfolio.

Money Market Funds. Money Market Funds registered under the Investment Company Act of 1940 that (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) invest only in the securities and obligations authorized in this Policy and (4) have a rating of "AAAm" or the equivalent by at least two NRSROs. The aggregate investment in money market funds shall not exceed 20% of the City's total portfolio and no more than 10% may be invested in any one Money Market Fund.

Local Government Investment Pools. State of California's Local Agency Investment Fund (LAIF) and shares of beneficial interest issued by a joint powers authority such as the California Asset Management Program (CAMP), as authorized respectively in Government Code Sections 16429.1 and 53601 (p), up to the maximum allowed by the pools.

Due Diligence Requirement. A thorough investigation of an investment pool is required prior to investing and on a continual basis. At a minimum, the following information shall be required for each pool:

- A description of eligible investment securities, and a written statement of investment policy and objectives
- A description of interest calculations, how interest is distributed, and how gains and losses are treated
- A description of how these securities are safeguarded (including the settlement process), and how often these securities are priced and the program audited
- A description of who may invest in the program, how often, and the size of deposits and withdrawals
- A schedule for receiving statements and portfolio listings
- Whether reserves, retained earnings, etc. are utilized by the pool/fund
- A fee schedule, and when and how fees are assessed
- Whether the pool/fund is eligible for bond proceeds and/or will it accept such proceeds

Legislative Changes. Any State of California legislative action that further restricts allowable maturities, investment types or percentage allocations will be incorporated into this Policy and supersede any and all previous applicable language. If the City is holding an investment that is subsequently prohibited by a legislative change, the City may hold that investment until the maturity date to avoid an unnecessary loss.

VIII. INVESTMENT PARAMETERS

Diversification. The City shall diversify the investments within the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending upon the outlook for the economy, the securities markets, and the City's anticipated cash flow needs. Notwithstanding anything herein to the contrary, no more than 5% of the City's total portfolio may be deposited with or invested in securities issued by one corporate, financial, or municipal issuer with the exception of the U.S. Treasury, federal agency institutions, government sponsored enterprises, and investment pools.

Maximum Maturities. To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements and known future liabilities. The City will invest in securities maturing within five years from the date of trade settlement. A security purchased in accordance with this Policy shall not have a forward settlement date exceeding 45 days from the time of investment. Notwithstanding the five-year maturity limitation, the City Council grants its express authority per Government Code Section 53601, to invest in Special Assessment District obligations and obligations of the City of Yuba City and the Successor Agency to the Redevelopment Agency of the City of Yuba City with maturities extending beyond five years.

Sale of Investments Prior to Maturity. The City recognizes that investments occasionally may be sold prior to maturity and measured losses may be desirable in a diversified portfolio as long as such sales are consistent with the overall objectives of the City and the guidelines established by this Policy. Such sales shall be considered within the context of the overall

portfolio's return, provided that the sale of a security is in the best long term interest of the City.

IX. EVALUATION OF INVESTMENT PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. An appropriate performance benchmark shall be established against which portfolio performance shall be compared on a regular basis. The selected performance shall be representative of the City's overall investment objectives and liquidity requirements.

X. REPORTING

The City Treasurer shall prepare and present a quarterly investment report to the City Council within 45 days of quarter-end. This report will include the following elements relative to the investments held at quarter-end:

- Type of Investment
- Issuer of Investment
- Maturity date
- Coupon rate
- Yield to maturity
- Face value
- Market value
- A list of monthly transactions
- A description of investments that are under the management of contracted parties
- A statement of compliance of the City's portfolio with this Policy
- A statement of the City's ability to meet expenditure requirements for the following six months, or an explanation of why sufficient funds may not be available
- Other information regarding the City's portfolio as appropriate

XI. POLICY REVIEW AND ADOPTION

This Investment Policy shall be submitted annually to the City Council for adoption. The Policy shall be reviewed at least annually to ensure its consistency with the overall objectives of the City and its relevance to current law and financial and economic trends. Any modifications made thereto must be approved by the City Council.

GLOSSARY OF SELECTED TERMS*

Benchmark

A passive index used to compare the performance, relative to risk and return, of an investor's portfolio.

Cash Flow

A comparison of cash receipts (revenues) to required payments (debt service, operating expenses, etc.).

CDARS

The Certificate of Deposit Account Registry Service: a convenient way for safety-conscious investors to earn interest and access FDIC insurance on certificates of deposit larger than the \$250,000 FDIC limit.

Credit Rating

Various alphabetical and numerical designations used by institutional investors, Wall Street underwriters, and commercial rating companies to give relative indications of bond and note creditworthiness. Standard & Poor's and Fitch Ratings use the same system, starting with their highest rating, of AAA, AA, A, BBB, BB, B, CCC, CC, C, and D for default. Moody's Investors Service uses Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C, and D. Each of the services use pluses (+), minuses (-), or numerical modifiers to indicate steps within each category. The top four letter categories are considered investment grade ratings.

Credit Risk

The chance that an issuer will be unable to make scheduled payments of interest and principal on an outstanding obligation. Another concern for investors is that the market's perception of a corporation's credit will cause the market value of a security to fall, even if default is not expected.

Duration

A measure of the timing of cash flows to be received from a security that provides the foundation for a measure of the interest rate sensitivity of a bond. Duration is an elasticity measure and represents the percentage change in price divided by the percentage change in interest rates. A high duration measure indicates that for a given level of movement in interest rates, prices of securities will vary considerably.

FDIC

The Federal Deposit Insurance Corporation (FDIC) is an independent agency created by the Congress to maintain stability and public confidence in the nation's financial system by insuring deposits, examining and supervising financial institutions for safety and soundness and consumer protection, and managing receiverships.

Fiduciary

An individual who holds something in trust for another and bears liability for its safekeeping.

Liquidity

The ease with which an investment may be converted to cash, either by selling it in the secondary market or by demanding its repurchase pursuant to a put or other prearranged agreement with the issuer or another party.

Liquidity Risk

The chance that a security, sold prior to maturity, will be sold at a loss of value. For a local agency, the liquidity risk of an individual investment may not be as critical as how the overall liquidity of the portfolio allows the agency to meet its cash needs.

Market Risk

The chance that the value of a security will decline as interest rates rise. In general, as interest rates fall,

prices of fixed income securities rise. Similarly, as interest rates rise, prices fall. Market risk also is referred to as systematic risk or risk that affects all securities within an asset class similarly.

Maturity

The stated date on which all or a stated portion of the principal amount of a security becomes due and payable.

Net Present Value

An amount that equates future cash flows with their value in present terms.

Par Amount or Par Value

The principal amount of a note or bond which must be paid at maturity. Par, also referred to as the “face amount” of a security, is the principal value stated on the face of the security. A par bond is one sold at a price of 100 percent of its principal amount.

Pooled Investment

A market institution authorized under various sections of state law that represents the combined deposits of more than one local agency and pays returns based upon each local agency’s share of investment in the pool.

Portfolio

The combined holdings of all investment assets held by an investor.

Principal Amount

The face amount or par amount of a bond or issue of bonds payable on stated dates of maturity.

Put

The ability of a holder of an investment security to sell at a specified time and for a specified price the security back to the issuer or prior holder.

Return

The principal plus interest on an investment or portfolio of investments. In certain unfavorable market environments or due to risk factors, income derived from principal and interest may be less than the original amount invested.

Risk

The uncertainty of maintaining the principal or interest associated with an investment due to a variety of factors.

Yield

For the purposes of this publication, return and yield are synonymous.

*Excerpted from Understanding Public Investment Reporting - A Handbook For Local Elected Officials, California Debt and Investment Advisory Commission, 2003.

GLOSSARY OF INVESTMENT INSTRUMENTS*

Asset-Backed Securities

Securities that are supported by pools of assets, such as installment loans or leases, or by pools of revolving lines of credits. Asset-backed securities are structured as trusts in order to perfect a security interest in the underlying assets.

Bank Note

A senior, unsecured, direct obligation of a bank or U.S. branch of a foreign bank.

Banker's Acceptance

Normally, a short-term bill of exchange that is accepted as payment by banks engaged in financing trade of physical assets or merchandise.

Bond

A debt obligation of a firm or public entity. A bond represents the agreement to repay the debt in principal and, typically, in interest on the principal.

Callable Security

An investment security that contains an option allowing the issuer to retire the security prior to its final maturity date.

Certificate of Deposit

A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period. Certificates of Deposit (CDs) differ in terms of collateralization and marketability. Those appropriate to public agency investing include:

Negotiable Certificates of Deposit

Generally, short term debt instruments that usually pay interest and are issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. The majority of negotiable CDs mature within six months while the average maturity is two weeks. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

Non-Negotiable Certificates of Deposit

CDs that carry a penalty if redeemed prior to maturity. A secondary market does exist for these non-negotiable CDs, but include a transaction cost that reduces returns to the investor. Non-negotiable CDs issued by banks and savings and loans are insured by the Federal Deposit Insurance Corporation up to the amount of \$250,000, including principal and interest. Amounts deposited above this amount may be secured with other forms of collateral through an agreement between the investor and the issuer. Collateral may include other securities including Treasuries or agency securities such as those issued by the Federal National Mortgage Association.

Commercial Paper

A short-term, unsecured promissory note issued by a large corporation.

Corporate Notes and Bonds

Debt instruments, typically unsecured, issued by corporations, with original maturities in most cases greater than one year and less than ten years.

Federal Agency and Instrumentality Obligations

Obligations issued by a government-sponsored entity or a federally regulated institution.

Mortgage Pass-Through Obligations

Securities that are created when residential mortgages (or other mortgages) are pooled together and undivided interests or participations in the stream of revenues associated with the mortgages are sold.

Municipal Notes, Bonds, and Other Obligations

Obligations issued by state and local governments to finance capital and operating expenses.

Notes

Debt obligations of a firm or public entity, usually maturing in less than ten years.

Repurchase Agreements

From the perspective of a local agency, the short term, often overnight, purchase of securities with an agreement to resell the securities at an agreed upon price.

Reverse Repurchase Agreements

Differs from a repurchase agreement in the sense that a reverse repurchase agreement is an agreement to sell securities in return for cash with an agreement to repurchase the securities at an agreed upon price.

State and Local Investment Pools

The combined deposits of state and local agencies organized and operated by a state treasurer or a local official. These pools operate much like a mutual fund, with local agencies investing money together in order to increase efficiency and reduce costs.

State Notes, Bonds, and Warrants

Obligations of the State of California or another state government with different maturity lengths.

Supranationals

International financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe.

Zero-Interest Bond

A bond on which interest is not payable until maturity (or earlier redemption), but compounds periodically to accumulate to a stated maturity amount. Zero-interest bonds are typically issued at a discount and repaid at par upon maturity.

*Excerpted from Understanding Public Investment Reporting - A Handbook For Local Elected Officials, California Debt and Investment Advisory Commission, 2003.

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Public Works
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Spiva Avenue Waterline Replacement Project - Award Construction Contract

Recommendation: Adopt a Resolution with the following actions:

- A. Awards a construction contract to Platinum General Engineering LLC (d.b.a. Platinum Dirt Worx), of Modesto, CA in the amount of their total bid \$199,400.00 and authorizes the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney, and approves CEQA Class 1 and Class 2 exemptions
- B. Authorizes the Finance Director to make supplemental appropriation of \$279,170.00 to account 951093-65501 with an offsetting revenue budget adjustment to 517-43480 for the receipt of grant funds

Fiscal Impact: \$279,170.00 – Total Project Cost
\$199,400.00- Contract Award Amount
\$49,860 - Construction Contingency (20%)
\$29,915 – Construction Management & Inspection (15%)

Purpose:

To facilitate the construction of the Spiva Avenue Waterline Replacement Project to provide reliable water service to Yuba City residents.

Council's Strategic Goal:

This project addresses City Council's Strategic Goals of improving the City's infrastructure and operating our City government in a fiscally responsible manner.

Background:

The existing water distribution system in Yuba City is aging. In some cases, pipelines are beyond their service life, at or near failure, undersized, and/or located in backyard easements (backlot). In an ongoing effort to replace failing and undersized water distribution pipelines (watermains), a list of priority locations has been developed. This list combines pipeline segments highlighted in the 2020 Water Master Plan and pipeline segments actively monitored by the City's maintenance crews.

Public Works maintenance crews respond to multiple water leaks throughout the City and make repairs by

installing repair clamps. A repair clamp consists of a metal band that wraps around the pipe and, when tightened, creates a seal around the leak. The 100-year old watermain on Spiva Avenue, between Clark Avenue and Cooper Avenue, has had numerous repair clamps installed and requires full replacement. This project proposes to replace approximately 485 linear feet of 4-inch Cast Iron Pipe with a larger 6-inch Ductile Iron Pipe and reestablish all of the active water services on Spiva Avenue.

On March 4, 2024, this project was awarded funding in the amount of \$375,000 through the Northern Sacramento Valley Integrated Regional Water Management Proposition 1 Round 2 grant program. On April 16, 2024, City Council authorized the City Manager to enter into an agreement with Sutter County, who is managing the Round 2 grant program, and authorized the Finance Director to receive the grant funds.

Analysis:

The Spiva Avenue Waterline Replacement Project was advertised for bids beginning October 24, 2024. Plans and specifications were posted on publicpurchase.com and provided to local/builder contract exchanges. On November 14, 2024, eighteen (18) bids were received and opened by the City Clerk. A list of the three lowest bids received, and the Engineer's Estimate are shown below:

<u>Company</u>	<u>Total Bid</u>
Platinum General Engineering LLC	\$199,400.00
C.E. Cox Engineering, Inc.	\$231,352.00
LaFleur Engineering, Inc.	\$242,968.00
<i>Engineer's Estimate</i>	<i>\$300,000.00</i>

Platinum General Engineering LLC (d.b.a. Platinum Dirt Worx) is the low responsive, responsible bidder. Contract administration, including construction management and inspection, will be performed by the Public Works Department. Project construction is expected to begin in early Spring 2025, weather permitting, and continue through early Summer 2025.

Fiscal Impact:

The estimated total project cost is approximately \$279,170.00, which consists of the following components:

Construction Contract:	\$199,400.00
Construction Contingency (20%):	\$ 49,860.00
CM & Inspection (15%):	\$ 29,910.00
Total Cost:	\$279,170.00

The Project will be 100% funded through Round 2 of the Proposition 1 Integrated Regional Water Management (IRWM) grant funding program using CIP Account No. 951093 (Replacement and Major Waterline Maintenance). There is approximately \$375,000 in grant funding available.

Environmental:

Staff has determined that this project falls within the Class 1 Categorical Exemption set forth in CEQA Guidelines Section 15301 and Class 2 Categorical Exemption set forth in Section 15302, as the replacement of existing water pipeline is defined as a repair, maintenance, or minor alteration of the existing utility system involving negligible or no expansion. Further, none of the exceptions to Categorical Exemptions set forth in CEQA Guidelines Section 15300.2 apply to this project.

Recommendation:

Adopt a Resolution with the following actions:

- A. Awards a construction contract to Platinum General Engineering LLC (d.b.a. Platinum Dirt Worx), of Modesto, CA in the amount of their total bid \$199,400.00 and authorizes the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City

- Attorney, and approves CEQA Class 1 and Class 2 exemptions
- B. Authorizes the Finance Director to make supplemental appropriation of \$279,170.00 to account 951093-65501 with an offsetting revenue budget adjustment to 517-43480 for the receipt of grant funds.

Alternatives:

- A. Reject the bids and delay/cancel the project.
- B. Continue to spot repair the waterline using City personnel and facilities.

Attachments:

1. Resolution - Spiva Ave Waterline Replacement Project (24-03) Award

Prepared By:

William Jow
Assistant Engineer

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AWARDING A CONSTRUCTION CONTRACT TO PLATINUM GENERAL
ENGINEERING (D.B.A. PLATINUM GENERAL ENGINEERING, LLC (D.B.A
PLATINUM DIRT WORX), LLC) IN THE AMOUNT OF THEIR TOTAL BID OF
\$199,400.00
(SPIVA AVENUE WATERLINE REPLACEMENT PROJECT
CONTRACT NO. 24-03)**

WHEREAS, the City of Yuba City (City) advertised for bids for construction of the Spiva Avenue Waterline Replacement Project (24-03) (Project).

WHEREAS, in response to the advertisement, the City received eighteen (18) bids for the Project in the following bid amounts:

Platinum General Engineering LLC	\$199,400.00
CE Cox Engineering, Inc	\$231,352.00
La Fleur Engineering	\$242,968.00
Walberg, Inc	\$246,836.00
Newland Entities	\$251,098.00
ARB, Inc	\$267,000.00
West Valley Construction	\$267,092.40
TAK Broadband CA, LLC	\$278,007.07
Western Engineering	\$278,724.00
BRCO Constructors, Inc	\$289,750.00
RCI General Engineering	\$299,940.00
MJ Shelton General Engineering	\$315,412.00
Castillon Company	\$325,690.00
NorthStar Construction	\$328,380.00
R&R Pacific Construction	\$349,349.00
Lund Construction Company	\$349,358.00
Giles Excavating & Paving	\$361,379.38
Zara Construction	\$499,860.00

WHEREAS, the City Public Works Department reviewed the eighteen (18) bids, and examined the apparent low bidder, Platinum General Engineering, LLC (d.b.a Platinum Dirt Worx), LLC, and its bid response, and found it to be both the lowest qualified responsive and responsible bidder; and

WHEREAS, the City desires to award the bid to Platinum General Engineering, LLC (d.b.a Platinum Dirt Worx), LLC of Modesto, CA and enter into an agreement with Platinum General Engineering, LLC (d.b.a Platinum Dirt Worx), LLC to construct the Spiva Avenue Waterline Replacement Project

NOW, THEREFORE, be it resolved and ordered by the City Council of Yuba City as follows:

1. The City Council of the City of Yuba City finds that all the facts set forth in the recitals above are true and current and incorporated herein.
2. The City has performed a preliminary environmental assessment of this project relative to California Environmental Quality Act (CEQA) requirements and the City Council finds and determines that the project falls within the Class 1 Categorical Exemption set forth in CEQA Guidelines Section 15301 and Class 2 Categorical Exemption set forth in Section 15302, as the replacement of existing water pipeline is defined as a repair, maintenance, or minor alteration of existing utility system involving negligible or no expansion. Further, none of the exceptions to Categorical Exemptions set forth in CEQA Guidelines Section 15300.2 apply to this project.
3. The City Council of the City of Yuba City does hereby accept the eighteen (18) bids received as noted above, finds that Platinum Dirt Work, LLC is the lowest, responsive and responsible bidder, and awards the construction contract to Platinum General Engineering, LLC (d.b.a Platinum Dirt Worx) LLC in their total amount bid of \$199,400.00 for the Spiva Avenue Waterline Replacement Project. Said contract agreement shall substantially comply with the terms and conditions presented in the draft agreement attached to this Resolution, shall be subjected to review and approval as to legal form by the City Attorney, and the City Manager shall be authorized to execute the same on behalf of the City of Yuba City.
4. The City Council of the City of Yuba City does hereby authorize the Finance Director to make the necessary budget adjustments and supplemental appropriations to allocate State grant funds previously received for the Spiva Avenue Waterline Replacement Project to Capital Improvement Program Account No. 1093.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, City Clerk Administrator

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

**EXHIBIT A
CITY OF YUBA CITY
DEPARTMENT OF PUBLIC WORKS**

DRAFT CONTRACT AGREEMENT

**SPIVA AVE WATERLINE REPLACEMENT PROJECT
CONTRACT NO. 24-03**

THIS AGREEMENT, made and concluded this ____ day of _____, 20____, between the City of Yuba City, party of the first part, and Platinum General Engineering, LLC (d.b.a Platinum Dirt Worx), LLC, Contractor, party of the second part.

ARTICLE I. – WITNESSETH, that for and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the said party of the first part under the conditions expressed in the two bonds bearing even date with these presents and hereunto annexed, the said party of the second part agrees with the said party of the first part, at his own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the specifications to be furnished by said party of the first part, necessary to construct and complete in a good, workmanlike and substantial manner and to the satisfaction of the Department of Public Works, construction on various roads, all in accordance with the Special Provisions hereto annexed and also in accordance with the State of California Department of Transportation dated 2018, the Standard Plans dated 2018, the “Labor Surcharge” and “Equipment Rental Rates” in effect on the date the work is accomplished, and the “General Prevailing Wage Rates” of the State of California Department of Transportation, which said Special Provisions, Standard Plans, Standard Specifications are hereby specially referred to and by such reference made a part hereof.

The Special Provisions and the project plans for the work to be done are entitled:

SPIVA AVE WATERLINE REPLACEMENT PROJECT

Which are hereby made part of this contract.

ARTICLE II. – The said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Agreement; also for all loss or damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City of Yuba City and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the plans and specifications and the requirements of the Engineer under them, to wit.

ARTICLE III. – The said party of the first part hereby promises and agrees with the said Contractor to employ, and does hereby employ, the said Contractor to provide the materials and

to do the work according to the terms and conditions herein contained and referred to, for the prices hereinafter set forth, and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE IV. – By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE V. – It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VI. – The City of Yuba City hereby employs Contractor to provide material and to do the work according to the terms and conditions herein contained and referred to for the following prices to be paid at the time, in the manner and upon the conditions hereinafter set forth.

ARTICLE VII. – The improvement contemplated in the performance of this contract is an improvement over which the City of Yuba City shall exercise general supervision.

ARTICLE VIII. – The statement of prevailing wages appearing in the General Prevailing Wage Rates is hereby specifically referred to and by this reference is made a part of this contract. It is further expressly agreed, by and between the terms of this instrument and the bid or proposal of said Contractor, that this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

**SPIVA AVE WATERLINE REPLACEMENT PROJECT
CONTRACT NO. 24-03**

Item No.	Item Description	Est. Qty.	Unit of Measure	Unit Price	Total Amount
1	Mobilization and Demobilization	1	LS	\$15,000.00	\$15,000.00
2	Jobsite Photos/Videos	1	LS	\$3,000.00	\$3,000.00
3	Construction Area Signs/Traffic Control	1	LS	\$19,800.00	\$19,800.00
4	Trench Shoring/Bracing	1	LS	\$2,000.00	\$2,000.00

5	6-inch Class 350 Ductile Iron Pipe Furnish & Install)	514	LF	\$124.90	\$64,200.00
6	Connect to Existing 6-inch Gate Valves	1	LS	\$24,000.00	\$24,000.00
7	1-inch Copper Water Service Lateral (808, 804, 800, 760, 708) (Includes Install & Reconnecting to Existing Meter)	5	EA	\$4,760.00	\$23,800.00
8	Trench Restoration (Type A)	516	LF	\$20.62	\$10,600.00
9	Misc. Thermo Pavement Markings	1	LS	\$3,500.00	\$3,500.00
10	Testing Block(s) and Bypass(s) (Includes Install)	1	LS	\$9,500.00	\$9,500.00
11	Abandon Existing 4-inch Water Main Service Connection	4	EA	\$2,000.00	\$8,000.00
12	Misc. Site Restoration (Includes Concrete & Landscaping)	1	LS	\$16,000.00	\$16,000.00

Total Bid:

\$199,400.00

City Attorney, City of Yuba City

CITY OF YUBA CITY

CONTRACTOR

Diana Langley
City Manager

Company Name

Date

By and Title (signature)

Date

By and Title (printed)

Address

Telephone Number

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Public Works
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Aquifer Storage and Recovery Well Project - Plans and Specifications Approval
Recommendation: Adopt a Resolution approving the plans and specifications for construction of the below-ground facilities of the Aquifer Storage and Recovery Well (Well #3) Project at the Water Treatment Plant and authorizing advertisement for bids on the project
Fiscal Impact: Engineer's Estimate \$1,415,810 – CIP Account No. 951320-65501 (Aquifer Storage and Recovery Well Project)

Purpose:

To provide additional water resources by securing access to groundwater and store treated water in the groundwater aquifer at the Water Treatment Plant.

Council's Strategic Goals:

The project addresses the City Council's Strategic Goal of Improving Infrastructure.

Background:

The California Department of Water Resources (DWR) has awarded the City a \$6,325,000 grant for the construction of a new municipal well with Aquifer Storage and Recovery (ASR) capabilities through the Urban and Multibenefit Drought Relief Grant program. ASR wells are two-way systems that allow water to be injected from the surface into a groundwater aquifer and also extracted from the groundwater aquifer to the surface.

On July 18, 2023 Council Meeting, City Council approved the City Manager to authorize a Professional Services Agreement with Carollo Engineers to develop environmental documents, permits, plans and specifications, and other engineering services for the ASR Well Project.

In order to correctly design the above-ground facilities for the well, construction is planned to be broken down into two phases, above-ground and below-ground, similar to the recently constructed Second Groundwater Well project. The first phase is construction of the below-ground facilities, which involves drilling approximately 500 feet below the surface. At predetermined depths, samples will be taken where preliminary data has suggested there is a suitable groundwater aquifer for both injection and extraction. The data from the samples will help determine the yield of the well so equipment can be

appropriately designed based on that yield. The anticipated yield from previous studies is approximately 3.6 to 4.3 million gallons per day.

The second phase is construction of the above-ground facilities, including a shade structure, pump related equipment, electrical equipment and conduits, and plumbing.

Analysis:

Carollo and its subconsultants have prepared the plans, specifications, and estimate for construction of Phase 1, the below-ground facilities, for the ASR Well project. With Council approval of the plans and specifications and authorization to advertise for bids, staff anticipates the following Phase 1 schedule:

Advertise for Bid:	December 19, 2024
Award Contract:	February 4, 2025
Start of Construction:	March 2025
Completion:	June 2025

The plans and specifications for the project are on file in the Public Works Department at City Hall and at https://www.yubacity.net/public_works_plans/index.php for review.

Fiscal Impact:

The total estimated Phase 1 project cost for the well drilling is \$1,415,810. This includes a 10% construction contingency and 12% construction management and inspection fees.

The project will be funded through CIP Account No. 951320-65501 (Aquifer Storage Recovery Well). Currently, this account has approximately \$3,981,646 of available grant funds for construction. Staff plans to utilize the grant funds awarded by DWR for the project. Detailed fiscal impacts will be presented to Council at the time of award based on actual bid amounts.

Recently, Carollo completed a Basis of Design Report for the project. The total estimated cost for Phase 2, the above-ground facilities, is approximately \$6.8 million. Staff will make funding recommendations for Phase 2 through the Fiscal Year 2025-26 budget process.

Environmental:

An Initial Study / Mitigated Negative Declaration (IS/MND) was prepared for the ASR Well project which assessed potential environmental impacts of the entire project as required by the California Environmental Quality Act (CEQA). Staff is currently working on submitting the IS/MND to the State Clearing House in December and beginning the 30-day public comment period before the end of December. Staff plans to present the IS/MND to Council for adoption at the time of award of a construction contract.

Alternatives:

Instruct staff to direct Carollo to modify the plans and specifications. The project's schedule will be delayed resulting in potentially not meeting grant deadlines.

Recommendations:

Adopt a Resolution approving the plans and specifications for construction of the below-ground facilities of the Aquifer Storage and Recovery Well (Well #3) Project at the Water Treatment Plant and authorizing advertisement for bids on the project

Attachments:

1. 22-09 Attachment 1 - Resolution Acceptance Final

Prepared By:

William Jow
Assistant Engineer

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING
THE PLANS AND SPECIFICATIONS FOR CONSTRUCTION OF THE BELOW-
GROUND FACILITIES OF THE AQUIFER STORAGE AND RECOVERY WELL
PROJECT AT THE WATER TREATMENT PLANT AND AUTHORIZING
ADVERTISEMENT FOR BIDS ON THE PROJECT**

WHEREAS, it is in the best interest for the City to construct a Aquifer Storage and Recovery Well in order to ensure the City has accessible water resources during times when the City's surface water rights are curtailed; and

WHEREAS, the Californian Department of Water Resources has awarded \$6,325,000 through the Drought Resiliency Grant Program to construct a Aquifer Storage and Recovery Well; and

WHEREAS, the City has entered into a professional services agreement with Carollo Engineers of Sacramento, CA to develop plans and specifications for drilling the new well and constructing the above-ground facilities, pump, and other related equipment and Carollo Engineers have finished the plans and specifications for the below-ground facilities of the Aquifer Storage and Recovery well; and

WHEREAS, the Public Works Department intends to solicit bids for the drilling of a Aquifer Storage and Recovery Well at the Water Treatment Plant; and

WHEREAS, it has been determined by the City Council that such infrastructure is in the public interest,

NOW, THEREFORE, be it resolved and ordered by the City Council of Yuba City as follows:

1. The City Council finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.
2. The plans and specifications for the Project are approved.
3. The Public Works Department is hereby authorized and directed to advertise for bids for the Project.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December, 2024.

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Community Services Department
Presentation By: Tim Bybee, Parks and Grounds Superintendent

Summary

Subject: Submission of Recertification Application for Tree City USA Designation
Recommendation: Adopt a Resolution authorizing the City to apply for recertification to the National Arbor Day Foundation for consideration of the City to continue its designation as a Tree City USA community
Fiscal Impact: No cost to the City for recertification application. Designation is based in part on the City's community forestry expenditures

Purpose:

To recognize the City's ongoing efforts to expand and maintain the City's urban forest.

Council's Strategic Goal:

This item supports Council's Goal to maintain and enhance the quality of life.

Background:

For the past twenty-five (25) years, the City of Yuba City has earned the designation of a Tree City USA community by meeting the following criteria: 1) Conducting an annual Arbor Day observance; 2) Spending at least \$2.00 per capita on tree-related programs; 3) Having a tree ordinance, and; 4) Having a tree advisory board, which is the Parks Department. The Tree City USA designation recognizes the City's long-term dedication to improving the quality of life for the residents through its planning and maintenance standards.

Analysis:

The City's efforts to expand and maintain its urban forest remain ongoing and staff would like to ensure that the organization's efforts continue to be recognized. The Parks Division maintains approximately 1,228 trees in our parks and facilities and 10,750 City street trees. Staff is requesting authorization from Council to adopt a Resolution authorizing the City to apply for recertification to the National Arbor Day Foundation in Nebraska City, Nebraska, for consideration of the City continuing its designation as a Tree City USA community. Communities who have received the designation must apply for recertification on an annual basis to maintain their Tree City USA designation.

Fiscal Impact:

There is no cost to the City to submit the recertification request. Selection as a Tree City USA community is based on the annual expenditure for tree-related programs and services within a community, which includes labor costs, tree purchases and tree maintenance throughout our City parks and Landscape Maintenance Districts. In 2024, Yuba City spent a total of \$578,000.00 on community forestry expenditures.

Alternatives:

Do not request recertification.

Recommendation:

Adopt a Resolution authorizing the City to apply for recertification to the National Arbor Day Foundation for consideration of the City continuing its designation as a Tree City USA community.

Attachments:

1. Resolution

Prepared By:

Maddy Laffond
Community Services Administrative Assistant

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE
NATIONAL ARBOR DAY FOUNDATION FOR CONSIDERATION OF
YUBA CITY BEING DESIGNATED A TREE CITY USA COMMUNITY**

WHEREAS, trees play an important role in the quality of life of a community in providing needed shade and cooling, aesthetic beauty, and increased property values; and

WHEREAS, the planting of trees today allows us to pass along a legacy of community and environmental awareness to future generations; and

WHEREAS, the City of Yuba City has made a significant policy statement regarding the important role trees play in the development and redevelopment of public and private property within the City, as exhibited by the Town Center project, the requirement for landscape maintenance districts, 50% shade requirement on all parking lots, including access areas within 15 years of the tree being planted, and the continued introduction of upcoming residential developments; and

WHEREAS, the City of Yuba City was designated a Tree City USA community for 1999 through 2023 by the National Arbor Day Foundation; and

WHEREAS, Tree City USA communities must apply for re-certification on an annual basis to maintain their designation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City does hereby authorize the City staff to apply for re-certification to the National Arbor Day Foundation for their consideration of Yuba City continuing to be designated as a Tree City USA community for the year 2024.

The foregoing Resolution of the City Council of the City of Yuba City was duly introduced, passed and adopted at a regular meeting thereof held on the 17th day of December, 2024.

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Doug Libby, Deputy Director of Development Services

Summary

Subject: Chima Ranch Subdivision Development Agreement Assignment
Recommendation: Adopt a Resolution of the City Council of the City of Yuba City approving the assignment of responsibilities under the Development Agreement associated with the Chima Ranch Tentative Subdivision Map (SM 22-07) from Interwest Homes Corporation to LGI Homes, LLC, and authorize the Development Services Director to sign the Consent to Assignment
Fiscal Impact: None

Purpose:

To reassign responsibilities under the development agreement associated with the Chima Ranch Tentative Subdivision Map (SM 22-07) from Interwest Home Corporation to LGI Homes, LLC.

Council's Strategic Goal:

This item meets the City Council's strategic goal of business friendly.

Background:

On February 7, 2023, the City Council adopted an uncoded Ordinance approving a development agreement associated with the Chima Ranch Subdivision and related entitlements, SM 22-07 and Planned Development (PD) No. 15. This subdivision provides for 82 single-family residential lots located immediately west of the intersection of Pebble Beach Drive and Sanborn Road. Assessor's Parcel Numbers (APN) 65-020-009 and 65-020-010. The development agreement was recorded March 30, 2023, as Instrument No. 2023-0002731.

Analysis:

Section 14 of the Chima Ranch Subdivision Development Agreement (DA) discusses the landowner's right to transfer or assign developer responsibilities under the Agreement. DA Section 14.3 requires the developer to obtain the City's consent in writing to the transfer responsibilities and this section states the City's consent shall not be unreasonably withheld.

Factors the City may consider in determining whether to consent to the transfer include the financial capacity of the proposed transferee to comply with all the terms of the Agreement and the history, if any

of compliance of transferee, its principals, officers or owners with the provisions of federal or state law, the Yuba City Municipal Code or agreements with the City relating to development of projects within the City.

LGI Homes has not previously developed in Yuba City. The company was founded in 2003 in Texas and today develops communities in 20 states. They are a publicly traded homebuilder on the NASDAQ. According to their website, the Company has developed over 50,000 homes.

As a national homebuilder, staff believe LGI Homes has the financial ability to construct the project consistent with the Municipal Code, the adopted conditions of approval and applicable State and Federal law.

Environmental Considerations

A Mitigated Negative Declaration was recorded as part of approving the Chima Ranch Tentative Subdivision Map (SM 22-07), related entitlements including the Chima Ranch Development Agreement. The developer's request to assign responsibilities and obligations will not alter the approved tentative subdivision map, conditions of approval or any circumstances associated with the project. As a result, no additional environmental review is required.

Fiscal Impact:

No direct fiscal impact will result from the requested action.

Alternatives:

The City Council may decide not to approve the requested transfer of DA responsibilities from Interwest Homes Corporation to LGI Homes, LLC; however, should the City Council desire to take this alternative action, it is recommended this matter be continued to a future meeting and the City Council provide direction on which factors in Section 14.3 the City Council believes that LGI Homes does not meet.

Recommendations:

Adopt a Resolution of the City Council of the City of Yuba City approving the assignment of responsibilities under the Development Agreement associated with the Chima Ranch Tentative Subdivision Map (SM 22-07) from Interwest Homes Corporation to LGI Homes, LLC, and authorize the Development Services Director to sign the Consent to Assignment.

Attachments:

1. Chima Ranch Recorded Development Agreement
2. Proposed Resolution

Prepared By:

Doug Libby, AICP
Deputy Development Services Director

Submitted By:

Diana Langley
City Manager

Attachment 1

Recording Requested by:

Development Services Department
City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA

When Recorded Mail To:

City Clerk
City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA 95993

DOCUMENT WILL BE RETURNED TO NAME & ADDRESS IDENTIFIED ABOVE



Recorded in Official Records
County of Sutter
Donna M. Johnston
County Clerk-Recorder

2023-0002731

03/30/2023

Titles: 1 Pages: 31

09:58 AM

Recording Fees:

\$0.00

CA SB2 Fee:

\$0.00

Taxes:

\$0.00

Total Fees:

\$0.00

MSMART



[Space Above for Recorder's Use]

No Recording Fee

Per Gov. Code 6103

DEVELOPMENT AGREEMENT

by and between

INTERWEST HOMES CORPORATION

A California Corporation

and

CITY OF YUBA CITY

A General Law City

(Chima Ranch Development Agreement)

DEVELOPMENT AGREEMENT
by and between

INTERWEST HOMES CORPORATION
A California Limited Liability Company

and

CITY OF YUBA CITY,
A General Law City

(Chima Ranch Development Agreement)

THIS DEVELOPMENT AGREEMENT dated March 10, 2023 (Effective Date), at Yuba City, California (hereinafter referred to as "Agreement"), is entered into by and between Interwest Homes Corporation, a California Corporation (hereinafter referred to as "Chima Ranch Landowner," "Landowner" or "Developer") and the City of Yuba City, a general law city, created and existing under the laws of the State of California (hereinafter referred to as "the City"), pursuant to the authority of Sections 65864-65869.5 of the Government Code of the State of California.

RECITALS

A. State Authorization. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864 *et seq.* of the Government Code (the "Development Agreement Statute"), which authorizes the City to enter into a binding property development agreement with any person having a legal or equitable interest in real property for the development associated with such property in order to establish certain development rights in the property which is the subject of the development project application.

B. City Procedure and Requirements. The City has implemented the provisions of Government Code Section 65864 *et seq.* and is authorized to enter into development agreements with persons having legal or equitable interests in real property located in the City.

C. Landowner. The Landowner is Interwest Homes Corporation, a California Corporation Company organized under the laws of the State of California.

D. Property. The subject of this Agreement is the development of that certain property commonly known as Chima Ranch, consisting of approximately 14.86 acres located in the County of Sutter, as described in Exhibit A-1 and depicted in Exhibit A-2, attached hereto and incorporated herein by reference (referred to as "the Property"). Landowner owns the Property in fee and represents that all other persons holding legal or equitable interests in the Property shall be bound by this Agreement.

E. Lincoln East Specific Plan ("Specific Plan" or "LESP"). The Property is located within the area that use to be part of the Lincoln East Specific Plan. The LESP has been receded and no longer applies to this area.

F. Project. The development of the Property is in accordance with the City's General Plan, as amended, and the Development Approvals shall be referred to herein as the "Project."

G. The Mitigated Negative Declaration. The City examined the environmental effects of this Agreement and the Development Approvals in the Mitigated Negative Declaration (the "MND") (SCH No. 2022110563) prepared pursuant to the California Environmental Quality Act (CEQA). The City Council reviewed and certified the MND as adequate and complete as part of the approval of the Development Approvals.

H. Purposes. The Landowner and City desire to enter into an agreement for the purpose of implementing the plan for subdividing and development of Chima Ranch as set forth herein and Development Approvals and for mitigating the environmental impacts of such development as identified in the environmental document. The City has an expressed interest in ensuring the proper growth of the community by entering into Development Agreements as a method whereby a level of assurance can be achieved to meet that interest. The City has determined that the development of Chima Ranch pursuant to the proposed Tentative Subdivision Map 22-07 is a development for which a Development Agreement is appropriate. A Development Agreement will provide certain benefits to the City; will eliminate uncertainty in the City's land use planning and secure orderly development of the Property in accordance with the policies and goals set forth in the City's General Plan. The Landowner has incurred and will incur substantial costs in order to comply with the conditions of approval and to assure development of the Property in accordance with this Agreement. In exchange for these benefits to the City and the public, the Landowner desires to receive assurance that the City shall grant permits and approvals required for the development of the Property in accordance with the Existing City Laws, subject to the terms and conditions contained in this Agreement. In order to effectuate these purposes, the Parties desire to enter into this Agreement.

I. Entitlements Needed Prior to the Development Agreement. The application for approval of this Agreement and the appropriate CEQA documentation required for approval of this Agreement, including:

- Planned Development PD-15.
- Tentative Subdivision Map 22-07 (approvals may occur after adoption of the Development Agreement).
- Environmental Assessment 22-14 (Certification of the Mitigated Negative Declaration).

The entitlements are collectively referred to as "Development Approvals."

J. [Reserved].

K. Development Agreement Adoption. After conducting a duly noticed public hearing and making the requisite findings, the City Council, by the adoption of an Ordinance, approved this Agreement and authorized its execution. The City has determined that this Agreement furthers the public health, safety and general welfare, that the provisions of this Agreement are consistent with the goals and policies of the General Plan and is a community benefit. The City and Developer have determined that

the project is a development for which this Agreement is appropriate. This Agreement will eliminate uncertainty regarding Development Approvals and certain subsequent development approvals, thereby encouraging planning for, investment in and commitment to use and develop the Property. Continued use and development of the Property is anticipated to, in turn, provide the following substantial benefits and contribute to the provision of needed infrastructure for area growth, thereby achieving the goals and purposes for which the Development Agreement laws were enacted, including (1) providing for the development of unused land; (2) providing increased tax revenues for the City; (3) providing for jobs and economic development in the City; and (4) providing for infrastructure improvements that can be utilized by regional users and future users.

L. Consistency with Yuba City General Plan. Development of the Property in accordance with this Agreement will provide for orderly growth and development in accordance with the policies set forth in the City's General Plan, as amended and the Development Approvals. Having duly examined and considered this Agreement and having held properly noticed public hearings hereon, the City Council finds and declares that this Agreement is consistent with the General Plan of the City and with the Development Approvals.

M. Landowner Payments for the Costs of Public Infrastructure, Facilities, and Services. Landowner agrees to pay the costs of such City of Yuba City public facilities and services as herein provided to mitigate impacts of the development of the Property, and City agrees to assure that Landowner may proceed and complete development of the Property, in accordance with the terms and conditions of this Agreement. City's approval of development of the Property as provided herein is in reliance upon and in consideration of Landowner's agreement to make such payments toward the costs of public improvements and services as herein provided to mitigate the impacts of development of the Property.

N. Development Agreement Ordinance. City and Landowner have taken all actions mandated by and fulfilled all requirements set forth in the California Government Code Sections 65864 through 65869.5 regulating the use of development agreements.

O. Flood Hazard. The City has imposed conditions on the project that will protect the property to the urban level of flood protection in urban and urbanizing areas. Such conditions may also be implemented as conditions of tentative maps or other entitlements.

NOW THEREFORE, pursuant to the authority contained in Government Code Sections 65864-65869.5, and in consideration of the mutual covenants and promises contained herein, the adequacy and sufficiency of which is hereby acknowledged, the Landowner and the City, each individually referred to as a Party and collectively referred to as the Parties ("Parties"), agree as follows:

AGREEMENT

1. General Provisions.

1.1 Incorporation of Recitals. The Preamble, the Recitals and all defined terms set forth in both, are hereby incorporated in this Agreement as if set forth herein in full.

1.2 Definitions. In addition to the defined terms in the Preamble and the Recitals, each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement.

1.2.1 Approvals. Any and all permits or approvals of any kind or character required under the City Laws in order to develop the Project, including, but not limited to, architectural review approvals, building permits, site clearance and demolition permits, grading permits and utility connection permits.

1.2.2 City Laws. The ordinances, resolutions, codes, rules, regulations and official policies of the City govern the permitted uses of land, density, design, improvements and construction standards and specifications applicable to the development of the Property. Specifically, but without limiting the generality of the foregoing, City Laws shall include the City's General Plan, the Planned Development, the Zoning Regulations of the City of Yuba City, and the Subdivision Regulations of the City of Yuba City.

1.2.3 Conditions. All conditions, exactions, fees or payments, dedication or reservation requirements, obligations for on or off-site improvements, services or other conditions of approval called for in connection with the development of or construction on the Property under the existing City Laws, whether such conditions of approval constitute public improvements, or mitigation measures in connection with environmental review of any aspect of the Project.

1.2.4 Director. The Director of the Development Services Department.

1.2.5 Existing City Laws. The City Laws in effect as of the Effective Date of this Agreement.

1.2.6 Laws. The laws and Constitution of the State of California, the laws and Constitution of the United States and any codes, statutes or executive mandates in any court decision, state or federal, thereunder.

1.2.7 Mortgagee. "Mortgagee" means: (a) the holder of the beneficial interest under a Mortgage; (b) the lessor under a sale and leaseback Mortgage; and (c) any successors, assigns and designees of the foregoing.

1.2.8 Party. A signatory to this Agreement: or a successor or assign of a signatory to this Agreement.

1.2.9 Property. The Property is that property described and shown on Exhibits A-1 and A-2. It is intended and determined that the provisions of this Agreement shall constitute covenants which shall run with the Property and the benefits

and burdens hereof shall bind and inure to all successors-in-interest to the parties hereto.

2. Effective Date: Term.

2.1 Recordation. Not later than ten (10) days after the Effective Date, the Parties shall cause this Agreement to be recorded in the Official Records of the County of Sutter, State of California, as provided for in Government Code Section 65868.5. However, failure to record this Agreement within ten (10) days shall not affect its validity or enforceability by and between the Parties.

2.2 Term. Except as provided herein, the term of this Agreement shall commence on the Effective Date and terminate ten (10) years thereafter; provided, however, that the initial term may be extended, upon Developer's application therefore and upon the mutual agreement of both parties, by an amendment to this Agreement and after approval by the City Council after first receiving a recommendation by the Planning Commission.

Following the expiration of the Term, this Agreement shall be deemed terminated and be of no further force and effect; provided, however, said termination of the Agreement shall not affect any right or duty emanating from City Entitlements on the Property approved concurrently with or subsequent to the approval of this Agreement.

3. General Development of the Project.

3.1 Project: Vested Entitlements.

3.1.1 The City has adopted certain approvals in connection with the Property, including the adoption of the Master Plan, the tentative maps and the EIR Certification. To the extent the provisions of this Agreement conflicts with the General Plan and Bogue-Stewart Master Plan, those plans shall take precedence.

3.1.2 Development of the Property shall be governed by this Agreement, and the Development Approvals. This Agreement does not impose affirmative obligations on the Landowner to commence development of the Project, or any phase thereof, in advance of its decision to do so.

3.1.3 The permitted uses of the Property, the density and intensity of use, including, but not limited to, minimum landscape areas, maximum lot coverage, minimum and maximum number of parking spaces, and the allowable floor area ratios), and provisions for public improvements and all mitigation measures and conditions required or imposed in order to minimize or eliminate environmental impacts or any impacts of the Property applicable to development of the Property, are as set forth in ordinances, policies, and standards in effect as of the Effective Date and are hereby vested subject to the provisions of this Agreement ("Vested Entitlements").

3.2 Project Phasing. Landowner and City acknowledge and agree that the Project is designed to be developed in phases. The Parties also acknowledge and agree that presently the Landowner cannot predict the timing of the Project phasing. Because the California Supreme Court held in *Pardee Construction Co. v. City of*

Camarillo (1984) 37 Cal.3d 465, that failure of the Parties therein to provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over the Parties' agreement, it is the Parties' intent to cure that deficiency by acknowledging and providing that the Landowner shall have the right to develop the building components of the Project in phases in accordance with the Development Approvals and at such times as the Landowner deems appropriate within the exercise of its subjective business judgment and the provisions of this Agreement.

3.3 Other Government Permits. The Landowner or City (whichever is appropriate) shall apply for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Project (such as public utility districts, Gilsizer County Drainage District, the U.S. Army Corps of Engineers, or CalTrans) as may be required for the development of, or provision of services to, the Project. The City shall promptly and diligently cooperate, at no cost or damage to the City, with the Landowner in its endeavors to obtain such permits and approvals and, from time-to-time at the request of the Landowner, and shall attempt with due diligence and in good faith to enter into binding agreements with any such entity in order to assume the availability of such permits and approvals of services. To the extent allowed by law, the Landowner shall be a party or third-party beneficiary to any such agreement and shall be entitled to enforce the rights of the Landowner or City thereunder or the duties and obligations of the parties thereto.

3.4 Additional Fees. Except as set forth in this Agreement, the City shall not impose any further or additional fees, taxes or assessments, whether through exercise of the police power, the taxing power, or any other means, other than those required by Existing City Laws and this Agreement, provided that:

3.4.1 Community Facilities District. Prior to the approval of any final map within the area covered by this Agreement, the Developer shall be required to enter into a Community Facilities District ("CFD") or similar funding mechanism acceptable to the City for the purpose of funding on-going operational costs for police, fire, and other government services and for the on-going maintenance costs for road and park facilities.

Developer shall cooperate in the formation or annexation to the CFD or funding mechanism, and irrevocably consents herewith to the levy of such special taxes, establishment of funding mechanisms, or collection of other fees or charges, as are necessary to fund the operational and/or maintenance costs.

3.4.2 The City may charge the Landowner the standard processing fees for land use approvals, building permits and other similar permits, which are in force and effect on a City-wide basis at the time application is submitted for those permits.

3.4.3 City shall have the authority to enact or increase development impact fees provided the fees are consistent with the fees applied to other properties in the City or area wide that is similarly situated.

3.4.4 If the City exercises its taxing power in a manner which will not change any of the conditions applicable to the Project and so long as any taxes are uniformly applied on a City-wide or area-wide basis, as defined below, the Property may be so taxed, which tax shall be consistent with the taxation of other properties in the City or area wide that is similarly situated.

3.4.5 If state or federal laws are adopted which enable cities to impose fees on existing projects and if, consequently, the City adopts enabling legislation and imposes fees on existing projects on a City-wide basis, these fees may be imposed on the Project, which fees shall be consistent with the fees imposed on other properties in the City similarly situated.

3.4.6 Landowner shall pay the following fees:

i. City-wide development impact fees, which may include but not be limited to:

- Parks and Recreation
- Community Civic Center
- Fire Protection
- Library Services
- Police Protection
- Roadways/Traffic
- Flood Protection/Levee Improvements
- City Corporation Yard
- Drainage
- Administration Component
- Connection and Trunk Line Fees (Water and Sewer)

ii. A neighborhood park fee per Paragraph 4.2.5 of this Agreement.

iii. Any fees that Developer is obligated to directly pay to any Federal, State, County or local agency (other than any City Agency) under applicable Federal, State, County or local law.

iv. Any fees the City is legally required to collect for other State or Federal agencies pursuant to State or Federal law or any City agreement or City ordinance that the City is legally mandated or required to adopt or enter into to comply with State or Federal law or a judgment of a court of law, but only to the extent necessary to satisfy such compliance.

Fees shall be paid at the then-applicable rate in effect at the time building permits are obtained. Certain City fees may be deferred to prior to issuance of a certificate of occupancy if otherwise allowed by City ordinance, regulation, or policy.

The parties also acknowledge that the City is currently assessing a publicly administered fee program for the Bogue-Stewart Master Plan area. If adopted, this program may impose fee(s) applicable to the entire area including the Property. Landowner agrees to pay such fee(s) once adopted by the City. Nothing in this Agreement shall preclude Landowner from objecting to or contesting the adoption of the fees in the same manner as any other member of the public.

3.4.7 For purposes of this Agreement, "area wide" shall cover not only the Property, but also at least all parcels zoned and/or developed in a manner similar to the Property and located in the combined area of the Master Plan. The Parties acknowledge that the provisions contained in this Section 3.4 are intended to implement the intent of the Parties that the Landowner has the right to develop the Project pursuant to specified and known criteria and rules, and that the City receives the benefits which will be conferred as a result of such development without abridging the right of the City to act in accordance with its powers, duties and obligations.

3.5 Applicable Laws and Standards. Notwithstanding any change in any Existing City Law, including but not limited to, any change by means of ordinance, resolution, initiative, referendum, policy or moratorium, and except as otherwise provided in this Agreement, the laws and policies applicable to the Property are set forth in Existing City Laws (regardless of future changes in these by the City), and this Agreement. The Project has vested rights to be built and occupied on the Property, provided that the City may apply and enforce the Uniform Building Code (including the Uniform Mechanical Code, Uniform Electrical Code and Uniform Plumbing Code) and Uniform Fire Code and all applicable hazardous materials regulations in effect at the time the Landowner applies for any particular building permits for any particular building or other development aspect of the Project.

3.6 Application of New Laws. Nothing herein shall prevent the City from applying to the Property new federal, state or City Laws that are not inconsistent or in conflict with the Existing City Laws or the intent, purposes or any of the terms, standards or conditions of this Agreement; and which do not alter the terms, impose any further or additional fees or impose any other conditions requiring additional traffic improvements requirements or additional off-site improvements that are inconsistent with this Agreement or the intent of this Agreement. Any action or proceeding of the City that has any of the following effects on the Project shall be considered to be in conflict with this Agreement and the existing City Laws, and shall not be applied by the City to the Project or this Agreement:

3.6.1 Limiting the uses permitted on the Property;

3.6.2 Limiting or reducing the density or intensity of uses, the maximum height, the allowable floor area ratios, the required number of parking spaces, increasing the amount of required landscaping or reservations and dedications of land for public purposes;

3.6.3 Limiting the timing or phasing of the Project in any manner that is inconsistent with or more restrictive than the provisions of this Agreement;

3.6.4 Limiting the location of building sites, grading or other improvement on the Property in a manner that is inconsistent with or more restrictive than the limitations included in this Agreement; or

3.6.5 Applying to the Project or the Property any law, regulation, or rule restricting or affecting a use or activity otherwise allowed by this Agreement.

3.7 Moratorium, Quotas, Restrictions, or Other Limitations. Without limiting the City's standard application processing procedures, no moratorium or other limitation affecting building permits or other land use entitlements, or the rate, timing or sequencing thereof shall apply to the Project.

3.8 Easements: Improvements. The City shall cooperate with the Landowner in connection with any arrangements for abandoning existing utility or other easements and facilities and the relocation thereof or creation of any new easements within the Property necessary or appropriate in connection with the development of the Project.

3.9 Farming Rights. The City shall acknowledge that the Landowner shall have the right to continue to farm the lands non-developed portion of the property.

4. Developer Obligations

4.1 Public Improvements: Developer shall be responsible for constructing and financing the public infrastructure improvements necessary to serve the Project and as provided in this Agreement and the Development Approvals including the BSMP Public Facilities Financing Plan. Developer agrees to dedicate, construct or acquire the improvements or facilities and to perform the obligations set forth in this Section at its expense, subject only to those reimbursements and credits as specified in this Agreement. Public infrastructure improvements shall be designed and constructed in accordance with the improvement plans approved by City for such improvements, and in accordance with the requirements and regulations pursuant to California State law.

4.2 Developer Obligations. Developer shall be obligated to construct and finance the public infrastructure improvements as called out in the BSMP Public Facilities Finance Plan and as provided below, in accordance with the BSMP and consistent with the City's infrastructure Master Plans. Developer shall be required to post appropriate financial security with City prior to recordation of Final Maps, consistent with Project conditions of approval and as called out in the Public Facilities Financing Plan. The developer may be entitled to fee credits as provided in Section 5.1.

4.2.1 Roads. Roads shall be constructed per the approved phased infrastructure improvement matrix per the tentative map conditions of approval, Planned Development, and as provided in the approved tentative maps or other discretionary City permits. On-site improvements shall be as per project approvals and approved improvement plans.

4.2.2 Storm Drainage. Developer shall provide necessary on-site and off-site improvements for storm drainage consistent with Project conditions of approval and as required by the City and the Gilsizer County Drainage District. Improvements shall be constructed for the approved phased infrastructure improvement per the tentative map conditions of approval, Planned Development, and as provided in the approved tentative maps or other discretionary City permits.

4.2.3 Sewer. Developer shall construct sewer lines consistent with the Master Plan and conditions of approval of the tentative maps and other discretionary City permits. Improvements shall be constructed for the approved phased infrastructure improvement per the tentative map conditions of approval, Planned Development, and as provided in the approved tentative maps or other discretionary City permits.

4.2.4 Water. Developer shall construct water line improvements consistent with the Master Plan and conditions of approval of the tentative maps and other discretionary City permits. Developer shall also be responsible for all on-site water line improvements. Improvements shall be constructed for the approved phased infrastructure improvement per the tentative map conditions of approval, Planned Development, and as provided in the approved tentative maps or other discretionary City permits.

4.2.5 Neighborhood Parkland. Developer shall pay to City an interim neighborhood park fee in the amount of \$3,206 per single-family residential unit and \$2,298 per multifamily unit, prior to issuance of a certificate of occupancy for each lot developed. Said fee

shall be in addition to the City's existing Park and Recreation development impact fee specified in Section 3.4.6 of this Agreement. This fee is subject to inflation utilizing the Engineering News and Record Construction Index beginning January 2020. This section shall become inoperative should the City adopt a comprehensive Park and Recreation Development Impact fee update where neighborhood parks are incorporated into the City's fee program.

4.3 Reimbursement by Developer to Third Parties. In the event that facilities, including, but not limited to, roadway, sewer, water, drainage, and parks are constructed by third parties which benefit Developer, Developer agrees that it will pay to City for reimbursement to the third parties, Developer's pro-rata share, as reasonably determined by the City, of the cost of construction prior to the issuance of the first building permit in the Project. Third party reimbursement will include, in addition to construction costs, those costs associated with planning, design and permitting as set forth in Section 4.1 of this Agreement.

4.4 Covenants, Conditions and Restrictions: Enforcement by City. Upon the recordation of each final subdivision map or other development project, Developer shall record against such portion of the Property a master set of covenants, conditions and restrictions ("CC&R's") to require the development and use of the property to be consistent with the Project Entitlement development plan or other appropriate City designation and applicable design guidelines for the Project. The CC&R's shall include the covenants that all structures and landscaping within the Project are to be built, installed and maintained in accordance with the Master Plan and subject to an obligation to obtain design approval from the City prior to any construction or modification of such improvements. The CC&R's shall provide that the City shall be a third-party beneficiary thereof and may not be amended without the City's consent. As a third-party beneficiary, the City shall have the right, but no obligation, to review and/or enforce any covenant under the CC&R's and the City shall not be obligated hereby to respond to any demands or complaints thereunder or otherwise take any action with respect thereto. The CC&R's shall give the City the same rights as any other owner of record and enforce liens to recover the costs of such enforcement, which may include costs to perform maintenance obligations, remove trash or debris, tow any unlawfully parked vehicles, or other such violations, all at the cost of any defaulting party. The form of such CC&R's shall be subject to the review and approval by the City Attorney, which shall not be unreasonably withheld, prior to recordation thereof and prior to any amendment thereof that may affect the City's enforcement rights thereunder. City acknowledges that Developer shall not be obligated by the foregoing to form a homeowner's association.

4.5 Reimbursement for City Costs. Developer shall reimburse City for all of City's costs incurred in the drafting, negotiating, development, and implementation of this Agreement, including, but not limited to, the annual review pursuant to Section 6.1. Said costs shall include, but not be limited to, the full cost recovery of all City's staff time and City's attorney fees. This Agreement shall not take effect until the City costs, as provided for in this section, owed by Developer to City are paid to the City.

4.6 Building and Site Design. Developer shall comply with the design intent in the City-wide adopted Design Guidelines.

5. Reimbursement and Fee Credits, Financing, and Right-of Way

5.1 Reimbursement to Developer for Oversizing

5.1.1 Developer agrees the City may require Developer to construct certain on-site and off-site improvements in a manner that provides for oversize or excess capacity beyond that size or capacity needed to serve the project (collectively "Oversizing") so that the constructed improvement will be available to serve other development or residences or facilities outside of the Property. The City shall not require any Oversizing from the Developer except in connection with project approvals or in Development Approvals, and in accordance with the provisions of the Subdivision Map Act. Developer may be entitled to a fee credit or reimbursement for Oversizing improvements per Section 5 of this Agreement.

5.1.2 In the event that City requires Developer to install a specific improvement (for example, a traffic signal), Developer's obligation to pay the relevant development impact fees otherwise owed under this Agreement regarding the category of improvement the Developer is installing shall be satisfied by the installation of such improvement in the manner mutually agreed upon by the City and the Developer so long as the amount of the development impact fees for this category of improvement does not exceed the cost of such improvement. City shall accept Developer's dedication of such improvements, consistent with the terms and conditions of this Agreement.

By entering into this Agreement, City and Developer agree that certain facilities, including, but not limited to, roadway, sewer, water, and drainage will be constructed by Developer pursuant to this Agreement which will benefit third-party landowners. Developer shall be entitled to a fee credit for any such facilities to the extent they benefit third party landowners in an amount as reasonably determined by the City. If Developer's fee credit for a particular facility exceeds the amount of the fee owed, then Developer shall be reimbursed for the amount the fee credit exceeds the fee owed by the benefited third-party landowners. Developer shall request the City enter into a Reimbursement Agreement, which shall specify the reimbursement calculations and amounts as determined by the City. The Reimbursement Agreement will require future development by third-party landowners benefiting from the Oversizing to reimburse Developer's pro-rata share for a period of up to twenty (20) years from the installation of the oversizing or other qualifying improvements benefiting third-party landowners, provided, that Developer shall have the right to extend the initial twenty (20) year period with five (5) year extension requests until such time that Developer has been reimbursed in full from the benefited third party Landowners. The extension request must be received, by the City, in writing six months prior to the expiration of the Reimbursement Agreement. The City Council is authorized to enter into a Reimbursement Agreement on behalf of the City subject to approval as to legal form by the City Attorney.

5.1.3 Reimbursement Calculations. City will provide Developer with the available documentation showing the basis for the reimbursement amounts pursuant to Section 4.1. The reimbursement obligations provided in this Agreement will be in amounts as reasonably determined by the City.

5.1.4 Reimbursement Personal to Constructing Owner. All rights to reimbursement created pursuant to Section 4.1 shall be personal to the owner installing the improvements and shall not run with the land unless such rights are expressly assigned in writing.

5.2 City's Support of Public Financing for Project Improvements. Development of the Project requires the investment of significant capital to fund the Project's necessary major infrastructure. Developer may, at its discretion, seek public financing mechanism for financing the construction, improvement or acquisition of major infrastructure. At

the request of Developer, the City may consider the use of finance districts, special assessment districts, and other similar project-related public financing mechanisms to fund the Project's necessary infrastructure.

5.3 Right-of-Way Acquisition. With respect to the acquisition of any off-site interest in real property required by Developer in order to fulfill any condition required by the Project or the Entitlements, Developer shall make a good faith effort to acquire the necessary interest by private negotiations at the fair market value of such interest. If, after such reasonable efforts, Developer has been unable to acquire such interest and provided that Developer (i) provides evidence of a good faith effort to acquire the necessary property interest to the reasonable satisfaction of City and (ii) agrees to pay the cost of such acquisition, including reasonable attorney's fees, City shall make an offer to acquire the necessary property interest at its fair market value. If such offer has not been accepted within 60 days, City agrees, to the extent permitted by law, to cooperate and assist Developer in efforts to obtain such necessary property interest. Any such acquisition by City shall be subject to City's good faith discretion, which is expressly reserved by City, to make the necessary findings, including a finding thereby of public necessity, to acquire such interest. Subject to the reservation of such good faith discretion, the City shall schedule the necessary hearings, and if approved by City, thereafter prosecute to completion the proceedings and action to acquire the necessary property interests by power of eminent domain.

Developer shall fund all costs of the acquisition of such necessary property interests, including reasonable attorney's fees and court costs in the event that such acquisition and/or condemnation is necessary.

6. Annual Review.

6.1 Good Faith Compliance. Developer shall annually provide documentation of good faith compliance with this agreement per Govt. Code Section 65865.1 to the City. The City may, at least every twelve (12) months, during the Term of this Agreement, conduct a public meeting to review the extent of good faith substantial compliance by Landowner with the terms of this Agreement at Landowner's expense. Such periodic review shall be limited in scope to compliance with the terms of this Agreement pursuant to Government Code Section 65865.1. Notice of such annual review will be provided by the Development Services Director to Landowner thirty (30) days prior to the date of the public meeting by the Planning Commission and shall include the statement that any review may result in amendment or termination of this Agreement as provided herein. A finding by the City of good faith compliance by the Landowner with the terms of Agreement shall conclusively determine the issue up to and including the date of such review. Nothing in this Section shall be deemed to create a duty of responsibility of City or Landowner or define an event of default that but for such concurrent review would not have been so created or defined.

6.2 Failure to Comply in Good Faith. If the City Council makes a finding that the Landowner has not complied in good faith with the terms and conditions of this Agreement, the City shall provide written notice to the Landowner describing: (i) such failure to comply with the terms and conditions of this Agreement (referenced to herein as a "Default"); (ii) the actions, if any, required by the Landowner to cure such Default; and (iii) the time period within which such Default must be cured. The Landowner shall have, at a minimum, thirty (30) business days after the date of such notice to cure such Default, or in the event that such Default cannot be cured within such

thirty (30) day period but can be cured within one (1) year, the Landowner shall have commenced the actions necessary to cure such Default and shall be diligently proceeding to complete such actions necessary to cure such Default within thirty (30) days from the date of notice. If the Default cannot be cured within one (1) year, as determined by the City during periodic or special review, the City Council may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5.

6.3 Failure to Cure Default. If the Landowner fails to cure a Default within the time periods set forth above, the City Council may modify or terminate this Agreement as provided below.

6.4 Proceedings Upon Modification or Termination. If, upon a finding under Section 6.2 and the expiration of the cure period, the City determines to proceed with modification or termination of this Agreement, the City shall give written notice to the Landowner of its intention to do so. The notice shall be given at least fifteen (15) calendar days before the scheduled hearing and shall contain:

6.4.1 The time and place of the hearing;

6.4.2 A statement as to whether or not the City proposes to terminate or to modify the Agreement; and

6.4.3 Such other information as is reasonably necessary to inform the Landowner of the nature of the proceeding.

6.5 Hearings on Modification or Termination. At the time and place set for the hearing on modification or termination, the Landowner shall be given an opportunity to be heard, and the Landowner shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on the issue shall be on the Landowner. If the City Council finds, based upon substantial evidence, that the Landowner has not complied in good faith with the terms or conditions of the Agreement, the City Council may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the City.

7. Permitted Delays.

7.1 Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either Party under this Agreement shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lockouts, walkouts, drought, riots, floods, earthquakes, fire, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, restrictions imposed by governmental or quasigovernmental entities other than the City, unusually severe weather, acts of the other Party, acts or the failure to act of any public or government agency or entity other than the City, or any other causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of cause. If, however, notice by the Party claiming such extension of time is sent to the other Party more than thirty (30) days after the commencement of the cause, the period shall commence to run only thirty (30) days prior to the giving of such notice. Times of

performance under this Agreement may also be extended in writing by the joint agreement of the City and Landowner. Litigation attacking the validity of this Agreement, or any permit, ordinance, or entitlement or other action of a governmental agency necessary for the development of the Property pursuant to this Agreement shall also be deemed to create an excusable delay under this Section.

7.2 Supersedure by Subsequent Laws. If any Law made or enacted after the date of this Agreement prevents or precludes compliance with one or more provisions of this Agreement, then the provisions of this Agreement shall, to the extent feasible, be modified or suspended as may be necessary to comply with such new Law. Immediately after enactment of any such new Law, the Parties shall meet and confer in good faith to determine the feasibility of any such modification or suspension based on the effect such modification or suspension would have on the purposes and intent of this Agreement. If such modification or suspension is infeasible in the Landowner's reasonable business Judgment, then the Landowner shall have the right to terminate this Agreement by written notice to the City. The Landowner shall also have the right to challenge the new Law preventing compliance with the terms of this Agreement, and, in the event such challenge is successful, this Agreement shall remain unmodified and in full force and effect.

8. Termination.

8.1 City's Right to Terminate. The City shall have the right to terminate this Agreement if the Landowner is not in substantial compliance with the terms of this Agreement and this default remains uncured, all as set forth in Section 6.

8.2 Landowner's Right to Terminate. The Landowner shall have the right to terminate this Agreement only under the following circumstances:

8.2.1 The Landowner has found the City in breach of this Agreement, has given the City notice of such breach and the City has not cured such breach within thirty (30) days of receipt of such notice or, if the breach cannot reasonably be cured within such thirty (30) day period, if the City has not commenced to cure such breach within thirty (30) days of receipt of such notice and is not diligently proceeding to cure such breach.

8.2.2 The Landowner is unable to complete the Project because of supersedure by a subsequent law per Section 7.2 or court action.

8.2.3 The Landowner determines, in its business judgment, that it is not practical or reasonable to pursue development of the Property, however if termination occurs for this reason the City reserves the right to revoke any remaining entitlement to develop the property.

8.3 Mutual Agreement. This Agreement may be terminated upon the mutual Agreement of the Parties.

8.4 Effect of Termination.

8.4.1 General Effect. If this Agreement is terminated for any reason, such termination shall not affect any condition or obligation due to the City from the Landowner prior to the date of termination and such termination shall not otherwise

affect any other City entitlement or approval with respect to the Property that has been granted prior to the date of termination.

8.5 Recordation of Termination. In the event of a termination, the City and Landowner agree to cooperate with one another in executing a Memorandum of Termination to record in the Official Records of Sutter County within thirty (30) days of the date of termination.

9. Remedies. Either Party may, in addition to any other rights or remedies, institute legal or equitable action to cure, correct or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation or enforce by specific performance the obligations and rights of the Parties hereto.

10. Waiver; Cumulative Remedies. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of an event of default shall be effective or binding upon such Party unless made in writing by such Party, and no such waiver shall be implied from any omission by a Party to take any action with respect to such event of default. No express written waiver of any event of default shall affect any other event of default, or cover any other period of time, other than any event of default and/or period of time specified in such express waiver. Except as provided in this Section, all of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

11. Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties that the Project is a private development. This Agreement is made and entered into for the sole protection and benefit of the Landowner and the City and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement. The City and Landowner hereby renounce the existence of any third-party beneficiary to this Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third-party beneficiary status. No partnership, joint venture or other association of any kind is formed by this Agreement.

12. Cooperation in the Event of Legal Claim. In the event any legal action or proceeding is instituted by any third-party challenging the validity of any provision of this Agreement or any action or decision taken or made hereunder, the Parties shall cooperate in defending such action or proceeding.

13. Estoppel Certificate. Either Party may, at any time, and from time-to-time, deliver written notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended or modified either orally or in writing, and if so amended, identifying the amendments; (iii) the requesting Party is not in default in the performance of its obligations under this Agreement, or if in default, describing therein the nature and amount of any such defaults; and (iv) the requesting Party has been found to be in compliance with this

Agreement, and the date of the last determination of such compliance. A Party receiving a request hereunder shall execute and return such certificate within thirty (30) days following receipt thereof. The Director shall have the right to execute any certificate requested by the Landowner hereunder. The City acknowledges that a certificate hereunder may be relied upon by transferees and Mortgagees.

14. Right to Assign or Transfer. The Landowner's rights and responsibilities hereunder may be sold or assigned in conjunction with the transfer, sale or assignment of the Property at any time during the term of this Agreement subject to the following conditions precedent:

14.1 No default by Developer shall be outstanding and uncured as of the effective date of the proposed transfer, unless the City Council has received adequate assurances satisfactory to the City Council that such default shall be cured in a timely manner either by Developer or the transferee under the transfer.

14.2 Prior to the effective date of the proposed transfer, Developer or the proposed transferee has delivered to the City an executed and acknowledged assignment and assumption agreement (the "Assumption Agreement") in recordable form. Such Assumption Agreement shall include provisions regarding: (a) the rights and interest proposed to be transferred to the proposed transferee; (b) the obligations of Developer under this Agreement that the proposed transferee will assume; and (c) the proposed transferee's acknowledgment that such transferee has reviewed and agrees to be bound by this Agreement. The Assumption Agreement shall also include the name, form of entity, and address of the proposed transferee, and shall provide that the transferee assumes the obligations of Developer to be assumed by the transferee in connection with the proposed transfer. The Assumption Agreement shall be recorded in the official records of the County of Sutter concurrently with the consummation of the transfer.

14.3 Prior to the effective date of the proposed transfer, the Developer must obtain the City's consent in writing to the transfer, which may be evidenced by the City Council's approval of an Assumption Agreement. City's consent shall not be unreasonably withheld. Factors the City may consider in determining whether to consent to the transfer include the financial capacity of the proposed transferee to comply with all of the terms of the Agreement and the history, if any, of compliance of transferee, its principals, officers or owners with the provisions of federal or state law, the Yuba City Municipal Code or agreements with the City relating to development projects within the City.

14.4 Mortgagee as Transferee. No Mortgage (including the execution and delivery thereof to the Mortgagee) shall constitute a transfer. A Mortgagee shall be a transferee only upon: (a) the acquisition by such Mortgagee of the affected interest of Developer encumbered by such Mortgagee's Mortgage; and (b) delivery to the City of an Assumption Agreement executed by the Mortgagee pursuant to which the Mortgagee assumes assuming, from and after the date such Mortgagee so acquires its interest, the applicable rights, duties and obligations of Developer under this Agreement. No further consent of the City shall be required for any such transfer to a Mortgagee.

14.5 Effect of Transfer. A transferee shall become a Party to this Agreement only with respect to the interest transferred to it under the transfer and then only to the extent set forth in the Assumption Agreement. If Developer transfers all of its rights, duties and obligations under this Agreement, Developer shall be released from any and all obligations

accruing after the date of the transfer under this Agreement. If Developer effectuates a transfer as to only some but not all of its rights, duties and obligations under this Agreement, Developer shall be released only from its obligations accruing after the date of the transfer which the transferee assumes in the Assumption Agreement.

15 Financing. Mortgages, deeds of trust, sales and leasebacks, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Property ("Mortgages") are permitted without the consent of the City, provided the Landowner complies with the following:

15.1 Mortgagee Protection. This Agreement and any covenants entered into between the Developer and City shall be superior and senior to the conveyance of any Mortgage encumbering any interest in the Property. No default shall defeat, render invalid, diminish or impair the conveyance of any Mortgage made for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any person (including any Mortgagee) who acquires title to the Property or any portion thereof or interest therein or improvement thereon, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

15.2 Mortgagee Not Obligated; Mortgagee as Transferee. No Mortgagee shall have any obligation or duty under this Agreement whatsoever, except that nothing contained in this Agreement shall be deemed to permit or authorize any Mortgagee to undertake any new construction or improvement in the Chima Ranch Project Area, or to otherwise have the benefit of any rights of Developer, or to enforce any obligation of the City, under this Agreement, unless and until such Mortgagee elects to become a Transferee in the manner specified in this Agreement. Any Mortgagee that affirmatively elects to become a Transferee shall be later released from all obligations and liabilities under this Agreement upon the subsequent Transfer by the Mortgagee of its interest as a transferee to another person.

15.3 Entitlement to Written Notice of Default. The Mortgagee of a Mortgage or beneficiary of a deed of trust encumbering the Property, or any part thereof, and their successors and assigns shall, upon written request to the City, be entitled to receive from the City written notification of any default by Landowner of the performance of Landowner's obligations under this Agreement which has not been cured within sixty (60) days following the date of default. Landowner shall reimburse the City for its actual costs, reasonably and necessarily incurred, to prepare this notice of default.

15.4 Priority of Mortgages and Subordination. Landowner shall ensure that all Mortgages subordinate to this Agreement. For purposes of exercising any remedy of a Mortgagee or for becoming a Transferee, the applicable laws of the State of California shall govern the rights, remedies and priorities of each Mortgagee, absent a written agreement between Mortgagees otherwise providing.

15.5 Collateral Assignment. As additional security to a Mortgagee under a Mortgage on the Property or any portion thereof, Developer shall have the right, without the consent of the City, to execute a collateral assignment of Developer's rights, benefits and remedies under this Agreement in favor of the Mortgagee (a "Collateral Assignment") on the standard form provided by the Mortgagee.

16. Covenants to Run with the Land. All of the provisions, agreements, rights, powers, standards, terms, covenants, and obligations contained in this

Agreement shall be binding upon the Parties and their respective heirs, successors, assignees, devisees, administrators, representatives, lessees, and all other persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors and assignees. All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the Property hereunder: (i) is for the benefit of such properties and is a burden upon such properties; (ii) runs with such properties; and (iii) is binding upon each Party and each successive owner during its ownership of such properties or any portion thereof, and each person having any interest therein derived in any manner through any owner of such properties, or any portion thereof, and shall benefit each Party and its property hereunder, and each other person succeeding to an interest in such properties; provided that no liability or obligation shall accrue to any person, if this Agreement terminates pursuant to Section 8 of this Agreement.

17. Amendment.

17.1 Amendment or Cancellation. Except as otherwise provided in this Agreement, this Agreement may be canceled, modified or amended only by mutual consent of the Parties in writing, and then only in the manner provided for in Government Code Section 65868. Minor amendments to this Agreement may be made without a public hearing upon approval of the Development Services Director. "Minor Amendments" shall mean amendments which are similar in significance to the type of minor amendments to land use entitlements that may be made without a full public hearing or approval of the Planning Commission or City Council pursuant to the Yuba City Municipal Code.

17.2 Recordation. Any amendment, termination or cancellation of this Agreement shall be recorded by the City Clerk not later than ten (10) days after the effective date of the action effecting such amendment, termination or cancellation; however, a failure to record shall not affect the validity of the amendment, termination or cancellation.

18. Notices.

18.1 Procedure. Any notice to either Party shall be in writing and given by delivering the notice in person or by sending the notice by registered or certified mail, or Express Mail, return receipt requested, with postage prepaid, to the Party's mailing address.

18.2 Mailing Addresses. The respective mailing addresses of the Parties are, until changed as hereinafter provided, the following:

City:	Development Services Director City of Yuba City 1201 Civic Center Blvd. Yuba City, CA 95993
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With a copy to:	City Manager
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City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA 95993

Landowners:

Interwest Homes Corporation
Attn: Ron Scott
950 Tharp Road
Yuba City, CA 95993

With a copy to:

MHM Incorporated
Attn: Sean Minard
P.O. Box B
Marysville, CA 95901

Either Party may change its mailing address at any time by giving ten (10) days' notice of such change in the manner provided for in this section. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal delivery is affected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt. Nothing in this provision shall be construed to prohibit communication by facsimile transmission, so long as an original is sent by first class mail, commercial carrier or is hand-delivered.

19. Indemnification.

19.1 Third Party Actions. To the furthest extent allowed by law, Developer shall indemnify, hold harmless and immediately defend with counsel of City's choosing, City and each of its officers, officials, employees, agents, attorneys, and volunteers from any and all loss, liability, fines, penalties, forfeitures, damages and costs (including attorney's fees, litigation expenses and administrative record preparation costs) arising from, resulting from, or in connection with any Third-Party Action (as hereinafter defined). The term "Third Party Action" collectively means any legal action or other proceeding instituted by (i) a third party or parties or (ii) a governmental body, agency or official other than the City or a City Agency, that: (a) challenges or contests any or all of this Agreement, the Chima Ranch Subdivision Map Applications and Approvals, or the Development Approvals; or (b) claims or alleges a violation of CEQA or another law in connection with the certification of the EIR by the City Council or the grant, issuance or approval by the City of any or all of this Agreement, the Chima Ranch Subdivision Map Applications and Approvals, and the Development Approvals. Developer's obligations under this Section shall apply regardless of whether City or any of its officers, officials, employees, agents or volunteers are actively or passively negligent, but shall not apply to any loss, liability, fines, penalties forfeitures, costs or damages caused solely by the active negligence or willful misconduct of the City or any of its officers, officials, employees, agents or volunteers. The provisions of this Section shall survive the termination of this Agreement.

19.2 Damage Claims. The nature and extent of Developer's obligations to indemnify, defend and hold harmless the City with regard to events or circumstances not addressed in Section 19.1 shall be governed by this Section 19.2. To the furthest extent allowed by law, Developer shall indemnify, hold harmless and defend City and each of its officers, officials, employees, agents, attorneys, and volunteers from any and all loss, liability,

fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by City, Developer or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Agreement or the performance of any or all work to be done by Developer or its contractors, agents, successors and assigns pursuant to this Agreement (including, but not limited to design, construction and/or ongoing operation and maintenance of off-site improvements unless and until such off-site improvements are dedicated to and officially accepted by the City). Developer's obligations under the preceding sentence shall apply regardless of whether City or any of its officers, officials, employees, attorneys, or agents are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active or sole negligence, or the willful misconduct, of City or any of its officers, officials, employees, agents, attorneys, or volunteers.

If Developer should subcontract all or any portion of the services to be performed under this Agreement, Developer shall require each subcontractor to indemnify, hold harmless and defend City and each of its officers, officials, employees, agents, attorneys, and volunteers in accordance with the terms of the preceding paragraph. The Developer further agrees that the use for any purpose and by any person of any and all of the streets and improvements required under this Agreement, shall be at the sole and exclusive risk of the Developer, at all times prior to final acceptance by the City of the completed street and other improvements, unless any loss, liability, fines, penalties, forfeitures, costs or damages arising from said use were caused by the active or sole negligence, or the willful misconduct, of the City or any of its officers, officials, employees, agents or volunteers.

Notwithstanding the preceding paragraph, to the extent that Subcontractor is a "design professional" as defined in Section 2782.8 of the California Civil Code and performing work hereunder as a "design professional" shall, in lieu of the preceding paragraph, be required to indemnify, hold harmless and defend City and each of its officers, officials, employees, agents and volunteers to the furthest extent allowed by law, from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in Agreement, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, its principals, officers, employees, agents or volunteers in the performance of this Agreement.

This Section shall survive termination or expiration of this Agreement.

20. Insurance. Prior to starting construction of any phase of the project through the date of City's final formal acceptance of off-site improvements constructed pursuant to the terms of this Agreement (the "Insurance Period"), Developer shall pay for and maintain in full force and effect all policies of insurance described in this Section with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A- VII" in Best's Insurance Rating Guide, or (ii) authorized by City's Public Work's Director. The following policies of insurance are required:

20.1 Commercial General Liability. Insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and shall include insurance for bodily injury, property damage and personal injury with coverage for premises and operations (including the use of

owned and non-owned equipment), products and completed operations, contractual liability (including indemnity obligations under this Agreement), with limits of liability of not less than \$5,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal injury, \$5,000,000 general aggregate and \$5,000,000 aggregate for products and completed operations and \$5,000,000 general aggregate.

20.2 Commercial Automobile Liability. insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Business Auto Coverage Form CA 00 01 and shall include coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1-B Any Auto), with combined single limits of liability of not less than \$5,000,000 per accident for bodily injury and property damage.

20.3 Workers Compensation. insurance as required under the California Labor Code.

20.4 Employers Liability. with minimum limits of liability of not less than \$1,000,000 each accident, \$1,000,000 policy limit and \$1,000,000 for each employee.

In the event Developer purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies).

Developer shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Developer shall also be responsible for payment of any self-insured retentions.

The above described policies of insurance shall be endorsed to provide an unrestricted 30 calendar day written notice in favor of City of policy cancellation of coverage, except for the Workers' Compensation policy which shall provide a ten (10) calendar day written notice of such cancellation of coverage. In the event any policies are due to expire during the term of this Agreement, Developer shall provide a new certificate evidencing renewal of such policy not less than ten (10) calendar days prior to the expiration date of the expiring policy(ies). Upon issuance by the insurer, broker, or agent of a notice of cancellation in coverage, Developer shall file with City a new certificate and all applicable endorsements for such policy(ies).

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and shall name City, its officers, officials, agents, attorneys, employees and volunteers as an additional insured. Such policy(ies) of insurance shall be endorsed so Developer's insurance shall be primary, and no contribution shall be required of City. Any Workers' Compensation insurance policy shall contain a waiver of subrogation as to City, its officers, officials, agents, employees and volunteers. Developer shall have furnished City with the certificate(s) and applicable endorsements for all required insurance prior to start of construction of any phase of development. Developer shall furnish City with copies of the actual policies upon the request of City's Director of Public Works at any time during the life of the Agreement or any extension, and this requirement shall survive termination or expiration of this Agreement.

If at any time during the Insurance Period, Developer fails to maintain the required insurance in full force and effect, the Director of Public Works, or designee, may order that the Developer, or its contractors or subcontractors, immediately discontinue any further work under this Agreement and take all necessary actions to secure the work site to ensure that public health

and safety is protected. All payments due or that become due to Developer shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. The insurance requirements set forth in this Section are material terms of this Agreement.

If Developer should hire a general contractor to provide all or any portion of the services or work to be performed under this Agreement, Developer shall require the general contractor to provide insurance protection in favor of City, its officers, officials, employees, attorneys, volunteers and agents in accordance with the terms of each of the preceding paragraphs, except that the general contractor's certificates and endorsements shall be on file with Developer and City prior to the commencement of any work by the general contractor.

If the general contractor should subcontract all or a portion of the services or work to be performed under this Agreement to one or more subcontractors, Developer shall require the general contractor to require each subcontractor to provide insurance protection in favor of City, its officers, officials, employees, attorneys, volunteers and agents in accordance with the terms of each of the preceding paragraphs, except that each subcontractor shall be required to pay for and maintain Commercial General Liability insurance with limits of liability of not less than \$1,000,000 per occurrence for bodily injury and property damage, \$1,000,000 per occurrence for personal injury, \$2,000,000 aggregate for products and completed operations and \$2,000,000 general aggregate and Commercial Automobile Liability insurance with limits of liability of not less than less than \$1,000,000 per accident for bodily injury and property damage. Subcontractors' certificates and endorsements shall be on file with the general contractor, Developer and City prior to the commencement of any work by the subcontractor. Developer's failure to comply with these requirements shall constitute a default of this Agreement.

21. Miscellaneous.

21.1 Approvals. Unless otherwise provided herein, whenever approval, consent or satisfaction (herein collectively referred to as an "approval") is required of a Party pursuant to this Agreement, such approval shall not be unreasonably withheld. If a Party shall disapprove, the reasons therefor shall be stated in reasonable detail in writing. Approval by a Party to or of any act or request by the other Party shall not be deemed to waive or render unnecessary approval to or of any similar or subsequent acts or requests. The Parties acknowledge and agree that the intent of the Parties is that this Agreement be construed in a manner that protects the rights granted to Landowner herein to the as allowed by law. Except for the limitations on the exercise by the City of its police power which are provided in this Agreement or which are construed in accordance with the immediately preceding sentence, the Parties further acknowledge and agree that: (a) the City reserves all of its police power and/or statutory or other legal powers or responsibilities; and (b) this Agreement shall not be construed to limit the authority or obligation of the City to hold necessary public hearings, to limit the discretion of the City or any of its officers or officials with regard to rules, regulations, ordinances, laws, and entitlement of use which require the exercise of discretion by the City or any of its officers or officials. This Agreement shall not be construed to limit the obligations of the City to comply with CEQA or any other federal or state law.

21.2 Project Approvals Independent. All approvals that may be granted pursuant to this Agreement, and all approvals or other land use approvals which have been or may be issued or granted by the City with respect to the Property,

constitute independent actions and approvals by the City. If any provisions of this Agreement or the application of any provision of this Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, or if the City terminates this Agreement for any reason, such invalidity, unenforceability or termination of this Agreement or any part hereof shall not affect the validity or effectiveness of any approvals or other land use approvals. In such cases, such approvals will remain in effect pursuant to their own terms, provisions and conditions.

21.3 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of the Property, or of the Project, or any portion thereof, to the general public, for the general public, or for any-public use or purpose whatsoever. This proscription does not extend to any portion of the Property that may be dedicated in compliance with any conditions of approval. The Landowner shall have the right to prevent or prohibit the use of the Property, or any portion thereof, including common areas and buildings and improvements located thereon; by any person for any purposes inimical to the operation of a private, integrated Project as contemplated by this Agreement.

21.4 Severability. Invalidity of any of the provisions contained in this Agreement, or of the application thereof to any person, by judgment or court order, shall in no way affect any of the other provisions hereof or the application thereof to any other person or circumstance and the same shall remain in full force and effect, unless enforcement of this Agreement as so invalidated would be unreasonable or grossly inequitable under all the circumstances or would frustrate the purposes of this Agreement.

21.5 Construction of Agreement. The provisions of this Agreement and the Exhibits shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purpose of the Parties. The captions preceding the text of each Article, Section, Subsection and the Table of Contents are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, or vice versa. All references to "person" shall include, without limitation, any and all corporations, partnerships or other legal entities.

21.6 Other Necessary Acts. Each Party covenants, on behalf of itself and its successors, heirs and assigns, to take all actions and do all things, and to execute, with acknowledgment or affidavit if required, any and all further instruments, documents and writings as may be reasonably necessary or proper to achieve the purposes and objectives of this Agreement and to secure the other party the full and complete enjoyment of its rights and privileges hereunder.

21.7 Applicable Law. This Agreement, and the rights and obligations of the Parties, shall be construed by and enforced in accordance with the laws of the State of California.

21.8 Equal Authorship. This Agreement has been reviewed by legal counsel for both the Landowner and City, and no presumption or rule that ambiguities

shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

21.9 Time. Time is of the essence of this Agreement and of each and every term and condition hereof. In particular, the City agrees to act in a timely fashion in accepting, processing, checking and approving all maps, documents, plans, permit applications and any other matters requiring the City's review or approval relating to the Project or Property. Subject to extensions of time by mutual consent in writing, unreasonable delay by either party to perform any term or provision of this Agreement shall constitute a default.

21.10 Subsequent Projects. After the effective date of this Agreement, the City may approve other projects that place a burden on the City's infrastructure; however, it is the intent and agreement of the Parties that Landowner's right to build and occupy the Project, as described in this Agreement, shall not be diminished despite the increased burden of future approved development on public facilities.

21.11 Entire Agreement. This written Agreement and the Exhibits contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement, any prior correspondence, memoranda, agreements, warranties or representations are superseded in total by this Agreement and Exhibits.

21.12 Form of Agreement: Exhibits. This Agreement is executed in three duplicate originals, each of which is deemed to be an original. This Agreement constitutes the entire understanding and agreement of the parties. Said exhibits are identified as follows:

Exhibit A-1: Property legal description

Exhibit A-2: Chima Ranch Subdivision

All attachments to this Agreement, including all exhibits referenced herein, and all subparts thereto, are incorporated herein by this reference.

21.13 Attorneys' Fees. If either Party commences any action for the interpretation, enforcement, termination, cancellation or rescission hereof, or for specific performance of the breach hereof, the prevailing party shall be entitled to its reasonable attorneys' fees and litigation expenses and costs, and any judgment, order or decree rendered in such action, suit or proceeding shall include an award thereof. Attorneys' fees under this Section shall include attorneys' fees on any appeal and any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

21.14 Limitation of Legal Acts. In no event shall the City, or its officers, agents, attorneys, or employees, be liable in damages for any breach or violation of this Agreement, it being expressly understood and agreed that the Developer's sole legal remedy for a breach or violation of this Agreement by the City shall be a legal action in mandamus, specific performance or other injunctive or declaratory relief to enforce the provisions of this Agreement.

21.15 Interpretation and Governing State Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objective and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, both Parties having been represented by counsel in the negotiation and preparation hereof. All legal actions brought to enforce the terms of this Agreement shall be brought and heard in the Superior Court of the State of California, County of Sutter.

21.16 Successor Statutes Incorporated. All references to a statute or ordinance, shall incorporate any, or all, successor statute or ordinance enacted to govern the activity now governed by the statute or ordinance, noted herein to the extent, however, that incorporation of such successor statute or ordinance does not adversely affect the benefits and protections granted to the Developer under this Agreement.

21.17 Counterparts. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed to be an original and each of which shall be deemed to be one and the same instrument when each Party signs each such counterpart.

21.18 Signature Pages. For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages which, when attached to this Agreement, shall constitute this as one complete Agreement.

21.19 Days. Unless otherwise specified in this Agreement, the term "days" means calendar days.

21.20 Authority. The Parties hereby represent that the person hereby signing this Agreement on behalf of each respective Party has the authority to bind the Party to the Agreement.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

"City"

CITY OF YUBA CITY,
A General Law City

By: [Signature]
Wade Kirchner, Mayor

Date: 3.10.2023

"Landowner"

Interwest Homes Corporation,
a California Corporation

By: Interwest Homes Corporation
a California Corporation

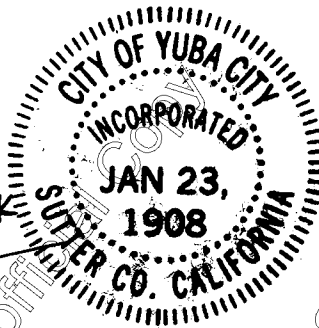
By: [Signature]
James R. Scott, President

Attest:

[Signature]
City Clerk

Approved as to Form:

[Signature]
Shannon Chaffin, City Attorney



Attachments:

- A-1 Property Legal Description
- A-2 China Ranch Subdivision map

ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
 County of Sutter)

On Feb. 23, 2023 before me, Nancy Tiff, notary public
 (insert name and title of the officer)

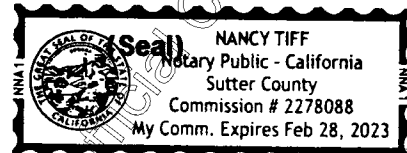
personally appeared James R. Scott
 who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Nancy Tiff



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of

SUTTER

On MARCH 10, 2023

before me,

C. WAKEFIELD

(insert name and title of the officer)

personally appeared WADE MORGAN KIRCHNER
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature

C. Wakefield

(Seal)

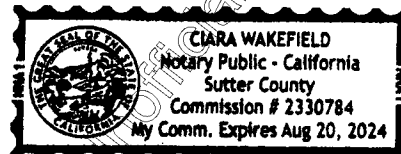


EXHIBIT A-1
PROPERTY LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SUTTER, CITY OF YUBA CITY, DESCRIBED AS FOLLOWS:

PARCEL ONE: (APN: 065-020-010)

LOT 3 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SE-1/4 OF SECTION 32, TOWNSHIP 15 NORTH, RANGE 3 E., M.D.M. IN SUTTER CO., CAL., AS SUBDIVIDED INTO LOTS FOR JAMES LITTLEJOHN" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SUTTER COUNTY, CALIFORNIA, ON SEPTEMBER 4, 1906 IN BOOK 1 OF SURVEYS, PAGE 40 .

PARCEL TWO: (APN: 065-020-009)

THE SOUTH 5 ACRES OF LOT 2 AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF THE SE-1/4 OF SECTION 32, TOWNSHIP 15 NORTH, RANGE 3 E., M. D. M., IN SUTTER CO., CAL. AS SUBDIVIDED INTO LOTS FOR JAMES LITTLEJOHN" FILED IN THE OFFICE OF THE COUNTY LTCCORDER OF SUTTER COUNTY, CALIFORNIA, ON SEPTEMBER 4, 1906, IN BOOK I OF SURVEYS, PAGE 40.

ATTACHMENT 2

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING THE ASSIGNMENT OF RESPONSIBILITIES UNDER THE DEVELOPMENT AGREEMENT ASSOCIATED WITH THE CHIMA RANCH TENTATIVE SUBDIVISION MAP (SM 22-07) FROM INTERWEST HOMES CORPORATION TO LGI HOMES, LLC.

WHEREAS, on February 7, 2023, the City Council adopted an uncodified Ordinance approving a development agreement (DA) between the City of Yuba City and Interwest Homes Corporation associated with the Chima Ranch Tentative Subdivision Map (SM 22-07) and related entitlements. This subdivision provides for 82 single-family residential lots located immediately west of the intersection of Pebble Beach Drive and Sanborn Road, Assessor's Parcel Numbers 65-020-009 and 65-020-010; and

WHEREAS, pursuant to the authority and criteria contained in the California Environmental Quality Act of 1970 ("CEQA"), the City, adopted a Mitigated Negative Declaration as the Lead Agency as part of approving the Chima Ranch Tentative Subdivision Map, related entitlements including a Development Agreement, based on the analysis contained in Environmental Assessment 22-14 for the Project; and

WHEREAS, the Chima Ranch Development Agreement was recorded on March 30, 2023, as Instrument No. 2023-0002731; and

WHEREAS, pursuant to Section 14 of the Chima Ranch Subdivision Development Agreement, the City has received a request to assign responsibilities under the Chima Ranch Development Agreement from Interwest Homes Corporation to LGI Homes, LLC; and

WHEREAS, subsection 14.3 of the Chima Ranch Subdivision Development Agreement requires the City's consent in writing to transfer responsibilities from one developer to another and this section states the City's consent shall not be unreasonably withheld; and

WHEREAS, the City Council of Yuba City has considered the developer request on December 17, 2024, for the requested development agreement assignment and desires to approve the request.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Yuba City resolves and orders as follows:

1. Recitals: The City Council finds that the recitals are true and correct, and incorporates the same herein as if set forth in full.
2. CEQA Finding: A Mitigated Negative Declaration was recorded as part of approving the Chima Ranch Tentative Subdivision Map (SM 22-07), related entitlements including the Chima Ranch Development Agreement. The developer's request to assign responsibilities and obligations will not alter the approved tentative subdivision map, conditions of approval or any circumstances associated with the project. As a result, no additional environmental review is required.
3. Development Agreement Section 14.3 states the factors the City may consider in determining whether to consent to the transfer include the financial capacity of the proposed transferee to

comply with all the terms of the Agreement and the history, if any of compliance of transferee, its principals, officers or owners with the provisions of federal or state law, the Yuba City Municipal Code or agreements with the City relating to development of projects within the City.

The City has determined that LGI Homes has not previously developed in Yuba City. The company was founded in 2003 in Texas and today develops communities in 20 states. They are a publicly traded homebuilder on the NASDAQ and have developed over 50,000 homes. As a national homebuilder, the City Council believes LGI Homes has the financial ability to construct the project consistent with the Municipal Code, the adopted conditions of approval and applicable State and Federal law.

4. Approval of Assignment: The City Council approves the assignment of responsibilities under the Chima Ranch Tentative Subdivision (SM 22-07) from Interwest Homes Corporation to LGI Homes LLC, and authorizes the Development Services Director to sign the Assignment, in substantially the same form as shown in Exhibit A of this resolution.
5. Effective Date of Resolution: This Resolution shall become final and effective upon Council Approval.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

Ayes:

Noes:

Absent:

Recused:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

EXHIBIT A

Recording Requested by:

Development Services Department
City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA

When Recorded Mail To:

City Clerk
City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA 95993

DOCUMENT WILL BE RETURNED TO NAME & ADDRESS IDENTIFIED ABOVE

[Space Above for Recorder's Use]

ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT

[Chima Ranch]

This Assignment and Assumption of Development Agreement (this "**Amendment**") is entered into by and between **Interwest Homes Corporation**, a California corporation ("**Assignor**"), and **LGI Homes – California, LLC**, a California limited liability company ("**Assignee**") with respect to that certain *Development Agreement* executed by Interwest and the City of Yuba City (the "**City**") and recorded on March 30, 2023 at instrument #2023-0002731 (the "**DA**") in connection with Assignee's purchase of the affected land from Assignor's affiliate, James R. Scott as Trustee of the Scott Family Trust u/t/a dated 11/06/2000 (the "**Trust**") pursuant to that certain *Purchase & Sale Agreement* dated July 29, 2024 between Assignor and the Trust, as amended. This Assignment is consented to by the City as set forth below. Regardless of the date(s) on which it is executed, this Assignment shall be effective as of the date on which a fully executed copy hereof is recorded in the Sutter County records (the "**Effective Date**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. **Assignment and Assumption.** Assignor hereby assigns, conveys, transfers, and sets over unto Assignee all of Assignor's right, title, and interest in, to and under the DA. Assignee acknowledges that it has reviewed the DA and agrees to be bound thereby, and as such hereby assumes and agrees to perform, fulfill, and comply with all covenants and obligations which are to be performed, fulfilled, and complied with by the Developer under the DA arising on and after the Effective Date.

2. **Indemnity.** Assignor hereby agrees to indemnify, defend, and hold harmless Assignee and its affiliates, successors, and assigns for, from, and against any and all obligations and liabilities of Developer that accrued under the DA before the Effective Date. Assignee hereby agrees to indemnify, defend, and hold harmless Assignor and its affiliates, successors, and assigns for, from, and against any and all obligations and liabilities of Developer under the DA that accrue on or after the Effective Date.

3. **Miscellaneous.** The terms and conditions of this Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns. This Assignment may be executed in one or more counterparts, each of, which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Assignment shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

[Signatures on the following pages]

[continued signatures to the Assignment]

ASSIGNEE:

LGI Homes – California, LLC,
a California limited liability company

By: Evan Licht
Name: Evan Licht
Title: Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

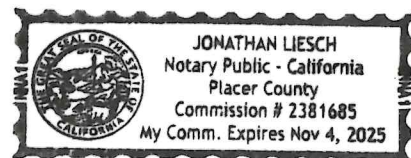
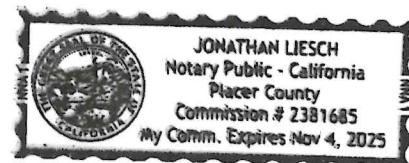
County of Placer) ss.
) Jonathan Liesch

On November 25, 2024[✓] before me, a Notary Public, personally appeared Evan Licht, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which he acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)



[signatures continue on the following page]

CONSENT TO ASSIGNMENT

The City hereby consents to the foregoing Assignment in satisfaction of the requirements of Section 14 of the DA.

City of Yuba City,
a California municipality

By: _____

Name:

Title:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

) ss.

County of _____)

On _____, 202_ before me, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which he acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Public Works
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Henson Ranch Estates Subdivision (Acceptance of Public Improvements)
Recommendation: Adopt a Resolution accepting certain street and related improvements pursuant to the Henson Ranch Estates Subdivision Agreement with YC Hooper Ventures, LLC, A California Limited Liability Company, and authorizing the Subdivider to file a Notice of Completion. [Subdivision is located north of North Colusa Frontage Road, East of Hooper Road, and west of El Margarita Road]
Fiscal Impact: City will become responsible for maintenance costs of the public improvements

Purpose:

To accept the infrastructure improvements associated with the Henson Ranch Estates Development for public use and initiate the one (1) year warranty period.

Council's Strategic Goal:

Acceptance of these improvements coordinates with the Council Strategic Goal related to Infrastructure. The action is necessary to comply with the Development Subdivision Agreement and transfer the private development to the City as public infrastructure.

Background:

On April 18, 2023, Council authorized Resolution No. 23-045 to execute a Subdivision Agreement with the Subdivider, YC Hooper Ventures, LLC, A California Limited Liability Company, regarding the development of the Henson Ranch Estates Subdivision (SM 21-01) (Attachment 2). Per the agreement, the Subdivider was to construct the determined improvements and, upon completion, dedicate and offer the improvements to the City to constitute public improvements.

Analysis:

The Henson Ranch Estates Subdivision street and related improvements have been constructed to the satisfaction of the City. At this time, the Subdivider is requesting acceptance of the improvements so that the one (1) year warranty period can begin. All the required improvements within the subdivision have been constructed in conformance with the approved plans and specifications. With the acceptance, the Subdivider will provide security for the guarantee and warranty of the work in the amount of 10% of the cost of the improvements, which equates to \$369,059.90.

Fiscal Impact:

With the acceptance of the improvements, the City will become responsible for the ongoing maintenance of the public improvements, including the water, sewer, storm-drain lines, streets, streetlights, and landscaping. Residents within the subdivision will participate in Lighting and Landscape Maintenance District No. 5C_10, which will pay for the proportional share of the maintenance of the streetlights and landscaping. Maintenance costs for the water and sewer lines will come from the Water Enterprise and Sewer Enterprise funds, respectively, and maintenance of the streets and storm drains will be funded with road funds and the established Community Facilities District for the subdivision.

Alternatives:

Do not accept the improvements.

Recommendation:

Adopt a Resolution accepting certain street and related improvements pursuant to the Henson Ranch Estates Subdivision Map Agreement with YC Hooper Ventures, LLC, A California Limited Liability Company, and authorizing the Subdivider to file a Notice of Completion. [Subdivision is located north of North Colusa Frontage Road, East of Hooper Road, and west of El Margarita Road].

Attachments:

1. Resolution accepting Henson Ranch Estates Subdivision Improvements
2. Henson Ranch Map

Prepared By:

Kevin Bradford
Deputy PW Director – Engineering

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
ACCEPTING CERTAIN STREET AND RELATED IMPROVEMENTS
PURSUANT TO THE HENSON RANCH ESTATES SUBDIVISION
AGREEMENT DATED APRIL 18, 2023 BETWEEN THE CITY OF YUBA CITY
AND YC HOOPER VENTURES, LLC, A CALIFORNIA LIMITED LIABILITY
COMPANY, AND AUTHORIZING THE SUBDIVIDER TO FILE THE NOTICE OF
COMPLETION.**

WHEREAS, the City of Yuba City (City) has heretofore contracted with YC Hooper Ventures, LLC, A California Limited Liability Company for certain work pursuant to that Henson Ranch Estates Subdivision Agreement dated April 18th, 2023, between the City of Yuba City and YC Hooper Ventures, LLC, a California Limited Liability Company as a condition of approval for Subdivision Map No. 21-01; and

WHEREAS, said work of improvements called for by said Agreement for street and related improvements was completed to the satisfaction of the City, and a maintenance bond insuring the work of improvements from a maintenance standpoint for a period of one (1) year from and after completion has been provided.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City Council of the City of Yuba City hereby accepts the work performed on those certain improvements, the subject of the Subdivision Agreement between the City of Yuba City and YC Hooper Ventures, LLC, a California Limited Liability Company, and authorizes and directs the Subdivider to execute and record a Notice of Completion in connection with said work of improvement.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December, 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

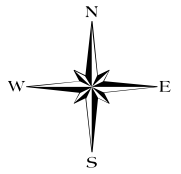
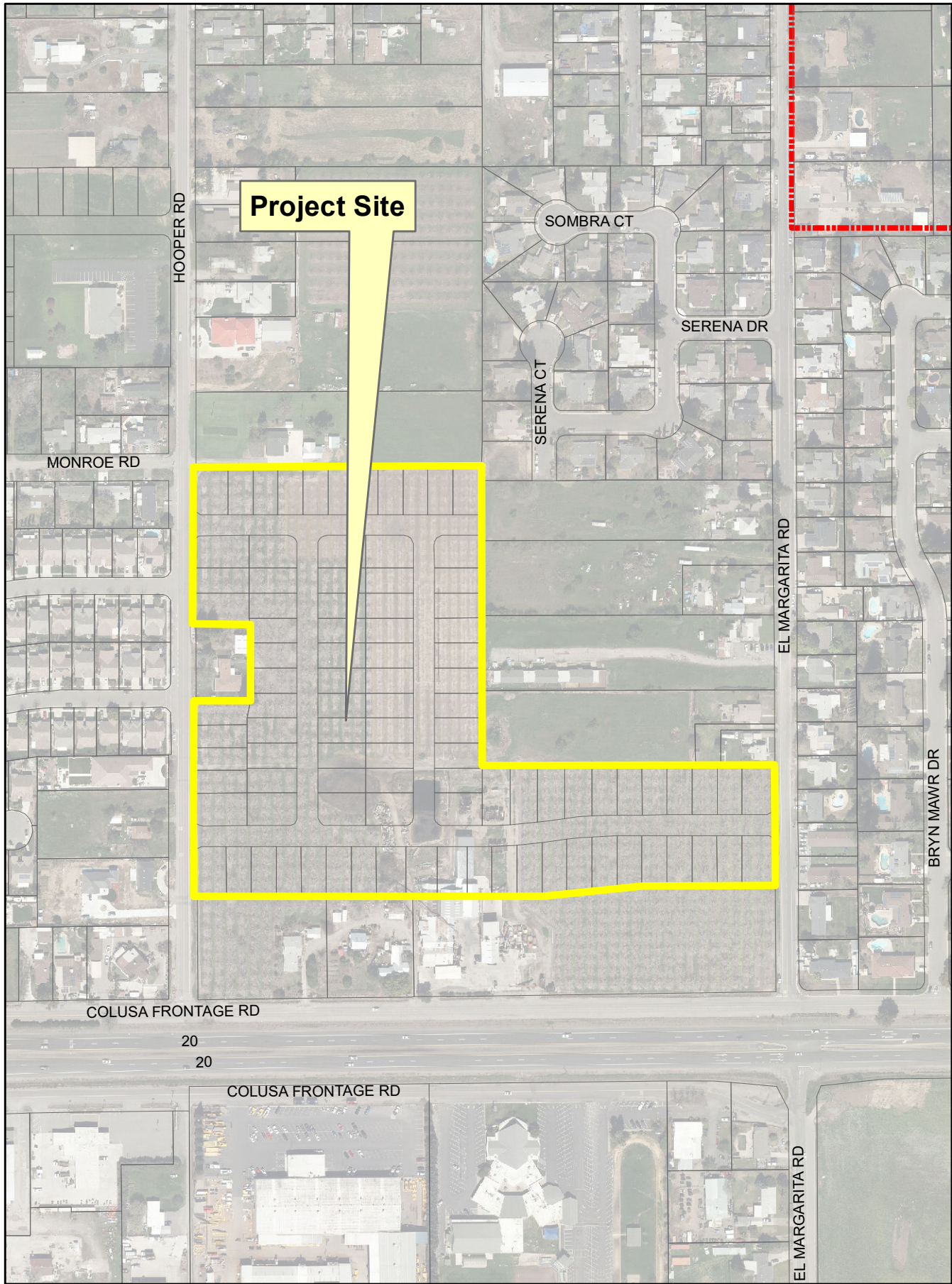
ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2



Location Map: Henson Ranch Estates
Tentative Subdivision Map 21-01

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Ashley Potocnik, Development Manager

Summary

Subject: SACOG Grant Agreement for City Welcome Sign Project (Gateway Signs Improvement Project)
Recommendation: Adopt a Resolution authorizing the City Manager of the City of Yuba City to execute a Memorandum of Understanding between Sacramento Area Council of Governments and the City of Yuba City, and all other necessary grant agreements for the Community Design Funding Program: Gateway Signs Improvement Project
Fiscal Impact: \$100,000 Community Design Grant

Purpose:

To finalize the grant funding agreement to replace the City Welcome Signs located on South Highway 99 and West State Route 20.

Council Strategic Goal:

The Gateway Signs Improvement Project aligns with the City's strategic goals of enhancing the quality of life by revitalizing key entry points into Yuba City.

Background:

Yuba City has two welcome signs, one located at the southwest intersection of Township Road / State Route 20 and the other at approximately 1,100 feet southeast of the Bogue Road / State Route 99 intersection. Due to disrepair, the current signage was removed from their base foundations.

In 2023, Yuba City obtained a Community Design Grant from the Sacramento Area Council of Governments (SACOG) to enhance the signs in the amount of \$100,000.

Based on direction from City Council, a two-part design process was implemented.

1. Design Concept Competition (Call for Artists)
2. Request for Proposals (final design, fabrication, and installation)

On December 4, 2023, the Call for Artists was distributed in coordination with the Yuba Sutter Arts

Council, Yuba Sutter Chamber of Commerce, and Yuba City Unified School District. The Call for Artists outlined the design competition process and submission details. On February 2, 2024, the competition was closed with ten (10) design concept submissions received.

On February 20, 2024, the City Council established an Ad Hoc Committee to review the submissions and select finalists. The Ad Hoc Committee was steered by Councilmember Kirchner and Councilmember Pasquale with representatives from the Planning Commission (Justine Gill), Senior Commission (Michael McFarlane), Parks & Recreation Commission (Staci Howell), and the Youth Commission (Maya Sangha).

On April 1, 2024, the Ad Hoc Committee met to review the submissions and select three finalists to move forward in the selection process. The Ad Hoc Committee reviewed and scored each submission based on creativity, alignment with City branding and guidelines, aesthetic appeal, relevance to the community, feasibility of implementation, and overall impression.

On May 21, 2024, the City Council selected a winning design concept. The winner, Raveena Sroya, was recognized at the July 2, 2024, City Council meeting.

The City issued a Request for Proposal for Final Design, Fabrication, and Installation of the City Welcome Signs on August 16, 2024, with a deadline for submittals of September 13, 2024.

On November 5, 2024, the City Council awarded the contract to Square Signs LLC, dba Front Signs of Burbank, CA for the City Welcome Sign final design, fabrication, and installation project.

Analysis:

The Gateway Signs Improvement Project aligns with the City's strategic goals of enhancing the quality of life by revitalizing key entry points into Yuba City. The \$100,000 grant from SACOG provides essential funding to complete the design, fabrication, and installation of the new City Welcome Signs. The project has gone through a comprehensive design selection process, involving public and community engagement, and has resulted in a strong partnership with a qualified contractor. Authorization of the Resolution will allow the City to finalize the grant agreement and move forward with implementation and fund reimbursement.

Fiscal Impact:

The grant amount is \$100,000.

Alternatives:

Do not authorize the City Manager to sign the agreement and notify SACOG that the City is not interested in receiving the Community Design Grant funds.

Recommendation:

Adopt a Resolution authorizing the City Manager of the City of Yuba City to execute a Memorandum of Understanding between Sacramento Area Council of Governments and the City of Yuba City, and all other necessary grant agreements for the Community Design Funding Program: Gateway Signs Improvement Project.

Attachments:

1. Resolution
2. Exhibit A. Memorandum of Understanding between SACOG and City of Yuba City

Prepared By:
Ashley Potočník
Development Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AUTHORIZING THE CITY MANAGER OF THE CITY OF YUBA CITY TO EXECUTE A
MEMORANDUM OF UNDERSTANDING BETWEEN SACRAMENTO AREA COUNCIL
OF GOVERNMENTS AND THE CITY OF YUBA CITY, AND ALL OTHER
NECESSARY GRANT AGREEMENTS FOR THE COMMUNITY DESIGN FUNDING
PROGRAM: GATEWAY SIGNS IMPROVEMENT PROJECT.**

WHEREAS, the Sacramento Area Council of Governments has allocated funding in the amount of \$100,000 for the City Welcome Sign Project (Project); and

WHEREAS, the City of Yuba City has gone through a competitive process, including a Call for Artists and Request for Proposals, to select the design and contractor for the Gateway Signs Improvement Project; and

WHEREAS, on November 5, 2024, the City Council of the City of Yuba City awarded the final design, fabrication, and installation contract for the Project to Square Signs LLC, dba Front Signs, for their qualifications and responsiveness; and

WHEREAS, it is necessary to authorize the City Manager to execute the Memorandum of Understanding (MOU) and all other necessary agreements with SACOG to receive the grant funds and proceed with the implementation of the Project; and

WHEREAS, it has been determined by the City Council that entering into this MOU and related agreements is in the public interest and supports the City's strategic goal of enhancing the quality of life for the residents of Yuba City.

NOW, THEREFORE, the City Council of the City of Yuba City does resolve as follows:

Section 1. The City Manager of the City of Yuba City is hereby authorized to execute the Memorandum of Understanding (Exhibit A) between the Sacramento Area Council of Governments and the City of Yuba City, and all other necessary grant agreements for the Community Design Funding Program: Gateway Signs Improvement Project.

Section 2. The City Manager is authorized to take all necessary steps to implement and administer the grant agreement and to execute any further documents or agreements as may be necessary for the successful completion of the Project.

Section 3. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit:

A. Memorandum of Understanding between SACOG and City of Yuba City

EXHIBIT A

**MEMORANDUM OF UNDERSTANDING
BETWEEN
SACRAMENTO AREA COUNCIL OF GOVERNMENTS
AND
CITY OF YUBA CITY**

**For the
2023 Programming Round Funding (Round 10)
Community Design Funding Program: Gateway Signs Improvement Project**

This Memorandum of Understanding ("MOU") is entered into on _____, by and between the **SACRAMENTO AREA COUNCIL OF GOVERNMENTS** ("SACOG") and **CITY OF YUBA CITY** ("Recipient").

1. Introduction: Project Description and Scope of Work

A. Program Description:

The SACOG Community Design Funding Program (the "Program") is intended to provide financial assistance to local governmental agencies that are planning or constructing projects that are consistent with SACOG identified guidelines and principles. Local agencies submit project applications to SACOG and SACOG awards funding through a regional selection process. The project (the "Project") was awarded funding through the Program and is more particularly described in Section E, Project Description, below.

The Project is receiving local funds from SACOG-managed local funding sources. Accordingly, the Project is not subject to administrative review by the California Department of Transportation ("Caltrans"), but rather solely by SACOG. SACOG will review any delay in the Project, as noted in Section 4.B, Extensions, below. SACOG must approve of the Project Scope of Work, milestones, deliverables and timelines, and shall review and approve all invoices before the Recipient is reimbursed by SACOG.

The Program is a reimbursement-based program. Recipient will be reimbursed for eligible project costs after SACOG receives, reviews, and approves invoices covering those expenditures. By signing this MOU, Recipient certifies that it can fund the Project on its own until it seeks reimbursement from SACOG. The Recipient shall carry the expenses until it invoices SACOG for expenditures and SACOG reviews and approves such expenditures.

B. Recipient Project Manager and SACOG Program Manager:

The following persons shall be the contact for all communications unless mutually agreed in writing that another person may represent the Recipient or SACOG.

The Recipient's officially designated Project Manager is:

Ashley Potocnik, Development Liaison
City of Yuba City
1201 Civic Center Blvd
Yuba City, CA 95993
Apotocnik@yubacity.net
Phone: 530-822-5196

SACOG's Program Manager is:

Greg Chew, Senior Planner
Sacramento Area Council of Governments
1415 L Street, Suite 300
Sacramento, CA 95814
Email: gchew@sacog.org
Phone: (916) 340-6227

C. Scope of Work, Deliverables, Milestones and Timeline:

Exhibit A attached hereto and incorporated herein, describes the Scope of Work to be performed by Recipient as well as milestones, deliverables, and timeline for the Project (the "Scope of Work"). SACOG will review invoices and verify the work completed and deliverables comply with the Scope of Work prior to reimbursement.

D. Project Application and Amount:

Recipient submitted an application to SACOG for funding under the Program (the "Application"). The Application was evaluated through a competitive regional selection process and has been awarded **One Hundred Thousand Dollars (\$100,000.00)**, to be provided under the terms and conditions of this MOU. In no instance shall SACOG be liable for any payments or costs for work in excess of this amount, nor for any unauthorized or ineligible costs. Recipient is responsible for any and all costs and expenses exceeding the awarded amount.

E. Project Description:

The Project is dedicated to enhancing the visual appeal of the city's main entry points through the creation and installation of new "Welcome Signs" based on the winning concept design by local artist, Raveena Sroya. This initiative aims to provide an inviting and lasting welcome for both residents and visitors alike, showcasing the city's natural beauty, cultural diversity, and historical heritage.

F. Payment:

As the work is satisfactorily performed and funds are available, SACOG will reimburse Recipient for project costs approved by SACOG. Recipient will not be paid in advance of work completed. Reimbursement shall be in accordance with Section 3 herein.

2. Performance

A. Notice to Proceed:

The Recipient may not start reimbursable project activities until this Agreement is fully executed and formal Notice to Proceed is issued by SACOG's Procurement Officer. In no event will SACOG pay Recipient for work performed prior to the effective date of

this Agreement, as stated in the formal Notice to Proceed and entered on Page 1 of this Agreement.

B. Recipient Accountability Duties:

Recipient shall comply with duties in this Section. Recipient acknowledges that a failure to perform these duties may result in the disqualification of Recipient from receiving future funding through SACOG as further specified below. It is incumbent upon Recipient, particularly the Recipient's Project Manager, to understand these accountability duties and perform them throughout the term of this MOU or until the Scope of Work is completed, whichever comes first. SACOG will not remind Recipient to perform these duties.

(1) **Staff Requirements.** Recipient shall assign a staff person who is familiar with the contents of Recipient's Scope of Work to oversee the delivery of this Project. Recipient acknowledges that if it does not maintain an assigned, qualified staff person or consultant to manage the delivery of the Project pursuant to this Agreement, SACOG may, in its sole discretion, withdraw funding for the Project.

(2) **Funding Cycle Deadline.** The Project as set forth in the Application, including the scope, timeline and deliverables, must be delivered no later than the current funding round cycle deadline of **May 31, 2026**. Recipient will not be reimbursed for any costs or expenses incurred after May 31, 2026. Recipient acknowledges that, if it does not deliver the specified Project on the agreed to timeline and prior to the funding cycle deadline, Recipient may be penalized in future funding cycles of SACOG's four regional funding programs.

(3) **Status Reports.** All Round 10 Community Design recipients are required to submit status reports with any invoices sent to SACOG for reimbursement. Following issuance of the Notice to Proceed, Recipient shall provide the SACOG Program Manager with a brief status report in writing. This status report may be as brief as one or two paragraphs, depending upon the complexity and status of the Project. If Recipient's designated Project Manager changes during the Project, it is the responsibility of Recipient to notify SACOG of the change in Project Manager and convey all requirements of this MOU, including the requirement to submit status reports, to the new Project Manager.

C. Overall Performance:

Recipient recognizes that SACOG considers Recipient's performance on this Project a factor in qualifying Recipient for proposed future projects for any other current or future SACOG funding programs (e.g., Community Design, Maintenance and Modernization and Transformative programs).

D. Recipient Responsibilities:

After the Notice to Proceed has been issued, the Recipient is required to perform the accountability requirements in Section 2.B., including, submission of a brief Project status reports. Recipient shall complete the Project, in accordance with Exhibit A, no later than the expiration date of this Agreement.

E. SACOG Responsibilities:
SACOG shall:

- (1) Review progress reports and invoices promptly and contact Recipient in a timely manner to discuss any issues. Invoices will not be approved until issues have been resolved to SACOG's satisfaction.
- (2) Remit invoice for payment promptly after approving invoices.
- (3) Verify final Project completion as appropriate to close out final completion and payment.

3. **Reimbursement**

A. Invoices and Payments:

Recipient shall submit regular Project invoices to SACOG for reimbursement no more frequently than once a month and no less frequently than once a quarter. Each invoice shall contain a one-page progress report narrative (bullet format acceptable) of work completed to date along with reference to the scope of work, timeline, milestones, and deliverables in Exhibit A. Recipient shall clearly identify which of the activities have been performed in the period for which reimbursement is being requested. Recipient may include copies of any deliverables or photographs of physical construction, as applicable, to provide documentation of work completed.

All invoices must comply with the requirements provided for in SACOG's Required Supporting Documentation for Invoices form, attached hereto and incorporated herein as **Exhibit B**.

All invoices for all work completed under this Agreement must be submitted to SACOG by **July 31, 2026**.

B. Travel Reimbursement:

Recipient shall comply with, and shall require its subcontractors to comply with, the requirements for non-state employee travel and subsistence (per diem) expenses found in the California Department of Transportation ("Caltrans") Travel Guide, Non-State Employee Travel (referencing the current California Department of Personnel Administration rules) at the following link:

<https://travelpocketguide.dot.ca.gov/>

Lodging rates shall not exceed rates authorized to be paid non-state employees unless written verification is supplied that such rates are not commercially available to Recipient and/or its subcontractors at the time and location required as specified in the Caltrans Travel Guide Exception Process.

C. Evaluation of Invoices:

SACOG will review invoices in the order received from all Program projects. Upon the review of each invoice received, SACOG will evaluate the degree of progress being made in comparison to the Scope of Work and may ask Recipient to provide additional information to support an invoice. SACOG may withhold payment of a full or partial

invoice amount if it believes insufficient evidence has been provided to justify the amount requested.

Contractor shall be notified within fifteen (15) working days following receipt of its invoice by SACOG of any circumstances or data identified by SACOG in Contractor's written billing which would cause withholding of approval and subsequent payment.

D. Methods of Payment:

Contractor shall be paid by check, unless ACH payments have been arranged, within thirty (30) days after SACOG approval of each invoice.

4. **Completion; Termination**

A. Agreement Expiration Date:

All work shall be completed, and this Agreement shall expire on **May 31, 2026**, unless otherwise terminated as provided for in this Agreement or extended by written agreement between the parties.

B. Extensions:

This MOU may be extended by written agreement of the parties, but such written agreement by SACOG may only occur by one of two ways. First, SACOG may agree to an extension in the event that a delay is caused by SACOG, Caltrans or state or federal agencies regarding the funding, programming or regulatory review of this project and such delay is deemed unusual by SACOG. Second, SACOG may agree to an extension for any other reason only by direct approval of the SACOG Board of Directors, but the Recipient's governing body must take a formal action to approve the request for an extension before a request can be made to the SACOG Board of Directors.

C. Termination by Recipient:

The Recipient may terminate this Agreement upon 30 days' written notice to SACOG identifying the reason for termination. Within 10 working days of the notice, Recipient shall submit an invoice which shall be paid according to the terms set forth in Section 3 of this MOU.

D. Termination by SACOG:

Recipient's failure to perform any material obligation hereunder is a material breach of this MOU. SACOG shall provide Recipient with written notice of any such failure and specify a reasonable opportunity to cure. If Recipient fails to cure a material breach after SACOG provides written notice thereof and a reasonable opportunity to cure, SACOG may terminate this Agreement upon 10 days' written notice to the Recipient identifying the reason for termination. Upon receipt of the notice of termination, Recipient shall immediately cease its own reimbursable activities on the Project and shall give notice to any third party working on the Project to immediately cease its reimbursable activities on the Project. Within 30 working days of receipt of the notice of termination, Recipient shall submit an invoice for work done through the date of termination. Reasons for termination may include, but are not limited to:

- (1) Failure by the Recipient to submit a progress report or invoices for two consecutive quarters after the Notice to Proceed;
- (2) The Project falls more than 6 months behind the timeline in Exhibit "A" and the Recipient fails to timely inform the SACOG Program Manager; or
- (3) The Recipient does not respond in a timely manner to requests by SACOG's Project Manager for information.

Reimbursable funding for the Project shall cease upon the effective date of the termination notice.

5. General Provisions

A. Amendments:

No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.

B. Indemnity:

Recipient and SACOG are each responsible for its own acts and omissions. Further, each party agrees to indemnify, defend, and hold harmless the other party, its governing body, officers, agents, and employees from and against any and all actions, claims, demands, losses, expenses, including reasonable attorney's fees and costs, damages, and liabilities, resulting from the negligent acts or omissions or willful misconduct of the indemnifying party. The provisions of this Section shall survive the expiration or termination of this MOU.

C. Audit, Records:

SACOG shall have the right to audit, or have audited by a representative agent, Recipient's use of Project funds. Recipient shall maintain books, records, documents and other evidence (collectively "Records") pertinent to Project work performed under this Agreement in accordance with generally accepted accounting principles and practices for a minimum of three years following completion of the Project. Recipient shall make the Records available to SACOG or its agents upon request.

D. Notices:

All notices required or provided for under this Agreement shall be in writing and delivered in person or by first class U.S. mail, postage prepaid, to the Project Managers identified in Section 1.B.

E. Integration:

This Agreement represents the entire understanding of SACOG and Recipient as to those matters contained herein and supersedes all prior negotiations, representations, or agreements, both written and oral. This Agreement may not be modified or altered except in accordance with Section 5.A.

F. Headings:

The headings of the various sections of this Agreement are intended solely for convenience of reference and are not intended to explain, modify, or place any interpretation upon any of the provisions of this Agreement.

G. Severability:

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law, unless the exclusion of such term or provision, or the application of such term or provision, would result in such a material change so as to cause completion of the obligations contemplated herein to be unreasonable.

H. Counterparts:

This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument. Documents executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

I. Dispute Resolution:

Each party hereto will notify the other party promptly of any matters that may cause disputes arising out of their respective rights and obligations under this Agreement and will make every reasonable effort to settle such disputes by prompt and diligent negotiations. If the parties are unable to resolve the dispute through negotiation, the dispute will be sent to mediation administered by a mediator acceptable to both parties prior to the initiation of legal action, unless delay in initiating legal action would irrevocably prejudice one of the parties. All expenses of the mediation will be borne by the parties equally; however, each party will bear the expense of its own counsel, experts, witnesses, and preparation and presentation of proofs.

(Signature Page to Follow)

IN WITNESS WHEREOF, THE PARTIES HAVE ENTERED INTO THIS MOU AS OF THE
DATE HEREIN ABOVE APPEARING:

**SACRAMENTO AREA COUNCIL OF
GOVERNMENTS**

CITY OF YUBA CITY

JAMES CORLESS
Executive Director

DIANA LANGLEY
City Manager

Date

Date

APPROVED AS TO FORM

SLOAN SAKAI YEUNG & WONG LLP
Legal Counsel to SACOG

RECOMMENDED BY

GREG CHEW
Senior Planner

Exhibit "A"

SCOPE OF WORK

1. Request for Proposals (RFP) Development and Release

City will draft and release an RFP to invite qualified sign design firms to submit proposals for the design, fabrication, and installation of the new Welcome signs. The RFP will outline the project scope, design requirements, and evaluation criteria.

Deliverable: Released RFP

Timeline: October – November 2024

Reimbursable: \$5,000

2. Award Contract

City will evaluate all submitted proposals based on the criteria outlined in the RFP. The evaluation process will involve scoring proposals on aesthetics, quality, delivery schedule, experience, and cost. The City will then award the contract to the most qualified firm.

Deliverable: Awarded Contract

Timeline: December 2024 – January 2025

Reimbursable: \$5,000

3. Design Approval and Material Palette

City will work with the selected firm to finalize and approve the detailed design and materials palette for the new signs, ensuring conformance to City branding, design standards and durability requirements.

Deliverable: Approved Designs and Material Palette

Timeline: January – March 2025

Reimbursable: \$10,000

4. Fabrication and Installation

City will oversee the fabrication and installation of the new "Welcome Signs" at the designated locations. The City will coordinate with contractors to ensure the signs are installed per specifications and in compliance with all California Building Codes, safety standards, and City requirements.

Deliverable: Photographs of installed signs

Timeline: March – May 2025

Reimbursable: \$80,000

TOTAL BUDGET AMOUNT: \$100,000

SACOG Grant = \$100,000

Matching Funds = \$0

Contract #: CT250017
Funding Source: SACOG Managed Funds (SMF)
Account Set: SAC400-SMF FUNDS

Project timeline cannot exceed May 31, 2026

The City of Yuba City assumes all costs for the project above \$100,000.

Exhibit B
SACOG Required Supporting Documentation

Type of Expense	Required Supporting Documentation for <u>Subrecipient/Contractor</u> Invoices (Cost Reimbursement)	Required Supporting Documentation for <u>Contractor/Subcontractor</u> Invoices (Task Based)
Labor Costs	☐ Approved timesheets and/or itemized financial/payroll system report providing: + names + dates + hours worked toward specific tasks/ deliverables + hourly rate + benefits + overhead	☐ Invoice with detail including: + names + dates + hours worked toward specific tasks/ deliverables + hourly rate + benefits + overhead
Travel Costs	☐ Travel request approval/details and appropriate documentation for type of travel expense below:	☐ Travel request approval/details and appropriate documentation for type of travel expense below:
Mileage	☐ Date, miles driven, addresses traveled from and to, purpose of travel. ☐ Map preferred.	☐ Date, miles driven, addresses traveled from and to, purpose of travel. ☐ Map preferred.
Meals, Incidentals, Transportation & Lodging	☐ Itemized receipts for all meals/incidentals. Will only reimburse up to state per diem rates or GSA rates . ☐ If any charges are for more than one person, names of all parties and purpose of charge must be provided.	☐ Itemized receipts for all meals/incidentals. Will only reimburse up to state per diem rates or GSA rates . ☐ If any charges are for more than one person, names of all parties and purpose of charge must be provided.
Indirect/Overhead Charge	☐ Approval of indirect rate from cognizant agency	☐ Approval of overhead rate
Proof of Payment	☐ Copy of cancelled check showing proof of cleared payment	☐ Copy of cancelled check/ACH showing proof of cleared payment to subcontractors (if applicable)
Meetings Related Expenses	☐ Purpose of meeting, agenda, list of attendees. Typically not eligible for grant reimbursement unless obtained prior approval and included in budget/SOW.	☐ Purpose of meeting, agenda, list of attendees. Typically not eligible for grant reimbursement.
Other Expenses	☐ Detailed receipts	☐ Detailed receipts
Disadvantage Business Enterprises (DBE)	☐ DBE forms (if applicable)	☐ DBE forms (if applicable)
In-Kind/Match	☐ Documentation supporting in-kind or other match. ☐ If staff time is used for match, follow "labor costs" documentation requirements. ☐ If other costs are used, follow the rules for other types of expenses and provide details on procurement process used. In order to be allowable for match, any costs incurred must have been procured following same rules SACOG is subject to based on type of grant funding. ☐ If providing actual funds, identify what type of funds are being provided (local, state, federal, federal aid) and/or source of funds (granting agency.)	N/A

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Ashley Potocnik, Development Manager

Summary

Subject: Fourth Amendment to the Disposition and Development Agreement for the Feather River Mill and Associated Properties (Noyan Properties, L.P., and H-NYC, LLC)

Recommendation:

- A. Adopt a Resolution of the City Council approving the fourth amendment to the Disposition and Development Agreement with H-NYC, LLC, and Noyan Properties, L.P., authorizing the sale and development of real property located at the southeast corner of Bridge and Shasta Streets (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- B. As the City Council, authorize the City Manager to approve and sign on behalf of the City, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- C. As the Board of Directors of the Successor Agency, authorize the Executive Director to approve and sign on behalf of the Agency, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)

Fiscal Impact: Minimal staff time associated with processing the amendment.

Purpose:

To advance development of the Feather River Mill property located at the southeast corner of Bridge Street and Shasta Street.

Council Strategic Goal:

The Feather River Mills Disposition and Development Agreement aligns with the City's strategic goals of enhancing the quality of life by developing underutilized infill properties in Yuba City.

Background:

December 21, 2010 - City Redevelopment Agency ("Agency") enters into an Exclusive Negotiating Agreement (ENA) with the Mehmet Noyan Company for the sale and development of approximately 7.5 acres of Redevelopment Agency property located at the southeast corner of Bridge and Shasta Streets to be used for the future development of a mixed-use project.

June 29, 2011 - Governor signs Assembly Bill 1X 26 and Assembly Bill 1X 27 which effectively abolishes Redevelopment and establishes a "winding down" process for the dissolution of all redevelopment agencies. An Oversight Board is created to oversee all aspects of the dissolution process. AB 1X26 directs the Successor Agency (City of Yuba City) to dispose of all assets and properties of the former RDA "expeditiously and in a manner aimed at maximizing value."

June 7, 2012 – Oversight Board directs staff to finalize the terms and conditions of a Purchase and Sale Agreement with the Mehmet Noyan Company for the subject property that complies with Assembly Bill 1X 26 and Assembly Bill 1X 27.

June 27, 2012 – Governor approves AB 1484 which makes technical and substantive amendments to the (Redevelopment) Dissolution Act (aka AB 1X26). AB 1484 requires Successor Agencies to prepare a *Long-Range Property Management Plan* (LRPMP) which must address how all former RDA property will be disposed and include current appraisals and qualifications for highest and best use. The LRPMP supersedes the prior action of the Oversight Board relating to the disposition of former RDA property.

November 14, 2013 - Agency/City enters into an updated Memorandum of Understanding (MOU) with the developer. Developer action is effectively held in abeyance until State approval of the *Long-Range Property Management Plan* (LRPMP).

September 8, 2015 - State Department of Finance approves proposed LRPMP. Agency/City staff and developer proceed with determining the necessary work and estimated cost of environmental cleanup for the Feather Rill Mill site that is needed before any development can occur on the site.

June 2016 – State Central Valley Regional Water Quality Control Board approves Remediation Action Plan (RAP) for the site thereby allowing for environmental clean-up to occur.

October 2016 – City Council extends ENA with Noyan Properties to allow time for Staff and developer to negotiate a Development and Disposition Agreement (DDA)

June 2017– City Council approves a DDA with Noyan Properties that includes the following key components:

- Property to be purchased for \$1 as determined by an appraisal completed by Seevers Jordan Ziegenmeyer and as approved in our Long-Range Property Management Plan
- Developer will have 180 days to close escrow on the property
- Noyan Properties must maintain a majority interest in the project until such time that the developer is relieved of the requirements contained in the DDA
- Developer will provide a performance bond in the amount of \$1,000,000 as collateral that will be released upon the property being clean to the satisfaction of the Central Valley Regional Water Quality Control Board
- Clean up on the property must commence within 120 days from the close of escrow
- The Developer will ensure the projects meet the City's Design Guidelines and Central City Specific Plan requirements

January 2018 – City Council approves Amendment No. 1 to the DDA which changed the date for closing on the property from January 26, 2018 to July 20, 2018.

April 2018 – State Central Valley Regional Water Quality Control Board concurs with Remedial Design/Remedial Action Work Plan

November 2019 – City Council approves Amendment No. 2 to the DDA which changed the date for closing on the property from July 20, 2018 to November 5, 2020.

April 2020– City Council approves Amendment No. 3 to the DDA which includes the following amendments:

- Assigned the DDA to a Successor Developer
- Changed the Title Company from First American Title Company to Placer Title Company
- Removed the bonding requirement in Section 213
- Addressed the deed configuration
- Granted the City Manager authority to approve any extensions, approvals, waivers or other non-material amendments on behalf of the City
- Updated the schedule of performance (Attachment 3 to the DDA)

May 2020 – The City of Yuba City executed a Quitclaim Deed (Recorded No. 2020-0007842) conveying the property to H-NYC, LLC.

February 2021 – H-NYC, LLC completed all remediation efforts on the property and a *No Further Action Determination* was made by the California Water Board.

October 2023 – The Certificate of Occupancy was issued for the Holiday Inn Express Hotel located at 531 Shasta Street.

2024 – Sutter County Assessor's Office issued new APNs for the property. The original APNs included in the DDA are 52-342-023 & 52-502-008. The new APNs are 52-324-028, -029, -030, -031, -032, -033, & -034.

Analysis:

Mr. Mehmet Noyan of Noyan Properties has been a long-time partner with the City on this project and has made significant progress since the execution of Amendment No. 3, including the complete remediation of the site.

The first phase of development was completed in 2023 (Holiday Inn Express), and Mr. Noyan's team and partners recently submitted entitlement applications for a Circle K fuel station, two (2) quick serve restaurants with drive throughs, and a commercial shell building located north of Holiday Inn Express.

In discussions with Mr. Noyan over the past few weeks, a request has been made to remove the reversionary clause that allows for the seller (City/Successor Agency) to claim the parcels back if certain thresholds have not been met. Based on Mr. Noyan's activity at the site, staff is supportive of the proposed DDA Amendment No. 4 to remove the reversion clause in its entirety from the DDA. The specific amendments are outlined below:

- Removal of Section 504 (Repurchase, Reenter and Repossess) in its entirety
- Removal of Section 505 (Power of Termination) in its entirety
- Amendment to Section 611 (Authority of City Manager)

- To add flexibility and expedite minor changes to the DDA and associated documents, staff is recommending adding the following sentence to Section 611, “The City Manager is authorized to execute or amend any Deed necessary to effectuate the purpose of this Amendment, including modification of an existing Quitclaim Deed to reflect the successful completion of all remediation efforts, the elimination of all rights of repurchase and termination rights in such Quitclaim Deed, etc.”

Fiscal Impact:

Minimal staff time associated with processing the amendment.

Alternatives:

Do not approve Amendment No. 4 of the Disposition and Development Agreement with Noyan Properties L.P. and H-NYC, LLC.

Recommendation:

- A. Adopt a Resolution of the City Council approving the fourth amendment to the Disposition and Development Agreement with H-NYC, LLC, and Noyan Properties, L.P., authorizing the sale and development of real property located at the southeast corner of Bridge and Shasta Streets (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- B. As the City Council, authorize the City Manager to approve and sign on behalf of the City, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)
- C. As the Board of Directors of the Successor Agency, authorize the Executive Director to approve and sign on behalf of the Agency, Amendment No. 4 to the Disposition and Development Agreement with Noyan Properties, L.P. with regard to the property located at the southeast corner of Bridge and Shasta Streets to be used for the future development (Current APNs: 52-324-028, -029, -030, -031, -032, -033, & -034)

Attachments:

- 1. Resolution
- 2. Exhibit A. Fourth Amendment to Disposition and Development Agreement

Prepared By:
Ashley Potočnik
Development Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE FOURTH AMENDMENT TO THE DISPOSITION AND DEVELOPMENT
AGREEMENT WITH H-NYC, LLC, ("SUCCESSOR DEVELOPER") AND NOYAN
PROPERTIES, L.P., ("ORIGINAL DEVELOPER") AUTHORIZING THE SALE AND
DEVELOPMENT OF REAL PROPERTY LOCATED AT THE SOUTHEAST CORNER OF
BRIDGE AND SHASTA STREETS (APN 52-324-023 & 52-502-008)**

WHEREAS, the City and Original Developer entered into a Disposition and Development Agreement dated July 26, 2017, with the consent and approval of the Successor Agency to the Yuba City Redevelopment Agency (Successor Agency), which established the terms for the sale and development of real property as described therein; and

WHEREAS, the Disposition and Development Agreement dated July 26, 2017 was subsequently amended by the parties on January 16, 2018, and again on November 5, 2019, and again on April 21, 2020, which original documents and amendments are collectively referred to herein as "Original DDA;" and

WHEREAS, the Successor Agency consented and agreed to the Original DDA pursuant to that certain Consent and Agreement of Successor Agency attached to the Original DDA ("Consent Agreement").

WHEREAS, pursuant to provisions of the Original DDA, the Original Developer has assigned the Original DDA to Successor Developer which has assumed same; and

WHEREAS, all parties desire to enter into the fourth amendment to the Original DDA, and the City Council desires to approve the same.

NOW, THEREFORE, the City Council of Yuba City resolves as follows:

1. The City Council of Yuba City approves the "Fourth Amendment To Disposition And Development Agreement" to the Original DDA, and authorizes the City Manager to execute and take all steps necessary to carry out and effectuate the same.

2. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit A: Fourth Amendment to the DDA

EXHIBIT A



FOURTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This FOURTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT ("**Amendment**") is entered into this ____ day of _____, 2024 by and between the CITY OF YUBA CITY, a municipal corporation ("**City**"), H-NYC, LLC, a California limited liability company ("**Successor Developer**"), NOYAN PROPERTIES, L.P., a California limited partnership ("**Original Developer**") and to which SUCCESSOR AGENCY TO THE YUBA CITY REDEVELOPMENT AGENCY, a public agency ("**Successor Agency**") consents and agrees.

RECITALS:

A. City and Original Developer entered into that certain Disposition and Development Agreement dated July 26, 2017 to which SA consented and approved which was amended by that First Amendment dated January 16, 2018 and that certain Second Amendment dated November 5, 2019 and that certain Third Amendment dated April 21, 2020 (not recorded but attached here to as Exhibit A) (collectively "**Original DDA**"), regarding the sale of certain unimproved (but contaminated) real property located at south east corner of Bridge and Shasta Streets in the City of Yuba (APNs 52-324-023 and 52-502-008) as legally described in the Original DDA.

B. Successor Agency consented and agreed to the Original DDA pursuant to that certain Consent and Agreement of Successor Agency attached to the Original DDA ("**Consent Agreement**").

C. Pursuant to provisions of the Original DDA, Original Developer has assigned the Original DDA to Successor Developer which has assumed same.

D. The Successor Developer has successfully completed all remediation efforts associated with the DDA, fulfilling the environmental and construction requirements set forth in the agreement.

E. The hotel portion of the site has been fully developed and operational (Holiday Inn and Suites, Certificate of Occupancy issued October 2023), thereby achieving the primary objectives of the DDA and enhancing the local economy and community.

F. The removal of Sections 504 and 505 of the Original DDA, which provides the City with rights of repurchase and termination, is now warranted as the circumstances that necessitated these provisions have been completely addressed, and ongoing inclusion of these Sections create impediments to use of the property by commercial development as contemplated by the Original DDA.

G. The Successor Developer has demonstrated commitment to the project and compliance with all contractual obligations, negating the need for the City to retain these provisions as safeguards and eliminating these sections will facilitate the Successor Developer's ability to further invest in and improve the site, thereby benefiting the community and aligning with the City's long-term development goals.

H. The parties desire to amend the Original DDA as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the Parties agree as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by reference.

2. **Defined Terms.** All terms not specifically defined in this Amendment shall have the meaning in the Original DDA.

3. **Amendment Effective Date.** This Amendment shall be effective upon the last to occur of: (i) approval of the City Council and execution by City; (ii) approval by the Agency Board and execution by the Successor Agency; and (iii) delivery of an executed copy to Original Developer and Successor Developer ("**Amendment Effective Date**"). A copy of the executed copy of this Amendment shall be delivered to Escrow.

4. **Removal of Section 504 of the Original DDA (Repurchase, Reenter and Repossess).** Section 504 of the Original DDA is deleted in its entirety. This deletion is warranted given the completion of all required remediation efforts associated with the site, thereby rendering the repurchase option unnecessary. The City acknowledges that the successful completion of the project meets the intended objectives of the Original DDA, and thus, the removal of this section is in the best interest of the community. The Parties agree that they will not exercise the same rights encompassed by Section 504 that may be reflected or otherwise incorporated in any Quitclaim Deed recorded on the property to date, and that any power to repurchase, reenter, and repossess under the same may no longer be exercised.

5. **Removal to Section 505 of the DDA (Power of Termination).** Section 505 of the Original DDA is deleted in its entirety. This is warranted based on the successful completion of all remediation efforts and the development of the site, which eliminate the need for termination rights. The City recognizes that the fulfillment of the project's goals under the Disposition and Development Agreement negates the necessity of this provision, and therefore, its removal is in the best interest of the community. The Parties agree that they will not exercise the same rights encompassed by Section 505 that may be reflected or otherwise incorporated in any Quitclaim Deed on the property to date, and that any power of termination under the same may no longer be exercised.

6. **Amendment to Section 611 (Authority of City Manager).** Section 611 of the Original DDA is amended to add the following sentence: "The City Manager is authorized to execute or amend any Deed necessary to effectuate the purpose of this Amendment, including modification of an existing Quitclaim Deed to reflect the successful completion of all remediation efforts, the elimination of all rights of repurchase and termination rights in such Quitclaim Deed, etc."

7. **Reaffirmation of Original DDA.** Except as amended by this Amendment, or the past three Amendments, the Original DDA shall remain unchanged and is hereby reaffirmed, ratified and confirmed in its entirety. If there is any conflict, inconsistency or ambiguity between the Original DDA and this Amendment, then this Amendment shall govern and control.

8. **Successor Agency.**

A. **Consent Agreement.** Successor Agency reaffirms its obligations under the Consent Agreement with respect to the Original DDA as hereby amended.

B. **Authority of Executive Director.** The Executive Director, or his/her designee, shall in their sole discretion, have the authority to approval any extensions, approvals,

waivers or other non-material amendments on behalf of Successor Agency. Any such extensions, approvals, waivers or non-material amendments must be in writing executed by the Executive Director or his/her designee.

9. Recording. The Parties consent to the recording of this document.

10. Entire Agreement. This Amendment constitutes the entire agreement and supersedes any prior written or oral agreements among the Parties with respect to the specific matters addressed herein.

11. Authorization. Each individual executing this Amendment on behalf of Original Developer and Successor Developer represents and warrants that he has been duly authorized to do so by Developer on whose behalf he executes this Amendment and Developer is hereby obligated to perform the terms of this Amendment.

12. Execution in Counterpart. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile copy of such execution shall be deemed an original.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Amendment has been executed by City, Developer and Successor Agency as of the dates below.

ORIGINAL DEVELOPER:

NOYAN PROPERTIES, L.P., a California Limited Partnership

By: The Mehmet Noyan Corporation, a California corporation
General Partner

By: _____
Mehmet Noyan, President

_____, 2024

SUCCESSOR DEVELOPER:

H-NYC, LLC, a California Limited Liability Company

By: NOYAN PROPERTIES, L.P., a California limited partnership

By: The Mehmet Noyan Corporation, a California corporation
General Partner

By: _____
Mehmet Noyan, President

_____, 2024

CITY:

CITY OF YUBA CITY, a Municipal Corporation

By: _____
Diana Langley, City Manager

_____, 2024

ATTEST:

Ciara Wakefield, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER

By: _____
Shannon Chaffin, City Attorney

SUCCESSOR AGENCY:

SUCCESSOR AGENCY TO THE YUBA CITY REDEVELOPMENT AGENCY, a Public Agency

By: _____
Diana Langley, Executive Director

_____, 2024

ATTEST:

Ciara Wakefield, Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER

By: _____
Shannon Chaffin, Agency Counsel

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Public Works
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Bogue Road Sewer Extension Project

Recommendation: Adopt a Resolution to:

- A. Award a construction contract to Ranger Pipelines, Inc., of San Francisco, CA in the amount of their total bid for bid schedules A & B of \$4,275,341.00 and authorize the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney
- B. Award a Professional Services Agreement to Inferrera Construction Management Group, Inc., of Shingle Springs, CA for Inspection Services in the amount of \$188,219.00 and authorize the City Manager to execute the contract on behalf of the City, subject to material terms, subject to review and approval as to legal form by the City Attorney, and with the finding that it is in the best interest of the City
- C. Award a Professional Services Agreement to The Solis Group of Pasadena, CA for Labor Compliance Services in the amount of \$20,000.00, subject to material terms, with the finding that it is in the best interest of the City
- D. Authorize the Finance Director to make a budget transfer in the amount of \$2,070,000 from CIP Account No. 1277 (Harter-Bridge Trunk Sewer) to CIP Account No. 1295 (Bogue Road Sewer Extension)
- E. Authorize the Finance Director to appropriate a total of \$4,000,000.00 in American Rescue Plan Act funds for wastewater obligations outlined in the Newkom Ranch Development Agreement

Fiscal Impact: \$5,430,991.17 - Total Project Cost
 \$4,275,341.00 - Contract Award Amount
 \$ 855,068.20 - Construction Contingency (20%)
 \$ 216,451.85 - Construction Inspection (5%)
 \$ 20,000.00 - Labor Compliance (0.47%)
 \$ 64,130.12 - City Administration (1.5%)

Purpose:

Construct the Bogue Road Sewer Extension Project in accordance with the Newkom Ranch Development Agreement and City's Wastewater Master Plan, facilitating future sewer connections within the Bogue Steward Master Plan area, and the City's Sphere of Influence.

Council's Strategic Goal:

This project addresses multiple City Council Strategic Goals: maintaining the financial stability and sustainability of the City, enhancing the business-friendly environment for the City, and developing the City's infrastructure.

Background:

The Bogue Stewart Master Plan (BSMP) guides the orderly development of 741.5 acres located along the southerly edge of Yuba City and provides for a mix of residential and commercial uses, parks and recreational sites, and public facilities. On February 20, 2024, City Council approved an amended Newkom Ranch Development Agreement (19-01) for the development of approximately 161-acres east of State Route (SR) 99, south of Bogue Road. The amended development agreement requires the City to front the costs of improving Bogue Road from SR99 to Railroad Avenue, with the first phase of this improvement consisting of new sewer facilities.

The Bogue Road Sewer Extension portion (Project) proposes to extend critical sewer infrastructure along Bogue Road, west of Railroad Avenue, consistent with the BSMP, the Newkom Ranch Development Agreement, and the City Wastewater Master Plan.

The Project scope, as bid, includes the following Bid Schedules:

<u>Bid Schedule</u>	<u>Description</u>
A	Pump station and related appurtenances.
B	Gravity sewer from Newkom Ranch to new Pump Station and discharge line from new Pump Station to existing City collection system.
C	Dual 18-inch diameter force mains for full build-out of Wastewater Master Plan collection system in Bogue Road.
D	Collection system for future connection of southern "keyhole" area and properties fronting Bogue Road.

Analysis:

The Bogue Road Sewer Extension Project was advertised for bids beginning October 21, 2024. Plans and specifications were posted on publicpurchase.com and provided to local builder/contractor exchanges. On November 19, 2024, three (3) bids were received and opened by the City Clerk. A list of the bids received for all bid schedules, along with the Engineer's Estimate, are shown below:

<u>Company</u>	<u>Total Bid (Bid Schedules A-D)</u>
Ranger Pipelines, Inc.	\$8,081,141.00
RCI General Engineering	\$8,777,825.00
<u>Steve P. Rados, Inc.</u>	<u>\$9,906,000.00</u>
<i>Engineer's Estimate</i>	<i>\$4,752,158.50</i>

Ranger Pipelines, Inc. is the low, responsive, and responsible bidder.

The Engineer's Estimate for this project was \$4,752,158.50. The lowest responsive bid of

\$8,081,141.00 exceeded the engineer's estimate by approximately 70%. Bid analysis reveals continued cost increases in all areas of construction work with no indication of normalization in the near future. Contractors indicate increases in valves, asphalt, concrete, pumps, pipe, lift station components, and raw materials prices are due to supply and demand shortages, labor shortages, and persistent inflation.

Award Options

The options to move the project forward are either to reject all bids and rebid the project with a modified (reduced) scope of work, provide additional funding to award all bid schedules, or award a combination of bid schedules that fits within the existing budget. Staff recommends awarding Bid Schedules A & B to Ranger Pipelines, Inc. in the amount of its total bid for these two bid schedules, as follows:

- Bid Schedule A: Sewer Lift Station \$1,903,401.00
- Bid Schedule B: Gravity Sewer Main Improvements \$2,371,940.00

Total: \$4,275,341.00

Upon award, staff will further analyze options to also provide partial capacity for future developments west of SR 99 and will return to Council for any necessary authorizations. Provisions for accommodating full Wastewater Master Plan build-out capacity, future "keyhole" connections, or connections for properties fronting Bogue Road cannot be funded at this time.

Project construction is expected to begin in Spring 2025 and continue through the end of 2025.

Construction Management and Inspection:

Construction of thousands of feet of various sized sewer mainlines and laterals, manholes, and a lift station require time sensitive and complex construction activities that will require full-time inspection to minimize construction delays and represent the City against potential construction claims. The inspection needs of this project exceed City staffing levels, especially considering all of the other planned capital improvement, development projects, and encroachment permits.

On October 24, 2024, staff requested a proposal from Inferrera Construction Management Group, Inc. (ICM) to provide inspection and testing services for the Bogue Road Sewer Extension Project. On December 3, 2024, ICM submitted their proposal for review. ICM is highly qualified and has a proven track record of providing inspection services on large and complex wastewater projects, including the City's WWTF Improvements Project, Lift Station 2 Improvements Project, and the Garden Highway Trunk Line Rehabilitation Project. Additionally, ICM is extremely familiar with the City's wastewater infrastructure, has been the selected consultant through traditional requests for proposals in the past, and its billing rates are competitive with the industry.

Staff recommends entering into a Professional Services Agreement with ICM in the amount of \$216,451.85 which includes a 15% contingency (\$188,219.00 + \$28,232.85) to account for potential extra work due to time-sensitive work requiring overtime. The City will be billed for actual costs.

Construction management and contract administration will be performed by Public Works Department staff. Staff recommends contracting with the City's approved professional labor compliance consultant, The Solis Group, for labor compliance services in order to comply with ARPA funding terms, in the amount of \$20,000.00, including contingency to cover additional contract extensions as required during construction.

Fiscal Impact:

The estimated total project cost is approximately \$5,430,991.17, which consists of the following components:

Construction Contract	\$4,275,341.00
Construction Contingency (20%)	\$ 855,068.20
Construction Inspection & Testing (5%)	\$ 216,451.85
Labor Compliance (0.47%)	\$ 20,000.00
<u>City Administration (1.5%)</u>	<u>\$ 64,130.12</u>
Total	\$5,430,991.17

Staff is proposing an \$855,068.20 construction contingency, which equates to approximately 20% in contingency funds due to the complicated nature of installing deep sewer mains and a deep lift station, both of which present the risk of unforeseen construction conditions.

American Rescue Plan Act (ARPA) Funding:

Council authorized a total of \$4 million in ARPA funds for two sewer projects, the Bogue Road Sewer Extension and the Harter-Bridge Sewer Extension. The ARPA funds must be obligated by December 31, 2024. Since the Harter-Bridge Sewer Extension project still requires right-of-way acquisition, the funds cannot be under contract by this deadline. Staff is requesting authorization to transfer \$2 million in ARPA funds from the Harter-Bridge Sewer Extension to the Bogue Road Sewer Extension to allow the ARPA funds to be fully under contract by the deadline. The Harter-Bridge Sewer Extension will then be completed using a combination of development impact fees and wastewater funds. Staff is also requesting Council appropriate the \$4 million in ARPA funds specifically to the City's wastewater obligations outlined in the Development Agreement to further assure obligation requirements are met by the December 31 deadline.

The Bogue Road Sewer Extension project will be funded through CIP Account No. 1295 (Bogue Road Sewer Extension), as follows:

<u>Fund Source</u>	<u>Amount</u>
Current	
ARPA	\$1,877,000
Wastewater	\$1,484,000
Budget Transfers from CIP Account No. 1277 (Harter-Bridge Trunk Sewer)	
ARPA	\$2,000,000
<u>Wastewater</u>	<u>\$ 70,000</u>
Total	\$5,431,000

Currently, CIP Account No. 1295 has approximately \$3.361 million in wastewater funding, consisting of approximately \$1.877 million in American Rescue Plan Act of 2021 (ARPA) funds and approximately \$1.484 million in wastewater funds. In order to fund the project, staff recommends transferring \$2 million in ARPA funds and \$70,000 in Wastewater Funds from CIP Account No. 1277 (Harter-Bridge Trunk Sewer). Staff is requesting authorization for the City Finance Director to make the necessary budget transfers to fund CIP Account No. 1295 (Bogue Road Sewer Extension).

Environmental:

On December 17, 2019, City Council adopted a Resolution certifying the Environmental Impact Report (EIR) (SCH#201712009) prepared for the Bogue Stewart Master Plan and the Newkom Ranch Large and Small Lot subdivisions, as required by the California Environmental Quality Act (CEQA).

On February 20, 2024, City Council adopted a Resolution certifying that the amendments to the Newkom Ranch Development Agreement 19-01 did not propose environmental impacts that were not

previously analyzed by the certified EIR.

The proposed sewer infrastructure improvements on Bogue Road between State Route 99 and Railroad Avenue falls within the Bogue Stewart Master Plan and Newkom Ranch areas, and are consistent with the existing adopted BSMP and certified EIR. Additionally, all the adopted mitigation measures as part of the certified EIR, will be implemented on this Project. Therefore, no additional environmental review is required for this Project.

Alternatives:

1. Reject the bids and delay/cancel the project.
2. Delaying/canceling the project will jeopardize ARPA funding.

Recommendations:

Adopt a Resolution to:

- A. Award a construction contract to Ranger Pipelines, Inc., of San Francisco, CA in the amount of their total bid for bid schedules A & B of \$4,275,341.00 and authorize the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney
- B. Award a Professional Services Agreement to Inferrera Construction Management Group, Inc. of Shingle Springs, CA for Inspection Services in the amount of \$188,219.00 and authorize the City Manager to execute the contract on behalf of the City, subject to material terms, subject to review and approval as to legal form by the City Attorney, and with the finding that it is in the best interest of the City
- C. Award a Professional Services Agreement to The Solis Group of Pasadena, CA for Labor Compliance Services in the amount of \$20,000.00, subject to material terms, with the finding that it is in the best interest of the City
- D. Authorize the Finance Director to make a budget transfer in the amount of \$2,070,000 from CIP Account No. 1277 (Harter-Bridge Trunk Sewer) to CIP Account No. 1295 (Bogue Road Sewer Extension)
- E. Authorize the Finance Director to appropriate a total of \$4,000,000.00 in American Rescue Plan Act funds for wastewater obligations outlined in the Newkom Ranch Development Agreement

Attachments:

1. Resolution - Bogue Road Sewer Extension Project
2. Exhibit A - (Draft) Agreement Contract No. 24-05
3. Exhibit B - (Draft) Professional Services Agreement - ICM
4. Exhibit C - (Draft) Professional Services Agreement - Solis Group

Prepared By:
Nick Menezes
Senior Civil Engineer

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY A CONSTRUCTION CONTRACT TO RANGER PIPELINES INC. IN THE AMOUNT OF \$4,275,341.00, AWARDDING A PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION INSPECTION SERVICES TO INFERRERA CONSTRUCTION MANAGEMENT GROUP INC THE AMOUNT OF \$188,219.00, AWARDDING A PROFESSIONAL SERVICES AGREEMENT FOR LABOR COMPLIANCE SERVICES TO THE SOLIS GROUP IN THE AMOUNT OF \$20,000.00, AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID CONTRACTS AND AGREEMENTS ON BEHALF OF THE CITY, SUBJECT TO REVIEW AND APPROVAL AS TO LEGAL FORM BY THE CITY ATTORNEY FOR THE BOGUE ROAD SEWER EXTENSION PROJECT CONTRACT NO. 24-05

WHEREAS, the City of Yuba City (City) advertised for bids for the City's Bogue Road Sewer Extension Project (Project); and,

WHEREAS, in response to the advertisement, the City received three (3) bids for the Project in the following bid amounts:

Ranger Pipelines, Inc.	\$8,081,141.00
RCI General Engineering	\$8,777,825.00
Steve P. Rados, Inc.	\$9,906,000.00; and

WHEREAS, the City Public Works Department reviewed the three (3) bids, and examined Ranger Pipelines, Inc. and its bid response, found it to be both the lowest qualified responsive and responsible bidder; and

WHEREAS, the City desires to award the bid to Ranger Pipelines, Inc. of San Francisco, CA and enter into an agreement with Ranger Pipelines, Inc. to construct Bid Schedules A & B of the Bogue Road Sewer Extension Project; and

WHEREAS, the City desires to award a contract for construction inspection services to Inferrera Construction Management Group, Inc. of Shingle Springs, Ca in the amount of \$188,219.00 to ensure construction complies with funding requirements and project specifications; and

WHEREAS, the City desires to award a contract for labor compliance services to The Solis Group of Pasadena, CA in the amount of \$20,000.00 to ensure compliance with funding requirements; and

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. The City Council of the City of Yuba City finds that all of the facts set forth in the recitals above are true and current and incorporated herein.
2. The City Council of the City of Yuba City does hereby accept the three (3) bids received as noted above, finds that Ranger Pipelines, Inc., is the lowest responsive and responsible bidder, and awards the construction contract to Ranger Pipelines, Inc. in the amount of their total bid schedules A & B of \$4,275,341.00 for the Bogue Road Sewer

Extension Project. Said contract agreement shall substantially comply with the terms and conditions presented in the draft agreement attached to this Resolution, shall be subjected to review and approval as to legal form by the City Attorney, and the City Manager shall be authorized to execute the same on behalf of the City of Yuba City.

3. The City Council of the City of Yuba City awards a professional services agreement for construction and inspection services to Inferrera Construction Management Group, Inc. of Shingle Springs, CA in the amount of \$188,219.00. Said agreement shall substantially comply with the terms and conditions presented in the draft agreement attached to this Resolution, shall be subjected to review and approval as to legal form by the City Attorney, and the City Manager shall be authorized to execute the same on behalf of the City of Yuba City subject to Caltrans Internal Office of Audits and Investigations approval.
4. The City Council of the City of Yuba City awards a professional services agreement for labor compliance services to The Solis Group of Pasadena, CA in the amount of \$20,000.00, with a finding that it is in the City's best interest.
5. The City Council of the City of Yuba City does hereby authorize the Finance Director to make a budget transfer in the amount of \$2,070,000 from CIP Account No. 1277 (Harter-Bridge Trunk Sewer) to CIP Account No. 1295 (Bogue Road Sewer Extension).
6. The City Council of the City of Yuba City does hereby authorize the Finance Director to appropriate a total of \$4,000,000.00 in American Rescue Plan Act funds to wastewater obligations outlined in the Newkom Ranch Development Agreement.
7. On February 20, 2024, City Council adopted a Resolution certifying that the amendments to the Newkom Ranch Development Agreement 19-01 did not propose environmental impacts that were not previously analyzed by the certified EIR. The proposed sewer infrastructure improvements on Bogue Road between State Route 99 and Railroad Avenue fall within the Bogue Stewart Master Plan and Newkom Ranch areas, are consistent with the certified Environmental Impact Report, and all the adopted mitigation measures as part of the certified EIR will be implemented on this Project. Therefore, no additional environmental review is required for this Project.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December, 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, City Clerk Administrator

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit(s):

- A. Exhibit A – (Draft) Agreement – Contract 24-05
- B. Exhibit B – (Draft) ICM Group Professional Services Agreement
- C. Exhibit C – (Draft) The Solis Group Professional Service Agreement

EXHIBIT A

CITY OF YUBA CITY
DEPARTMENT OF PUBLIC WORKS

DRAFT

CONTRACT AGREEMENT

**BOGUE ROAD SEWER EXTENSION
CONTRACT NO. 24-05**

THIS AGREEMENT, made and concluded this ____ day of _____, 20____, between the City of Yuba City, party of the first part, and _____, Contractor, party of the second part.

ARTICLE I. – WITNESSETH, that for and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the said party of the first part under the conditions expressed in the two bonds bearing even date with these presents and hereunto annexed, the said party of the second part agrees with the said party of the first part, at his own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the specifications to be furnished by said party of the first part, necessary to construct and complete in a good, workmanlike and substantial manner and to the satisfaction of the Department of Public Works, construction on various roads, all in accordance with the Special Provisions hereto annexed and also in accordance with the Standard Specifications of the State of California Department of Transportation dated 2022, the Standard Plans dated 2022, the “Labor Surcharge” and “Equipment Rental Rates” in effect on the date the work is accomplished, and the “General Prevailing Wage Rates” of the State of California Department of Transportation, which said Special Provisions, Standard Plans, Standard Specifications are hereby specially referred to and by such reference made a part hereof.

The Special Provisions and the project plans for the work to be done are entitled:

BOGUE ROAD SEWER EXTENSION

Which are hereby made part of this contract.

ARTICLE II. – The said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Agreement; also for all loss or damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties or obstructions

which may arise or be encountered in the prosecution of the work until its acceptance by the City of Yuba City and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and according to the plans and specifications and the requirements of the Engineer under them, to wit.

ARTICLE III. – The said party of the first part hereby promises and agrees with the said Contractor to employ, and does hereby employ, the said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices hereinafter set forth, and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

ARTICLE IV. – By my signature hereunder, as Contractor, I certify that I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

ARTICLE V. – It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

ARTICLE VI. – The City of Yuba City hereby employs Contractor to provide material and to do the work according to the terms and conditions herein contained and referred to for the following prices to be paid at the time, in the manner and upon the conditions hereinafter set forth.

ARTICLE VII. – The improvement contemplated in the performance of this contract is an improvement over which the City of Yuba City shall exercise general supervision.

ARTICLE VIII. – The statement of prevailing wages appearing in the General Prevailing Wage Rates is hereby specifically referred to and by this reference is made a part of this contract. It is further expressly agreed, by and between the terms of this instrument and the bid or proposal of said Contractor, that this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

**BOGUE ROAD SEWER EXTENSION
CONTRACT NO. 24-05**

Item No.	Item Description	Est. Qty.	Unit of Measure	Item Price	Total Amount
Bid Schedule A Sewer Lift Station Improvements					
1	Mobilization/Demobilization	1	LS	\$80,000.00	\$80,000.00
2	Class 2 Aggregate Base (0.50 - feet)	88 (F)	TON	\$100.00	\$8,800.00
3	Structural Concrete (Motor Control Pad - 8 inches thick with #4 rebar @ 12 Inch oc each way)	72	SF	\$60.00	\$4,320.00
4	Structural Concrete (Washdown Pad- 8 inches thick with #4 rebar @ 12 Inch oc each way)	100	SF	\$60.00	\$6,000.00
5	Structural Concrete (Generator Pad - 9 inches thick with #4 rebar @ 12 Inch oc each way)	24	SF	\$120.00	\$2,880.00
6	Minor Concrete (Area Around Pump Station)	2,340	SF	\$20.00	\$46,800.00
7	Pipe Bollards	8	EA	\$800.00	\$6,400.00
8	8 Foot Solid Wall (includes foundation)	185	LF	\$800.00	\$148,000.00
9	20 Foot Wrought Iron Roll Gate	1	EA	\$15,000.00	\$15,000.00
10	Slide Gate Operator Assembly (Liftmaster 24VDC High-Traffic Commercial Slide Gate Operator or approved equal)	1	JOB	\$5,000.00	\$5,000.00
11	Class 2 Aggregate Base (0.67 - feet)	62 (F)	TON	\$100.00	\$6,200.00
12	1 Inch Water Service	1	EA	\$15,000.00	\$15,000.00
13	Type W11 - 4 Inch Reduced Pressure Backflow Preventer	1	EA	\$15,000.00	\$15,000.00
14	8 Inch Sewer Wet Well Air Vent Assembly	1	JOB	\$1,000.00	\$1,000.00
15	Type SS1 - Sanitary Sewer Manhole	2	EA	\$10,000.00	\$20,000.00
16	8 Inch Epoxy Ductile Iron Pipe	100	LF	\$800.00	\$8,000.00
17	12 Inch ASTM D3034 SDR 26 PVC Pipe	25	LF	\$900.00	\$22,500.00

18	8 Inch Restrained Dismantling Couplers (Romac Industries, Inc. Style DJ400 with tie rods or equal)	2	EA	\$2,500.00	\$5,000.00
19	8 Inch Gate Valve	3	EA	\$2,500.00	\$7,500.00
20	8 Inch Swing Check Valve (APCO Model 6008A, APCO Model 6008CLW or an approved equal)	2	EA	\$15,000.00	\$30,000.00
21	Pump and Motor Assembly (Flygt Pump N3153 MT or approved equal - work includes pump, bracket, supports, motor, wiring, floats, lifting chain, soft start, VFD and other improvement for pump and motor)	2	JOB	\$125,000.00	\$250,000.00
22	Concrete Wet Well - 120 Inch (Precast Polymer Concrete or Lined Concrete Wet Well w/ Xypex Lining or Equal)	1	EA	\$670,000.00	\$670,000.00
23	Valve Utility Box (8.0'x8.0') and Lid Assembly (48"x72") (box and lid shall meet H-20 and HL-93 loading)	1	EA	\$20,000.00	\$20,000.00
24	Valve Utility Box (8.0'x6.0') and Lid Assembly (36"x60") (box and lid shall meet H-20 and HL-93 loading)	1	EA	\$20,000.00	\$20,000.00
25	Motor Control, PLC, and Electrical Panel (Includes PG&E service, programming, conduit, concrete pad, bollards, etc.)	1	JOB	\$250,000.00	\$250,000.00
26	80 kW/1000 kVA Diesel Generator (Includes fuel tank, FRAQMD/State air quality permit, and enclosure)	1	EA	\$60,000.00	\$60,000.00
27	PG&E Service Pole, Transfer Work, and Meter Panel Coordination (Includes all coordination work with PG&E for point of connection)	1	JOB	\$8,000.00	\$8,000.00

28	All Other Work (items not addressed in Items A.1 through A.27)	1	JOB	\$1.00	\$1.00
29	Trench Sheet piling, Shoring, and Bracing, as required by Section 6707 of the California Labor Code)	1	LS	\$100,000.00	\$100,000.00
Total Bid Schedule 'A' =					
Item No.	Item Description	Est. Qty.	Unit of Measure	Item Price	Total Amount
Bid Schedule B – Gravity Sewer Main Improvements					
1	Mobilization/Demobilization	1	LS	\$100,000.00	\$100,000.00
2	Traffic Control	1	LS	\$85,500.00	\$85,500.00
3	Construction Area Signs	1	LS	\$5,000.00	\$5,000.00
4	Asphalt Concrete (Type A) (0.33 - feet)	90	TON	\$570.00	\$51,300.00
5	Class 2 Aggregate Base (1.83 - feet)	520	TON	\$65.00	\$33,800.00
6	8 Inch ASTM D3034 SDR 26 PVC Pipe	151	LF	\$400.00	\$60,400.00
7	8 Inch AWWA C-900 PVC 235 PSI DR 18 PVC Pipe - Green or 8 Inch Epoxy Ductile Iron Pipe	37	LF	\$425.00	\$15,725.00
8	10 Inch ASTM D3034 SDR 26 PVC Pipe	937	LF	\$400.00	\$374,800.00
9	10 Inch AWWA C-900 PVC 235 PSI DR 18 PVC Pipe - Green or 10 Inch Epoxy Ductile Iron Pipe	306	LF	\$425.00	\$130,050.00
10	12 Inch ASTM D3034 SDR 26 PVC Pipe	761	LF	\$850.00	\$646,850.00
11	18 Inch ASTM F679 PS115 PVC Pipe	119	LF	\$525.00	\$62,475.00
12	10 Inch Stainless Steel Ball Valve	1	EA	\$30,000.00	\$30,000.00
13	10 Inch Resilient Wedge Type Gate Valve	1	EA	\$6,000.00	\$6,000.00
14	Type SS1 - Sanitary Sewer Manhole	8	EA	\$20,000.00	\$160,000.00
15	Type SS3 - Sanitary Sewer Service	11	EA	\$7,000.00	\$77,000.00

16	Type SS4 - Sanitary Sewer Cleanout	2	EA	\$5,000.00	\$10,000.00
17	Connect to Existing Sewer	1	EA	\$10,000.00	\$10,000.00
18	Dewatering and Non-Storm Water Discharge Control	1	JOB	\$10,000.00	\$10,000.00
19	Type A Trench Restoration (Import Backfill and Bedding Per TR1 and TR3 to new road section)	2,311	LF	\$140.00	\$323,540.00
20	SWPPP - Construction Waste Management	1	LS	\$1,000.00	\$1,000.00
21	SWPPP - Temporary Silt Fence	150	LF	\$10.00	\$1,500.00
22	SWPPP - Temporary Stabilized Construction Site Access	1	EA	\$2,000.00	\$2,000.00
23	Trench Sheet piling, Shoring, and Bracing, as required by Section 6707 of the California Labor Code)	1	LS	\$175,000.00	\$175,000.00

Total Bid Schedule 'B' =

Item No.	Item Description	Est. Qty.	Unit of Measure	Item Price	Total Amount
Bid Schedule C – 18-Inch Sewer Force Main Improvements					
1	Mobilization/Demobilization	1	LS		
2	Traffic Control	1	LS		
3	Construction Area Signs	1	LS		
4	Asphalt Concrete (Type A) (0.33 - feet)	520	TON		
5	Class 2 Aggregate Base (1.83 - feet)	2,850	TON		
6	18 Inch AWWA C-900 PVC 235 PSI DR 18 PVC Pipe - Green or 18 Inch Epoxy Ductile Iron Pipe	5,120	LF		
7	18 Inch Resilient Wedge Type Gate Valve	5	EA		
8	18 Inch Stainless Steel Ball Valve	1	EA		

9	Type V750 Sewage Air and Vacuum Valve	4	LF		
10	Type A Trench Restoration (Import Backfill and Bedding Per TR1 and TR3 to new road section)	5,120	LF		
11	Trench Sheet piling, Shoring, and Bracing, as required by Section 6707 of the California Labor Code)	1	LS		
Total Bid Schedule 'C' =					
Item No.	Item Description	Est. Qty.	Unit of Measure	Item Price	Total Amount
Bid Schedule D – 6-Inch Gravity Sewer Improvements for Existing Homes					
1	Mobilization/Demobilization	1	JOB		
2	Traffic Control	1	LS		
3	Construction Area Signs	1	LS		
4	Asphalt Concrete (Type A) (0.33 - feet)	220	TON		
5	Class 2 Aggregate Base (1.83 - feet)	1,230	TON		
6	6 Inch ASTM D3034 SDR 26 PVC Pipe	1,140	LF		
7	Type SS1 - Sanitary Sewer Manhole	3	EA		
8	Type SS3 - Sanitary Sewer Service	10	EA		
9	Type SS4 - Sanitary Sewer Cleanout	1	EA		
10	Type A Trench Restoration (Import Backfill and Bedding Per TR1 and TR3 to new road section)	1,140	LF		
11	Trench Sheet piling, Shoring, and Bracing, as required by Section 6707 of the California Labor Code)	1	LS		
Total Bid Schedule 'D' =					
TOTAL AMOUNT BID (BID SCHEDULES A + B + C + D) =					

City Attorney, City of Yuba City

CITY OF YUBA CITY

Diana Langley
City Manager

Date

CONTRACTOR

Company Name

By and Title (signature)

Date

By and Title (printed)

Address

Telephone Number

EXHIBIT B

DRAFT
PROFESSIONAL SERVICES AGREEMENT
Bogue Road Sewer Extension Project – Construction Inspection &
Testing Services

This Agreement is made and entered into as of _____, 2024, by and between the City of Yuba City, a municipal corporation ("City") and Inferrera Construction Management Group, Inc. (ICM) ("Consultant").

RECITALS

- A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and
- B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and
- C. City desires to retain Consultant to render professional services as set forth in this Agreement.

AGREEMENT

- 1. Scope of Services. The Consultant shall furnish the following services in a professional manner.

See Attached Scope of Services
(Exhibit A)

- 2. Time of Performance. The services of Consultant are to commence upon execution of this Agreement and shall continue until all authorized work is completed and approved by the City. Finalization shall be completed at the direction of the City of Yuba City.
- 3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit A, which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation exceed **One Hundred Eighty-Eight Thousand, Two-Hundred Nineteen Dollars (\$188,219.00)** without additional written authorization from the City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.
- 4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant's invoices shall include a brief description of the services performed, the date the services were

performed, the number of hours spent and by whom, and a description of any reimbursable expenses. City shall pay Consultant not later than 30 days after approval of the monthly invoice by City staff. When payments made by the City equal 90% of the maximum fee provided for in this Agreement, no further payments shall be made until the final work under this Agreement has been accepted by City.

5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City.
6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination. Such compensation is subject to the conditions of Section 4 of this agreement.
7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees, agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon request.
- * Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regards to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

8. Consultant's Books and Records:

- a. Consultant shall maintain any and all ledgers, books of accounts, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
- b. Consultant shall maintain all documents and records which demonstrated performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
- d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and
- b. Possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(B)(2).)

10. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

11. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

12. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

13. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required of Consultant to practice its profession. Consultant

represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of Yuba City business license.

14. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs, including attorney fees and expenses in connection therein), arising out of the performance of this Agreement in whole or in part by any negligent act or omission of the Consultant, or anyone directly or indirectly employed by the Consultant or anyone for whose acts the Consultant may be liable, or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.
15. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, necessary insurance policies as described in Exhibit B.
16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City	Benjamin Moody Public Works & Development Services Director City of Yuba City 1201 Civic Center Blvd Yuba City, CA 95993 (530) 822-4626
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If to Consultant:	Jeffrey Inferrera Principal Inferrera Construction Management Group, Inc. 7040 Settlers Trail Shingle Springs, CA 95682 (916) 792-9871
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17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.
19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under the Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.
20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
22. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.
23. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.
24. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear

the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

25. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
26. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.
27. Prohibited Interest. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.
28. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non- discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF YUBA CITY:

CONSULTANT:

By:_____

**Diana Langley
City Manager**

By:_____

**Jeffrey Inferrera
Principal
Inferrera Construction Management Group, Inc.**

Attachments: Exhibit A – Scope of Services
 Exhibit B – Insurance Requirements

Exhibit A
Scope of Services

December 3, 2024

Mr. Nicholas Menezes, PE
City of Yuba City
Public Works Department
1201 Civic Center Blvd.
Yuba City, CA 95993

RE: Proposal for Inspection Services for the Bogue Road Sewer Extension Project

Dear Mr. Menezes,

Thank you for the opportunity to present this proposal for inspection services for the City's Bogue Road Sewer Extension (Project). Inferrera Construction Management Group, Inc. (ICM) has worked on numerous City projects over the past several years. We have helped you successfully complete the Wastewater Treatment Plant Improvements Project, the Flow Meter Project, the Garden Highway CIPP Project, the Lift Station 2 Rehabilitation Project, and other projects. We are excited to have an opportunity to work on this important new Project.

Project Understanding and Approach

We have visited the project site, reviewed the plans and specifications and provided comments on the bid documents during bid time. ICM understands the primary objectives of this Project are:

- Installation of 3,000 linear feet of various sized gravity sewer pipe.
- Installation of 5,500 linear feet of various sized sewer force main pipe and various valves and fittings associated with the sewer force main.
- A new wastewater lift station.
- Construction of 14 new sanitary sewer manholes.
- Installation of new sewer stub outs and lateral connections for future homes.

We recognize that the new sewer pipeline is within the roadway of Bogue Road and traffic control will be very important. Also important will be the proper coordination of the tie-in with the startup of the new sewer lift station.

Based on the specifications, the Project is to adhere to a specific order of work and fulfilment of milestones as follows:

Schedule A - Lift station construction needs to be completed within 120 working days of NTP.

Schedule B - The gravity pipeline construction needs to be completed within 45 working days of commencing trenching in Bogue Road for the gravity pipeline.

Schedule C - The 18-inch dual force main construction also needs to be completed within 45 working days of commencing trenching in Bogue Road for the force main.

Schedule D - The 6-inch gravity sewer construction needs to be completed within 30 working days of commencing trenching in Bogue Road for this bid schedule items.

Based on the given schedule and timeline, it is anticipated that the Contractor will mobilize two crews – one for the lift station work and one for the pipeline work. We believe, for this project, one inspector will be able to handle both crews. ICM inspectors are experienced handling multiple crews and splitting their time wisely between them.

Our inspectors are experienced with ProCore, familiar with City staff, City facilities, and City procedures. Youngdahl Consulting Group, Inc. is part of our team and will perform material testing.

The design was completed by MHM Engineers and the estimated cost is \$5,000,000. The lowest bidder is Ranger Pipeline at \$8,081,141. The Contract Time for Completion is 120 working days. We anticipate the Notice To Proceed (NTP) to be issued on February 3rd and the contractor will mobilize on April 1st to allow sufficient time for material procurement.

Inspection Staff

Construction Inspector

We propose Paul Lopez as your inspector. Mr. Lopez has been the primary ICM inspector on many projects with the City of Yuba City. His familiarity with the City and understanding of the City's expectations will be an invaluable asset for a successful completion of this Project. He has 30 years of industry experience including VCP pipeline construction, road work and traffic control, lift station construction with experience in all related electrical, mechanical, plumbing, HVAC and structural components. In the field, Mr. Lopez works well alongside contractors, evaluating their plan for executing the project, addressing issues ahead of time, coordinating inspections, and keeping detailed daily reports. He is mindful of keeping the owner abreast of issues that arise in the field and working with owner and contractor to find a proper solution. We are confident that Mr. Lopez will be a great fit for this Project.

Electrical Inspector

We propose Akil Barris as your electrical inspector. Mr. Barris has 15 years of experience in the wastewater industry, is ICC Electrical certified and experienced with lift stations. He is very detail oriented and will be a valuable asset to the Project Team.

Backup Inspector

Keith DeLapp will be our backup inspector. Mr. DeLapp has worked with Mr. Lopez on the City's Garden Highway CIPP Project. He has extensive experience in sanitary sewer pipelines and lift stations. He has worked on roadways, understands traffic control, and works well with contractors.

Material Testing

Youngdahl Consulting Group, Inc. will provide compaction and material testing services for the Project. Youngdahl is a full-service geotechnical engineering and materials testing firm. They have a fully certified laboratory, and a large staff of inspectors certified in compaction, concrete and asphalt testing.

Project Experience

ICM has completed numerous projects similar to the City's Project, involving VCP pipelines, road work, and lift station construction including a pipeline and pump station for Sacramento County, five Delta Diablo lift stations, two El Dorado Irrigation District lift stations, and eight sewer pipeline replacement projects with Central San. We have completed numerous other projects involving new lift stations, VCP pipelines and road work. The following are reference projects:

- Lift Station 2 Rehabilitation – *City of Yuba City*
- Van Maren Pumping Station – *Sacramento County*
- Church Street and Pump Station 26 Collection System Project – *City of Roseville*
- Pump Station Facility Rehabilitation – *Delta Diablo Sanitation District*
- Carson Creek 1 Lift Station Project – *El Dorado Irrigation District*
- Bridlewood Lift Station Project – *El Dorado Irrigation District*
- Oak Avenue Pump Station Phase II – *City of Folsom*
- Lake Forest Pump Station – *City of Folsom*
- Eight Sanitary Sewer Pipeline Replacements – *Central Contra Costa Sanitary District*



Central San Sewer Pipeline in Road



Delta Diablo Pump Station Piping



Central San New Sewer Manhole



Lake Forest Pump Station Wet Wells

Scope of Services

Our Scope of Work will consist of the following Tasks:

Task 1. Project Startup

Project Startup, ICM will perform the following:

- a) Attend pre-construction meeting.
- b) Photographic documentation of pre-construction conditions.

Task 2. Construction Inspection

ICM's inspector will provide as needed inspection. Inspector will provide the following services:

- a) Inspect the work and enforce the contract requirements as well as codes and regulations.
- b) Take daily photographs.
- c) Provide a daily report.
- d) Coordinate with City and Operations staff.
- e) Coordinate with City for material testing.

Task 3. Material Testing

Youngdahl will provide the following services:

- a) Concrete testing
- b) Compaction testing

Task 4. Project Closeout

Project Closeout activities consist of the following:

- a) Develop and maintain the punchlist.
- b) ICM will transfer inspection files to the City.

Exclusions

- a) Surveying and survey stakeout.
- b) ICM does not guarantee that our inspector will review all components of the work.
- c) ICM is not responsible for Contractor's safety or safety program.
- d) ICM is not responsible for Contractor's schedule.
- e) Engineering services during construction such as RFI and submittal review.
- f) Inspector apprentice, if required by State DIR or other entity.

Our Estimated Budget Table, developed specifically for this Project based on the specified schedule and timeline, is attached as well as a Fee Schedule. Since the NTP will be issued months earlier than contractor mobilization, we assume that when work commences, full-time inspection will be needed. We also anticipate, given the time constraints for completion of all Schedules, that full-time inspection will be required for the entire duration of the Project. Please note that we assume an 8-hour work day and have not budgeted for overtime.

This proposal is based on a time and materials contract. This cost proposal is only an estimate; actual labor effort will be dependent on the contractor's schedule. Budgeted hours and cost proposal may change based on the actual project schedule. ICM reserves the right to transfer budgeted hours between tasks and subtasks.

Thank you for your kind consideration of our proposal. We look forward to working with the City on this important Project. If you have questions, please call me at 916-792-9871.

Sincerely,
Inferrera Construction Management Group, Inc.

A handwritten signature in black ink, appearing to be 'J. Inferrera', with a long horizontal stroke extending to the right.

Jeffrey Inferrera, PE, RCI
President

Attachments:
Budget Estimate
ICM Fee Schedule
Youngdahl Fee Schedule

City of Yuba City
Bogue Road Sewer Extension

ICM's Estimated Budget for Inspection Services		Year 2025								
Role	Team Member	April Hours	May Hours	June Hours	July Hours	August Hours	September Hours	Total Hours	Rate	Total Budget
Construction Inspector	Paul Lopez	176	168	160	176	168	112	960	\$ 170	\$ 163,200
Electrical Inspector	Akil Barris	0	0	0	8	8	8	24	\$ 180	\$ 4,320
Administration		8	4	4	4	4	8	32	\$ 85	\$ 2,720
Compaction & Material Testing*	Youngdahl									\$ 12,897
Subconsultant Markup									5%	\$ 645
Vehicle										\$ 3,000
Field Computer, Monthly		1	1	1	1	1	0.75	5.75	\$ 100	\$ 575
Field Phone/Internet, Monthly		1	1	1	1	1	0.75	5.75	\$ 150	\$ 863

*Assumed ten, 8-hour site visits for soil compaction testing, three CLSM samples, additional time for report preparation. Charge for travel to site included in total

Grand Total Budget \$ 188,219

2-Dec-23

ICM

Inferrera Construction Management Group, Inc.
Fee Schedule
For City of Yuba City
Bogue Road Sewer Extension Project

Labor Hourly Rates by Position

Construction Inspector	\$170
Electrical Inspector	\$180
Administrator	\$85

Expense Rates

Vehicle	Note 3
Field Computer, Monthly	\$100
Field Phone/Internet, Monthly	\$150
Other ODCs billed separately	

Administrative Fees

Expenses	0%
Subconsultants	5%

Notes:

1. Minimum 4-hour onsite charge per site or off-site visits.
2. Overtime will be charged 1.5 times the hourly rate for time worked over eight hours a day and Saturdays. Sundays, Holidays, and time worked over twelve hours a day are charged at 2 times the hourly rate. Second shift work performed between 5 p.m. and 5 a.m. will be charged an additional \$15 per hour.
3. Travel will be charged in accordance with prevailing wage requirements which include IRS mileage rate and travel time over 50 miles one way, plus a minimum of \$25 per day. Business driving will be charged at the IRS mileage rate.
4. This Rate Schedule is valid until December 31, 2025. After December 31, 2025, rates subject to 5% adjustment per year.

PREVAILING WAGE FEE SCHEDULE FOR PROFESSIONAL SERVICES (2024-2026)

PERSONNEL	STANDARD RATE
Principal Engineer	\$ 228.00 /hr
Senior Engineer/Geologist/Scientist	\$ 185.00 /hr
Project Engineer/Geologist/Environmental Scientist	\$ 172.00 /hr
Staff Engineer/Geologist/Scientist	\$ 162.00 /hr
Field Supervisor	\$ 162.00 /hr
ICC/AWS/CWI/NDT Certified Special Inspector – Group 2	\$ 152.00 /hr
For Non-Prevailing Wage Tasks	\$ 131.00 /hr
Soils Engineering Technician ; ACI Groups 3 & 4	\$ 136.00 /hr
For Non-Prevailing Wage Tasks	\$ 107.00 /hr
Environmental Technician	\$ 116.00 /hr
QSD-Qualified SWPPP Developer	\$ 156.00 /hr
QSP-Qualified SWPPP Practitioner	\$ 116.00 /hr
Laboratory Manager	\$ 162.00 /hr
Senior Laboratory Technician	\$ 126.00 /hr
Laboratory Technician	\$ 102.00 /hr
Draftsperson	\$ 112.00 /hr
Clerical	\$ 106.00 /hr

BASIS OF CHARGES

Equipment Charges:

All of the above rates are inclusive of routine test equipment.

Exceptions:

- Coring Machine - \$200/day
- Generator - \$75/day
- High Precision GPS Receiver - \$150/day
- Photo-Ionization Detector - \$100/day
- Skidmore - \$100/day
- Fireproofing Adhesion - \$25/test

Hours are billed portal to portal in accordance with the following minimum charges:

- Times are rounded up to the nearest ½ hour.
- 2-hour minimum on-site charge for each site visit.
- 4-hour minimum on-site charge for weekend work.
- 2-hour minimum charge for work scheduled that was not cancelled by 5pm the day before.

Overtime:

- Over eight (8) hours a day - 1.5 x hourly rate
- Saturdays - 1.5 x hourly rate
- Over eight (8) hours on Saturdays - 2.0 x hourly rate
- Sundays and Holidays - 2.0 x hourly rate
- Over twelve (12) hours a day - 2.0 x hourly rate
- Night Work 5:00 pm – 5:00 am - \$10+ hourly rate

Mobilization Charge:

A mobilization charge of \$ 80.00/site visit will be added for all projects requiring site visits within 40 miles of our corporate yard. For projects beyond 40 miles, a mileage fee will be assessed at \$0.95/mile portal to portal per visit from our corporate headquarters address to the project site. Distance will be determined by Google Maps quickest calculated distance.



BASIS OF CHARGES (Cont.)

Expert Witness Services:

Mediation, arbitration, deposition, expert witness testimony and public hearing attendance will be billed at 2 times normal hourly rates in 4-hour incremental blocks.

Rush Charges:

Field:

An additional 1 hour of field time at the appropriate personnel rate may be charged to expedite work which requires dispatching after 4:30 pm of the previous day, or the same day, as requested by the contractor or client.

Large Format Plotting:

- Color or Black & White - \$12 minimum setup + 0.65 per sq. foot

Miscellaneous Charges:

- Supplies and outside services are billed at cost +15%
- Airfare, rental vehicles, lodging, and meals for authorized out-of-town travel, will be charged per person per day using the current IRS per diem rate applicable to the area.
- Subcontracted work will be billed at cost +15%
- Projects with specialized accounting protocol required to be filled out for the client will be charged an additional 4% of the project budget
- Copying and distribution for project reporting includes 4 reports. If additional report copying is necessary, a \$25.00 charge will be billed for each additional report
- Projects requiring Level C PPE will be charged at 1.5 x normal hourly rate
- \$10.00 surcharge may be applied to normal rates for projects where naturally occurring asbestos (NOA) is present.

TERMS AND CONDITIONS:

Youngdahl Consulting Group, Inc. shall perform professional services in accordance with the generally accepted professional practice of its profession within the area where the work is performed on behalf of the client. Upon entering into this agreement many risks potentially affect Youngdahl Consulting Group, Inc. The principal risk is the potential for human error by Youngdahl Consulting Group, Inc. Client agrees to limit our liability to Client and to all other parties for damages arising from any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs shall be limited to \$25,000.00 and Client further agrees to indemnify and hold harmless Youngdahl Consulting Group, Inc. from and against all liabilities in excess of monetary limit established above.

(Prevailing Wage Fee Schedule for Professional Services on Front of Sheet)



FEE SCHEDULE FOR LABORATORY SERVICES (2024-2026)

The following contains the soils and material testing prices for services rendered by Youngdahl Consulting Group, Inc. Prices are valid for 2024-2026. Unless noted, test prices include routine sample preparation, test set-up, performance of test, calculations, and reporting of results. Please call us at (916) 933-0633 for further information.

TEST	TEST METHOD(S) ¹	UNIT PRICE (\$)
SOILS TESTS		
Classification and Index Properties		
Sieve Analysis, Fine with No. 200 Wash	D422, D6913, CTM 202, T88	\$ 145.00 Each
Sieve Analysis, Coarse and Fine Combined	D422, D6913, CTM 202, T88	\$ 230.00 Each
Percent Passing No. 200 Sieve, Soil	D1140	\$ 105.00 Each
Percent Passing No. 200 Sieve, Rocky Sample	D1140	\$ 200.00 Each
Hydrometer Analysis	D422, D7928	\$ 260.00 Each
Atterberg Limits	D4318, T89, T90	\$ 230.00 Each
Moisture Content	D2216, D4643	\$ 25.00 Each
Moisture Content & Dry Density	D7263	\$ 50.00 Each
Specific Gravity	D854	\$ 260.00 Each
Soil pH	D4972	\$ 50.00 Each
Pinhole Dispersion	D4647	\$ 775.00 Each
Organic Content	D2974	\$ 155.00 Each
Soil Corrosion Properties*	CTM 417, 422, 643	\$ 225.00 Each
(*Includes Soil pH, Minimum Resistivity, Chlorides, and Sulfates)		
Moisture Density Relations-Compaction		
Proctor – 4"	D698, D1557, T99, T180	\$ 325.00 Each
Proctor – 6"	D698, D1557, T99, T180	\$ 325.00 Each
California Impact	CTM 216	\$ 325.00 Each
Check Point		\$ 205.00 Each
Strength		
Unconfined Compression	D2166	\$ 165.00 Each
Unconfined Compression, Chemically-Treated	D1633 (Mod), CTM373 (Mod)	\$ 620.00 Each
Quicklime Saturation (Eades and Grim)	C977, D6276	\$ 205.00 Each
Direct Shear, 3 Points	D3080	\$ 515.00 Each
Triaxial Shear, UU	D2850	\$ 205.00 Each
Triaxial Shear, CU (3 Points)	D4767	\$ 1,700.00 Set
Resistance "R-Value"	CTM 301, D2844	\$ 360.00 Each
Sample Preparation		\$ 100.00 Hour
Hydraulic Conductivity		
Flexible Wall Permeability	D5084	\$ 385.00 Each
Permeability (>10 ⁻³)	D2434	\$ 385.00 Each
Consolidation/Swell		
Consolidation	D2435	\$ 600.00 Each
One-Dimension Swell or Collapse	D4546, Method A	\$ 500.00 Each
One-Dimension Swell or Collapse	D4546, Method B	\$ 200.00 Each
One-Dimension Swell or Collapse	D4546, Method C	\$ 600.00 Each
Expansion Index	D4829	\$ 230.00 Each

NOTES

- Test methods listed are as follows:
 - Those beginning with a C, D, or E are ASTM International methods
 - CTM – California Test Method, California Department of Transportation
 - Those beginning with a T are AASHTO methods
 - Those beginning with an MS are Asphalt Institute methods
- Any testing where lime or cement is required to be added, cost of test may be increased by 20%
- Rush Fee: 150% of standard unit price



TEST	TEST METHOD(S) ¹	UNIT PRICE (\$)	
AGGREGATE TESTS			
Sieve Analysis – Coarse (without wash)	C136, CTM 202, T27	\$ 125.00	Each
Sieve Analysis – Fine (including wash)	C136, CTM 202, T27	\$ 145.00	Each
Sieve Analysis – Coarse and Fine Combined	C136, CTM 202, T27	\$ 230.00	Each
Percent Passing No. 200 Sieve	C117, T11	\$ 105.00	Each
Specific Gravity and Absorption, Coarse	C127	\$ 105.00	Each
Specific Gravity and Absorption, Fine	C128	\$ 155.00	Each
Organic Impurities in Sand	C40	\$ 50.00	Each
Unit Weight, Loose or Rodded	C29	\$ 95.00	Each
Sand Equivalent	CTM 217, D2419	\$ 180.00	Each
Crushed Particles (fractured faces) (per sieve size)	CTM 205, D5821	\$ 105.00	Each
Flat and Elongated Particles (per sieve size)	D4791	\$ 105.00	Each
Clay Lumps and Friable Particles	C142	\$ 200.00	Each
Los Angeles Abrasion Test	C131, C535	\$ 260.00	Each
Durability Index	CTM 229, D3744	\$ 290.00	Each
Durability, Coarse or Fine	CTM 229, D3744	\$ 145.00	Each
Cleanliness Value	CTM 227	\$ 145.00	Each
Mortar Sand Strength	CTM 515, C87	\$ 775.00	Each
CONCRETE/MASONRY TESTS			
Concrete Compression (including mold)	C39	\$ 50.00	Each
Mortar Compression (including mold)	C780	\$ 50.00	Each
Grout Compression (including mold)	C1019	\$ 100.00	Each
CLSM Compression (including mold)	D4832	\$ 50.00	Each
Concrete Core Compression	C42	\$ 70.00	Each
Shotcrete Core Compression (including coring)	C1604	\$ 105.00	Each
Core Height (Length/Thickness)	C1542	\$ 15.00	Each
Modulus of Elasticity	C469	\$ 350.00	Each
Flexural Strength, Beam	C78	\$ 105.00	Each
Laboratory Trial Batch (incl. 9 compression tests)	C192	\$ 2,060.00	Each
Concrete Drying Shrinkage (set of 3)	C157 (Mod)	\$ 515.00	Each
Sample Cutting and Trimming (1/4 hour minimum)		\$ 100.00	Hour
CMU Dimension Verification	C140	\$ 75.00	Each
CMU Moisture Absorption/Unit Weight/Moisture	C140	\$ 75.00	Each
CMU Block Compression	C140	\$ 105.00	Each
CMU Composite Prism Compression	C1314	\$ 180.00	Each
CMU Core Shear	CBC 2105A.4/5	\$ 60.00	Each
ASPHALT CONCRETE TESTS			
Solvent Extraction, % Asphalt	D2172, T164	\$ 300.00	Each
Gradation of Extracted Aggregate	D5444, T30	\$ 180.00	Each
Unit Weight of Core or Briquette	CTM 308, D2726, D1188, T166, T275	\$ 75.00	Each
Thickness of Core	D3549	\$ 15.00	Each
Theoretical Maximum Specific Gravity (Rice Method)	D2041, CTM 309, T209	\$ 180.00	Each
AC Moisture Content	CTM 370, T329	\$ 55.00	Each
AC Air Void Determination	D3203, T269	\$ 55.00	Each
AC VFA Determination	MS-2	\$ 55.00	Each
AC VMA Determination	MS-2	\$ 55.00	Each
MISCELLANEOUS			
Fireproofing Density Test	E605	\$ 105.00	Each
Non-Masonry Mortar/Grout Compression Test	C579	\$ 50.00	Each
Bend and Tensile Test (up to #11 bar)		\$ 200.00	Each

Exhibit B
Professional Services Agreement
Insurance Requirements

- I. **Workers' Compensation Coverage.** Consultant shall maintain Workers' Compensation Insurance for his/her employees in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars (\$1,000,000) per accident for bodily injury and/or disease. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars (\$1,000,000) per accident for bodily injury and/or disease. for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. This provision shall not apply if Consultant has no employees performing work under this Agreement. If the Consultant has no employees for the purposes of this Agreement, Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto as Exhibit C.

- II. **General Liability Coverage.** Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

- III. **Automobile Liability Coverage.** Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

- IV. **Professional Liability Coverage.** Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations are by the Consultant or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

- V. **Endorsements.** Each general liability and automobile liability insurance policy shall be with insurers possessing a current A.M. Best's rating of no less than A:VII and shall be endorsed with the following specific language or equivalent:
- A. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations. Conforms to ISO CG 2009 and CG 2037 10 01. Both are required.
 - B. This policy shall be considered primary insurance as respects to the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.
 - C. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
 - D. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.
 - E. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.
 - F. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage except after thirty (30) days written notice has been received by the City.
- VI. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retention's.
- VII. **Certificates of Insurance.** Consultant shall provide certificates of insurance with original endorsements to City, as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

EXHIBIT C

DRAFT PROFESSIONAL SERVICES AGREEMENT
Bogue Road Sewer Extension Project – Labor Compliance Services

This Agreement is made and entered into as of _____, 2024, by and between the City of Yuba City, a municipal corporation (“City”) and The Solis Group (“Consultant”).

RECITALS

- A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and
- B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and
- C. City desires to retain Consultant to render professional services as set forth in this Agreement.

AGREEMENT

- 1. Scope of Services. The Consultant shall furnish the following services in a professional manner.

**See Attached Scope of Services
(Exhibit A)**

- 2. Time of Performance. The services of Consultant are to commence upon execution of this Agreement and shall continue until all authorized work is completed and approved by the City. Finalization shall be completed at the direction of the City of Yuba City.
- 3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit A, which is attached hereto and incorporated herein by reference. In no event shall Consultant’s compensation exceed **Fourteen Thousand, One Hundred-Six Dollars (\$14,106.00)** without additional written authorization from the City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.
- 4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant’s invoices shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenses. City shall pay Consultant not later than 30 days after approval of the monthly invoice by City staff. When payments made by the City

equal 90% of the maximum fee provided for in this Agreement, no further payments shall be made until the final work under this Agreement has been accepted by City.

5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City.
6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination. Such compensation is subject to the conditions of Section 4 of this agreement.
7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees, agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon request.
- * Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regards to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held

confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

8. Consultant's Books and Records:

- a. Consultant shall maintain any and all ledgers, books of accounts, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
- b. Consultant shall maintain all documents and records which demonstrated performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
- d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City.

Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and
- b. Possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(B)(2).)

10. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

11. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

12. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

13. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of

Consultant to practice its profession. Consultant shall maintain a City of Yuba City business license.

14. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs, including attorney fees and expenses in connection therein), arising out of the performance of this Agreement in whole or in part by any negligent act or omission of the Consultant, or anyone directly or indirectly employed by the Consultant or anyone for whose acts the Consultant may be liable, or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.
15. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, necessary insurance policies as described in Exhibit B.
16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City Nick Menezes
Public Works
City of Yuba City
1201 Civic Center Blvd
Yuba City, CA 95993
(530) 822-4626

If to Consultant: Mike Komsky
Chief Operating Officer
The Solis Group
3452 E Foothill Blvd / Suite 200
Pasadena, CA 91101
(626) 685-6989

17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.
19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under the Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.
20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
22. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.
23. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.
24. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

25. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
26. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.
27. Prohibited Interest. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.
28. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non- discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF YUBA CITY:

CONSULTANT:

By:_____

**Benjamin Moody
Public Works & Development Services Director**

By:_____

**Elvira Elizabeth Diez Solis-Compana
Chief Executive Officer
The Solis Group**

Attachments: Exhibit A – Scope of Services
 Exhibit B – Insurance Requirements

Exhibit A
Scope of Services

December 10, 2024

Nick Menezes, PE, Sr Civil Engineer
City of Yuba City, Public Works Department
1201 Civic Center Blvd
Yuba City, CA 95993

Re: Proposal for Labor Compliance Services for the **Bogue Road Sewer Extension Project**

Dear Nick Menezes:

The Solís Group (TSG) is pleased to submit this cost proposal to provide labor compliance services required for the above referenced project. The work scope for this assignment is based on our proposal dated November 6, 2020. Our fixed-fee cost proposal based on information provided by the City is summarized below.

Project Description	Construction Value	Duration (including closeout)	Monthly Fee	Life of Project Cost Estimate
Bogue Road Sewer Extension	\$ 8,000,000	6	\$ 2,351	\$ 14,106
TOTAL COST				\$ 14,106

If actual construction (including punch list) and closeout go beyond the expected duration, we will examine the need for additional budget.

We appreciate the opportunity to serve the City. If you have any questions regarding this cost proposal, please contact the undersigned. Please send Notice-to-Proceed to Sabrina Cristi, Accounting Assistant, at scristi@thesolisgroup.com.

Sincerely,



Lina Gerpe
Marketing Pursuit Lead

Exhibit B
Professional Services Agreement
Insurance Requirements

- I. **Workers' Compensation Coverage.** Consultant shall maintain Workers' Compensation Insurance for his/her employees in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars (\$1,000,000) per accident for bodily injury and/or disease. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars (\$1,000,000) per accident for bodily injury and/or disease. for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. This provision shall not apply if Consultant has no employees performing work under this Agreement. If the Consultant has no employees for the purposes of this Agreement, Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto as Exhibit C.

- II. **General Liability Coverage.** Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

- III. **Automobile Liability Coverage.** Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

- IV. **Professional Liability Coverage.** Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations are by the Consultant or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

- V. **Endorsements.** Each general liability and automobile liability insurance policy shall be with insurers possessing a current A.M. Best's rating of no less than A:VII and shall be endorsed with the following specific language or equivalent:
- A. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations. Conforms to ISO CG 2009 and CG 2037 10 01. Both are required.
 - B. This policy shall be considered primary insurance as respects to the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.
 - C. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
 - D. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.
 - E. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.
 - F. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage except after thirty (30) days written notice has been received by the City.
- VI. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retention's.
- VII. **Certificates of Insurance.** Consultant shall provide certificates of insurance with original endorsements to City, as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Community Services Department
Presentation By: Ann Gillen, Community Services Director

Summary

Subject: Terex Hi-Ranger XT PRO 56 Aerial Truck
Recommendation: Adopt a Resolution to approve an increase to the capital acquisition budget allocation for the Park's Department Terex Hi-Ranger XT PRO 56 Aerial Truck in the amount of \$6,507.73 for a total capital asset value of \$280,369.73
Fiscal Impact: \$6,507.73 Vehicle Replacement Fund Account 6610-69410

Purpose:

Purchase of a replacement Aerial Tree Truck for the Parks Maintenance division.

Council's Strategic Goal:

This staff report addresses the City Council's Strategic Goal of fiscal responsibility.

Background:

The California Clean Air Regulations are state air quality laws that have created an end-of-life situation for several City vehicles with diesel powerplants, including the parks department's aerial tree truck. The Terex HI-Ranger XT PRO 56 Aerial Tree Truck was located and granted a purchase authorization by City Council in the FY 2020-21. On May 17, 2022 Council adopted Resolution No. 22-068 awarding the purchase in the amount of \$273,862. With a supply chain Freightliner chassis shortage, the building of the aerial tree truck was delayed. Due to limited allocation of CARB compliant Freightliner chassis, we need to change to a 2026 International HV607 chassis.

Analysis:

The purchase of the Terex HI-Ranger XT PRO 56 Aerial Truck for the Parks Maintenance division was originally approved by Council in the Fiscal Year 21/22 budget in the amount of \$273,862. Due to the change in chassis model years, 2024 to 2026, the price has increased to complete the truck. In order to appropriately capitalize, depreciate, and fund future replacement of the aerial tree truck, staff recommend that the Council action be altered in order to adjust the budget allocation in the Vehicle Replacement Fund in the amount of \$6,507.73 for a total capital asset value of \$280,369.73.

Fiscal Impact:

\$6,507.73 Vehicle Replacement Fund Account 6610-69410

Alternatives:

Do not authorize the increase

Recommendation:

Adopt a Resolution to approve an increase to the capital acquisition budget allocation for the Park's Department Terex Hi-Ranger XT PRO 56 Aerial Truck in the amount of \$6,507.73 for a total capital asset value of \$280,369.73.

Attachments:

1. Resolution 22-068
2. Resolution - Terex HI-Ranger Aerial Truck Increase

Prepared By:

Ann Gillen
Community Services Director

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. 22-068

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AWARDING THE PURCHASE OF TWO (2) 10-YARD DUMP TRUCKS AND
ONE (1) AERIAL TREE TRUCK**

WHEREAS, the California Clean Air Regulations require certain diesel-powered vehicles in Yuba City's fleet to be replaced by January, 2023; and

WHEREAS, the City's Fleet Maintenance staff has identified vehicles to be replaced per the regulations or due to vehicles' ages and maintenance records, including two (2) 10-yard dump trucks and an aerial tree truck; and

WHEREAS, the City has been unsuccessful in obtaining one of the above-mentioned 10-yard dump trucks authorized by City Council at the August 17, 2021, meeting and pricing for that vehicle have increased by \$30,000 due to increased manufacturing costs, and;

WHEREAS, City staff has found heavy-duty chassis suitable for assembling the three trucks and has elected to utilize Section 9.8, the piggyback clause, in the City's Purchasing Policy to streamline the purchasing process in order to control costs and finding that it is in the best interest of the city; and

WHEREAS, the City has elected to use Sourcewell, a government cooperative purchasing source that provides access competitively sourced contracts; and

WHEREAS, heavy duty trucks are difficult to obtain in 2022 and decision delays are fraught with steel surcharges, supply chain woes, and other factors that are increasing prices every three to six months; and

WHEREAS, City staff recommends awarding the purchase of two (2) 10-yard dump trucks to PB Loader Corporation of Fresno, CA, a Sourcewell pricing supplier; and

WHEREAS, City staff recommends awarding the purchase of one (1) aerial tree truck to Terex Utilities of Watertown, SD, a Sourcewell pricing supplier; and

NOW, THEREFORE, the City Council of the City of Yuba City does resolve as follows:

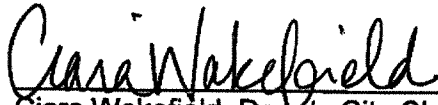
1. The City Council of Yuba City finds that Sourcewell provided contracts at a fair and reasonable cost. The City Council hereby authorizes the City Manager to purchase the two 10-yard dump trucks and one aerial tree truck, allowing for a 10% contingency for unforeseen price increases or surcharges, utilizing \$517,463.80 from the Vehicle Replacement Fund, 6610-69410, without additional written consent from the City, subject to approval as to legal form by the City Attorney.
2. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of May, 2022.

AYES: Councilmembers Boomgaarden, Espindola, Harris, Kirchner and Mayor Shaw
NOES: None
ABSENT: None


Dave Shaw, Mayor

ATTEST:


Ciara Wakefield, Deputy City Clerk



APPROVED AS TO FORM
COUNSEL FOR YUBA CITY


Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
TO APPROVE AN INCREASE TO THE CAPITAL ACQUISITION BUDGET
ALLOCATION FOR THE PARK'S DEPARTMENT TEREX HI-RANGER XT
PRO 56 AERIAL TRUCK**

WHEREAS, the California Clean Air Regulations require certain diesel-powered vehicles in Yuba City's fleet to be replaced by January, 2023; and

WHEREAS, the City's Fleet Maintenance staff has identified the aerial tree truck to be replaced per the regulations; and

WHEREAS, with a supply chain Freightliner chassis shortage, the building of the aerial tree truck was delayed; and

WHEREAS, due to limited allocation of CARB compliant Freightliner chassis, it will need to change to a 2026 International HV607 chassis with an additional cost of \$6507.73; and

NOW, THEREFORE, the City Council of the City of Yuba City does resolve as follows:

1. The City Council of the City of Yuba City approves an increase to the capital acquisition budget allocation for the Park's Department Terex Hi-Ranger XT PRO 56 Aerial Truck in the amount of \$6507.73 for a total capital asset value of \$280,369.73

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Ciara Wakefield, City Clerk

Summary

Subject: City of Yuba City Advisory Board Appointment List
Recommendation: Note and File the 2024 Local Appointment List and Direct Staff to post on the City's website
Fiscal Impact: None

Purpose:

To post an appointment list of the City's Advisory Boards in accordance with Government Code Section 54972 (the Maddy Act).

Background:

On or before December 31st of each year, each legislative body shall prepare an appointments list of all regular and ongoing boards, commissions, and committees which are appointed by the legislative body of the local agency. This list shall be known as the Local Appointments List. The list shall contain the following information:

(a) A list of all appointive terms which will expire during the next calendar year, with the name of the incumbent appointee, the date of appointment, the date the term expires, and the necessary qualifications for the position.

(b) A list of all boards, commissions, and committees whose members serve at the pleasure of the legislative body, and the necessary qualifications for each position.

The legislative body shall either post a copy of the list on its website or designate the public library with the largest service population within its jurisdiction to receive a copy of the list.

Analysis:

The City of Yuba City operates under the City Council-Manager form of government with five elected City Council members. The Mayor and Vice-Mayor are nominated and appointed by the City Council annually at the first meeting in December. Open positions on the City's advisory boards are advertised on the City's Website, in the Appeal-Democrat and through Social Media. The Advisory Board Screening committee, which is traditionally made up of the Mayor and Vice-Mayor, interview all

candidates for positions on the Boards and Commissions and make recommendations for appointment to the whole City Council in an open and public City Council meeting. Positions on boards and commissions appearing on the Local Appointment List can be filled by qualified citizens from the community. Positions filled by members of the City Council are not required to appear on the Local Appointment List.

Fiscal Impact: None

Recommendation:

Note and File the 2024 Local Appointment List and direct staff to post on the City's website.

Attachments:

1. Local Appointment List 12.17.24

Prepared By:
Ciara Wakefield
City Clerk Administrator

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

City of Yuba City
Local Board and Commission Appointment List
December 17, 2024

In compliance with the requirements of the Maddy Act, Government Code 54970, the following appointment list is posted on an annual basis by December 31st. It shows all current members of City Boards and Commissions and the dates of their terms of office as of the time of this posting.

Planning Commission

7 members - 4 year terms - Meets the 2nd and 4th Wednesday of each month at 6:00 p.m. in the Yuba City Council Chambers - Members must reside within the City limits. Sutter County member must be from the Sutter County Planning Commission.

Commissioner	Date Appointed	Term Begins	Term Ends
Jackie Sillman	03/02/21	03/02/21	02/27/25
Stacy Brookman	03/02/21	03/02/21	02/27/25
Bhavin Singh Dale	03/02/21	03/02/21	02/27/25
James Nore	02/27/23	02/27/23	02/27/27
Rupinder Johl Sandhu	02/27/23	02/27/23	02/27/27
Karri Campbell (Sutter Co.)	01/26/22	05/07/24	02/27/25
Vacancy			

Parks & Recreation Commission

5 members, 1 alternate - 4 year terms - Meets the 3rd Monday of each month at 5:30 p.m. at City Hall - Members must reside within the City limits

Commissioner	Date Appointed	Term Begins	Term Ends
Erica Summers	05/18/21	05/18/21	02/27/25
Staci Howell	03/06/19	02/21/23	02/27/27
Bonnie Pullen	03/06/19	02/21/23	02/27/27
Pawandeep Rai	03/05/24	03/05/24	02/27/25
Vacancy			02/27/25
Alternate - Vacant			

Senior Commission

5 members, 1 alternate - 4 year terms - Meets the 1st Wednesday of each month at 9:00 a.m. in the Yuba City Senior Center - Members must reside in the City of Yuba City and represent a diverse group.

Commissioner	Date Appointed	Term Begins	Term Ends
Anthony Kurlan	03/03/20	03/03/20	02/27/28
John Boyer	03/01/22	03/01/22	02/27/26
Tanna Thomas	03/01/22	03/01/22	02/27/28
Michael McFarlane	03/01/22	03/01/22	02/27/26
Pam Epley	03/01/22	03/01/22	02/27/26
Alternate - Vacant			

Youth Commission

9 members, 1 alternate - 2 year terms - Meets the 3rd Wednesday of each month at 7:00 p.m. in the Sutter Room at City Hall - Members must be between 14 and 19 years of age and reside within the City limits.

Commissioner	Date Appointed	Term Begins	Term Ends
Amelia Mullen	11/07/23	11/05/24	06/29/25

Ellie Hartridge Gundershaug	11/07/23	11/05/24	06/29/25
Sukhraj Gill	11/07/23	11/05/24	06/29/25
Maddy de Lange	11/07/23	11/05/24	06/29/25
Maya Sangha	11/15/22	11/05/24	06/29/26
Arjan Sohal	11/05/24	11/05/24	06/29/26
Lyrik Robinson	11/05/24	11/05/24	06/29/26
Olivia Salle	11/05/24	11/05/24	06/29/26
Sanah Kahlon	11/05/24	11/05/24	06/29/26
Alternate - Jatin Agnish	11/05/24	11/05/24	06/29/25
Alternate - Kavan Boparai	11/05/24	11/05/24	06/29/25
Alternate - Ajai Sohal	11/05/24	11/05/24	06/29/26

Personnel Board

5 members - 4 year terms. Meets on an as needed basis. Members must reside in the City limits.

Board Member	Date Appointed	Term Begins	Term Ends
Lonard Brunelle	08/20/24	08/20/24	06/30/28
David Koll	10/04/22	10/04/22	06/30/26
Anthony Kurlan	10/04/22	10/04/22	06/30/26
Harman Rai	11/01/22	11/01/22	06/30/26
Tanna Thomas	12/19/23	08/20/24	06/30/28

Regional Housing Authority

1 member (4-year term) appointed by the City Council, and 1 tenant member (2-year term) appointed by the member agencies for the 14-member Board of Commissioners. Meets the 1st and 3rd Wednesday of each month at 12:15 at the Housing Authority. Citizen member must reside within the City limits; tenant member must be a tenant.

Board Member	Date Appointed	Term Begins	Term Ends
Suzanne Gallaty (Tenant)	05/17/22	05/17/22	12/31/24
Anthony Kurlan	09/15/20	09/15/20	12/31/24

Certain terms of service may have been modified in order to be more consistent with the Municipal Code, and reflect the Council's intention to appoint as to that term duration. Additionally, if a position is listed as "vacancy," "vacant," or is otherwise unfilled, then any prior appointment for that position is deemed to be complete, and the position is currently vacant and capable of being filled for the remainder of the term.

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Ciara Wakefield, City Clerk

Summary

Subject: Biennial Review of the City of Yuba City Conflict of Interest Code
Recommendation: Adopt a Resolution Amending the City of Yuba City Conflict of Interest Code and list of Designated Positions
Fiscal Impact: None

Purpose:

A Conflict of Interest Code informs the public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interest (FPPC Form 700).

Background:

The Political Reform Act (Act) prohibits a public official from using his or her official position to influence a governmental decision in which he or she has a financial interest. Every state and local agency must adopt a conflict of interest code that identifies all officials and employees within the agency who make governmental decisions based on the positions they hold. The individuals in the designated positions must disclose their financial interests as specified in the agency's conflict of interest code.

In accordance with Government Code Section 87306.5, local agencies must conduct a biennial review of its conflict of interest code. The code must contain language that incorporates Fair Political Practices Commission (FPPC) Reg. 18730 or the basic provisions required in Government Code Section 87302. The last update was approved by the City Council on February 7, 2023.

Analysis:

Staff has reviewed the Conflict of Interest Code and determined that amendments to the Code are necessary in order to accurately designate all positions that make or participate in the making of governmental decisions. These are decisions that may foreseeably have a material effect on any financial interest. This amendment is due to personnel classification additions or deletions that have been incorporated in the City's annual budget process as well as City-wide organization changes (Appendix A).

Fiscal Impact: None

Alternatives:

Do not approve the amended Conflict of Interest Code and ask Staff to provide further review.

Recommendation:

Adopt a Resolution Amending the City of Yuba City Conflict of Interest Code and list of Designated Positions.

Attachments:

1. Resolution - 2024 Amendments to Conflict of Interest Code
2. 2024 Conflict of Interest Code rev 12.17.24

Prepared By:

Ciara Wakefield
City Clerk Administrator

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AMENDING THE CITY OF YUBA CITY'S CONFLICT OF INTEREST CODE**

WHEREAS, the Political Reform Act of 1974 (Government Code Section 81000, et seq.) required state and local government agencies to adopt and promulgate conflict of interest codes; and,

WHEREAS, the Fair Political Practices Commission has adopted regulations (2 Cal. Code of Regs. 18730) which contain the terms of a standard conflict of interest code; and

WHEREAS, after public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act.

NOW, THEREFORE, the City Council of the City of Yuba City does hereby resolve as follows:

1. That the regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. Section 18730) and any amendments to the Act are hereby incorporated by reference, and this regulation and the attached Appendix(s) designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the City of Yuba City; and
2. That designated employees shall file their Form 700 statements with the City Clerk's Office, which will make the statements available to public inspection and reproduction (Gov. Code Section 81008).
3. That all previously adopted resolutions approving conflict of interest codes are hereby superseded effective as of the approval date of this resolution.

The foregoing Resolution of the City Council of the City of Yuba City was duly and regularly introduced, passed and adopted at a regular meeting thereof held on this 17th day of December 2024, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

City of Yuba City Conflict of Interest Code

The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes.

The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. Section 18730) which contains the terms of a standard conflict of interest code which may be incorporated by reference in an agency's code, and which may be amended by the FPPC to conform to amendments in the Political Reform Act, following public notice and hearings.

Therefore, the terms of Section 18730 and any amendments that are duly adopted by the FPPC are hereby incorporated by reference, as the Conflict of Interest Code of the City of Yuba City along with the attached Appendix(s) in which officials and employees are designated and disclosure categories are set forth.

Designated employees shall file annual FPPC Form 700 Statements of Economic Interests with the City Clerk of the Yuba City and attend required AB1234 Code of Ethics every two years. The City shall make all statements available for public inspection and reproduction, pursuant to Government Section 81008.

Attachments:

- Appendix A: Designated Positions
- Appendix B: Disclosure Categories

**City of Yuba City
Conflict of Interest Code
Designated Positions**

A designated employee is an officer, employee, member or consultant of an agency whose position is designated in the code because the position entails the making or participation in the making of governmental decisions which may foreseeably have a material effect on any financial interest. (Government Code Section 82019)

- 1) Making a governmental decision means the person:
 - a. Votes on a matter
 - b. Appoints a person
 - c. Obligates or commits his or her agency to any course of action; or
 - d. Enters into any contractual agreement on behalf of his or her agency
- 2) Participating in making of a decision, means the person:
 - a. Negotiates, without significant substantive review, with a governmental entity or private person regarding the decision
 - b. Advises or makes recommendations to the decision-maker by conducting research or an investigation, preparing or presenting a report, analysis or opinion which requires the exercise of judgment on the part of the employee and the employee is attempting to influence the decision
- 3) Consultant means an individual whom, pursuant to a contract with a state or local government agency makes a governmental decision whether to:
 - a. Approve a rate, rule, or regulation
 - b. Adopt or enforce a law
 - c. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, or similar authorization or entitlement
 - d. Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract
 - e. Grant agency approval to a plan, design, report, study, or similar item
 - f. Adopt or grant agency approval of policies, standards, or guidelines for the agency or for any subdivision thereof

Positions listed in Government Code Section 87200 (i.e. City Council members, Planning Commissioners, City Manager, City Attorney, City Treasurer) are not required to be included in the list of designated positions because persons holding these positions are required to file FPPC Form 700 pursuant to State law.

Officials who manage Investments:

It has been determined that the position listed below manage public investments and will file a statement of economic interests (Form 700) pursuant to Government Code Section 87200:

City Treasurer

Department	Position	Disclosure Category
Administration	Assistant City Manager	I
	<u>Executive Assistant to the City Manager</u>	<u>II</u>
	<u>Administrative Analyst I/II/III</u>	<u>II</u>
	City Clerk <u>Administrator</u>	<u>I</u>
	Management Analyst	<u>I</u>
Community Services	Community Services Director	I
	Recreation Supervisor I/II/III	IV
	<u>Recreation Manager</u>	<u>II</u>
	<u>Park Maintenance Manager</u>	<u>II</u>
	Parks and Grounds Superintendent	II
	Parks Maintenance Supervisor	IV
	Animal Services Manager	II
	Animal <u>Services-Shelter</u> Supervisor	IV
Development Services	Public Works & Development Services Director	I
	Development Services Director	I
	Deputy Director, Development Services	I
	Development <u>Liaison Manager</u>	I
	Assistant Planner	I
	Associate Planner	I
	Chief Building Official	I
	Plans Examiner <u>I/II</u>	I
	Code Enforcement Officer <u>I/II</u>	I
	Building Inspector I/II	III/IV
	Administrative Analyst I/II/ <u>III</u>	II
Finance	Finance Director	I
	Accounting Manager	II
	Accountant II	II
	Customer Service Manager	III/IV
	Administrative Analyst I/II/ <u>III</u>	II
	Information Technology Manager	I
	<u>Information Security Administrator</u>	<u>I</u>
	Senior Information Technology Analyst	II
Fire	Fire Chief	I
	Assistant Fire Chief	I
	Deputy/Division Chief	II

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	Fire Marshall	II
	Fire Safety Inspector	II/III
	Fire Battalion Chief	IV
	Fire Captain	IV
	Administrative Analyst I/II/III	III/IV
Human Resources		
	Human Resources Director	I
	Administrative Analyst I/II/III	II
Police		
	Police Chief	I
	<u>Executive Assistant to the Police Chief</u>	<u>II</u>
	Police Commander	I
	Administrative Manager	II
	Police Lieutenant	II
	Police Sergeant	IV
Public Works		
	Public Works & Development Services Director	I
	Public Works Director	I
	<u>PW Administrative Manager</u>	<u>II</u>
	Deputy PW Director - Engineering	II
	Deputy PW Director - Utilities	II
	–Senior Civil Engineer <u>Engineer -- Senior</u>	II
	Civil Engineer – Associate	II
	Director of Engineering - SBFCA	II
	Environmental Compliance Manager	II
	Environmental Compliance Coordinator	II
	<u>Environmental Compliance Inspector</u>	<u>III/IV</u>
	Construction Project Manager	II
	Senior Construction Inspector	II
	Deputy Public Works Director - Maintenance	II
	<u>PW Maintenance Superintendent</u>	<u>II</u>
	Facilities Maintenance Supervisor	II
	Fleet Maintenance Supervisor	II
	Street Maintenance Supervisor	II
	Wastewater Collection Supervisor	II
	Water Distribution Supervisor	II
	Electrical Instrumentation Supervisor	II
	<u>Plant Maintenance Supervisor</u>	<u>II</u>
	WWTF Maintenance Supervisor	II
	WTP Maintenance Supervisor	II
	WWTF Supervisor	II

APPENDIX A

WTP Supervisor	II
Chief Plant Operator - WTP	II
Chief Plant Operator - WWTF	II
Lab Supervisor	II
Administrative Analyst I/II/III	III/IV

Consultants

Determined by City Manager (1)	I/II/III/IV
Personnel Attorney	I

(1) Consultants (as defined by FPPC regulation 18700(a)(2)) shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The City Manager or designee may determine in writing that a particular consultant is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements described in this section.

**City of Yuba City
Conflict of Interest Code
Disclosure Categories**

The following disclosure categories set forth the required contents of disclosure statements for officers and employees holding designated positions. An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income or source of income may foreseeably be affected materially by any decisions made or participated in by the designated employee by virtue of the employee's position.

Category I – Full Disclosure

Designated employees assigned to Category I shall report all investments, interests in real property and income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. Financial interests are reportable only if located within or subject to the jurisdiction of the City of Yuba City or if the business entity is doing business or planning to do business in the jurisdiction or has done business within the jurisdiction at any time during the two years prior to the filing of the statement.

Category II – Citywide Disclosure: Material & Supplies

An employee in this category could possibly have a conflict of interest due to an interest in a supplier of goods, materials or services to the City.

Designated employees assigned to Category II shall report:

- a) All investments in any business entity which, within the last two years, has contracted, or in the future foreseeably may contract with the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the City.
- b) All income from any source which, within the last two years, has contracted, or in the future foreseeably may contract with, the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the City.
- c) His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which within the last two years, has contracted, or in the future foreseeably may contract with the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the City.

Category III – Citywide Disclosure: Construction, Building and Real Property

Designated employees assigned to Category III shall report:

- a) Investments in any business entity licensed to do construction or build within the jurisdiction of the City of Yuba City.
- b) All income from any business entity licensed to do construction or build within the jurisdiction of the City of Yuba City.
- c) His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity licensed to do construction or build within the jurisdiction of the City of Yuba City.
- d) All investment and interests in real property if the property is located within or subject to the jurisdiction of the City of Yuba City.

Category IV - Department Disclosure: Material & Supplies

An employee in this category could possibly have a conflict of interest due to an interest in a supplier of goods, materials or services to their department/division.

Designated employees assigned to Category IV shall report:

- a) Investments in any business entity which, within the last two years, has contracted, or in the future foreseeably may contract with the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the department/division.
- b) Income from any source which, within the last two years, has contracted, or in the future foreseeably may contract with the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the department/division.
- c) His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity, which within the last two years, has contracted, or in the future foreseeably may contract with the City of Yuba City to provide services, supplies, materials, machinery, or equipment to the department/division.

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Diana Langley, City Manager

Summary

Subject: Lease of the Madden House for the Yuba-Sutter Chamber of Commerce Offices
Recommendation: Adopt a Resolution approving a Lease Agreement with the Yuba-Sutter Chamber of Commerce for the use of the Madden House (1300 Franklin Road), authorizing the City Manager to make non-material modifications, subject to City Attorney approval
Fiscal Impact: City will receive \$6,600 per year in rent and Champion Circle membership in the Chamber of Commerce, which has an annual value of \$12,000

Purpose:

Approve a Lease Agreement to lease the Madden House, located at 1300 Franklin Road, to the Yuba-Sutter Chamber of Commerce (Chamber).

Council's Strategic Goal:

This item meets Council's goal of Business Friendly as the Chamber of Commerce supports local businesses and promotes economic growth and development opportunities.

Background:

Built in 1879, the Madden/Littlejohn House (House) was restored and gifted to the City as part of the WinCo development in 1997. As part of this gift, the property is limited in its uses for either community or public purposes. The House has been used primarily as offices for government agencies and other community uses including the Chamber from 2011 to 2016 and 2018 to current.

In 2016, the City Council approved a lease-to-own agreement with the Chamber, where the Chamber would pay \$1 a year in rent and \$500 a month toward a capital improvement fund, capped at \$30,000 and pay for maintenance and utilities for the facility. The purchase option would be available in 2030. At that time, the Chamber paid \$9,000 a year in lease payments and the City paid for maintenance and utilities, not including staff time, of approximately \$9,000. Between 2016 and 2018, the Chamber vacated the Madden House and moved to a location in Marysville.

In 2018, the Chamber signed a new Lease Agreement (Lease) with the City for the use of the Madden House, with a lease payment paid monthly by the Chamber. The revenue received from the Chamber

lease payment is used to offset the cost of staff time for managing facility maintenance and to provide funds for capital improvement projects for the historical building. The current Lease Agreement with the Chamber is scheduled to expire on December 31, 2024.

Analysis:

The attached proposed Lease Agreement provides for a three-year term, through December 31, 2027. Commencing on January 1, 2025, the Chamber will pay \$550/month or \$6,600/year in rent and provide the City with a Champion Circle membership valued at \$12,000 per year which includes the following benefits:

- Vendor Fair Sponsorship (1 per year)
- Annual Gala Sponsorship (10-person table)
- Taste of Yuba-Sutter Sponsorship (10 tickets)
- Recognition at all Chamber events
- Participation in LEADership Yuba Sutter (1 person)
- Free E-Blast each month

The City will maintain responsibility for major maintenance obligations, and the Chamber has the ability to sublease a portion of the Madden House to another tenant with written approval of the City.

Fiscal Impact:

The City will receive \$6,600 per year in rent, which helps to offset staff costs and contract services to maintain the building. Due to the age of the Madden House, significant investment is required for upkeep and maintenance. The City will also be recognized as a Champion Circle member of the Chamber, which is currently valued at \$12,000 per year.

Alternatives:

1. Do not approve the Lease Agreement and direct staff to notify the Chamber of Commerce that the Lease Agreement will not be executed.
2. Modify the terms of the Lease Agreement.

Recommendation:

Adopt a Resolution approving a Lease Agreement with the Yuba-Sutter Chamber of Commerce for the use of the Madden House (1300 Franklin Road), authorizing the City Manager to make non-material modifications, subject to City Attorney approval

Attachments:

1. RESOLUTION - Madden House Lease Agreement
2. EXHIBIT A - Madden House Lease Agreement

Prepared By:
Diana Langley
City Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING A LEASE AGREEMENT WITH THE YUBA-SUTTER CHAMBER OF
COMMERCE OF THE MADDEN HOUSE LOCATED AT 1300 FRANKLIN ROAD,
YUBA CITY**

WHEREAS, the Madden House was restored and gifted to the City as part of the WinCo development in 1997; and

WHEREAS, the terms of the gift limit the use of the property to either community or public purposes; and

WHEREAS, the Yuba-Sutter Chamber of Commerce is a non-profit organization that supports local businesses and promotes economic growth and development opportunities, contributing to the economic vitality of the region; and

WHEREAS, the Yuba-Sutter Chamber of Commerce has leased the Madden House since 2018 and has been a good tenant and steward of the property; and

WHEREAS, the current Lease Agreement expires on December 31, 2024, and Council desires to execute a new Lease Agreement for a three-year term; and

WHEREAS, the Yuba-Sutter Chamber of Commerce will pay \$550/month or \$6,600/year in rent and provide the City with a Champion Circle membership currently valued at \$12,000 per year; and

WHEREAS, the City Council recognizes that being a Champion Circle member supports their goal of being Business Friendly as it provides the City with more visibility in the business community, positive exposure, and increased accessibility to the business community through participation in various Chamber events.

NOW THEREFORE, the City Council of the City of Yuba City resolves as follows:

The City Council approves the Lease Agreement with the Yuba-Chamber of Commerce, attached hereto as Exhibit A, and authorizes the City Manager to execute the Lease Agreement on behalf of the City of Yuba City. The City Manager is authorized to make any non-material, technical, and clerical edits and corrections to the agreement subject to approval as to form by City Attorney.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December 2024.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment:

Exhibit A – Madden House Lease Agreement

EXHIBIT A

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is dated as of the 17th day of December, 2024 (“Effective Date”) by and between the **CITY OF YUBA CITY** (“Landlord”), and the **YUBA-SUTTER CHAMBER OF COMMERCE** (“Tenant”).

RECITALS:

A. Landlord is the owner of certain real property located at 1300 Franklin Road, Yuba City, California 95993, consisting of approximately 0.31 acres (APN 57-230-010) which is described on Exhibit A attached hereto (“**Property**”).

B. Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord the Property consisting of certain improvements including a building as depicted on Exhibit B attached hereto and made a part hereof (collectively, the “**Premises**”), on the terms and conditions provided herein.

NOW, THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto hereby act and agree as follows:

ARTICLE I LEASE OF PREMISES; RENT AND TERM

1.1 Lease of Premises.

(a) **Lease of Premises.** Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term (defined below), subject to the terms and conditions set forth in this Lease.

(b) **Statutory Disclosure Notice.** Pursuant to California Civil Code Section 1938, Landlord provides the following statutory notice to Tenant:

“A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Landlord may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.”

Landlord advises Tenant that the Premises have not gone through CASp Inspection. Any CASp Inspection shall be at the sole cost and expense of Tenant, and any cost for repairs identified in any such inspection shall be at the sole cost and expense of Tenant, it being acknowledged and agreed to

by the parties that the Premises are being delivered by Landlord and accepted by Tenant in their “as is, where is” condition.

1.2 Rent.

(a) **Rent.** Commencing on January 1, 2025, Tenant shall pay to Landlord a reduced rent amount in the sum of \$6,600.00 per year, payable in equal monthly installments of \$550.00 (“**Rent**”). In exchange for a reduced rent, Tenant agrees to provide Landlord with a Champion Circle membership in the Chamber of Commerce, with all of the benefits that come with such membership.

(b) **Payment.** The first installment of Rent is due on January 1, 2025. Thereafter, Rent is payable on or before the 1st day of each calendar month, without demand, offset or deduction of any nature.

(c) **Late Charge.** If any Rent is not received within ten (10) days after its due date for any reason whatsoever, or if any Rent payment is by check that is returned for insufficient funds, then in addition to the past due amount Tenant shall pay to Landlord a late charge in an amount equal to 5% of the amount due (“**Late Charge**”).

(d) **Interest.** Any amount payable to Landlord pursuant to this Lease, other than Late Charges, that is not received by Landlord within 10 days following the date on which it was due will bear interest starting on the 11th day after it was due. The interest rate shall be the prime rate reported in the Wall Street Journal as published on the start date plus 2% (“**Interest**”) but will not exceed the maximum rate allowed by law. Interest is payable in addition to the Late Charge but shall not accrue on the late charge.

1.3 Term. The Term (herein so called) of this Lease shall begin on the Delivery Date and shall end at 11:59 p.m. on December 31, 2027, unless sooner terminated in accordance with this Lease. Within 10 business days following the Delivery Date, Tenant shall execute and deliver to Landlord a letter substantially in the form of Exhibit “C” hereto confirming the Delivery Date; however, the failure of the parties to execute such letter shall not defer the Delivery Date or otherwise invalidate this Lease.

ARTICLE 2 TAXES, UTILITIES, INSURANCE AND MAINTENANCE

2.1 Taxes and Assessments. Landlord shall be responsible for payment of all real estate taxes and assessments.

2.2 Utilities. Tenant shall obtain all water, electricity, sewerage, gas, telephone and other utilities directly from the public utility company furnishing same. Any meters required in connection therewith shall be installed at Tenant’s sole cost. Tenant shall pay all utility deposits and fees, and all monthly service charges for water, electricity, sewage, gas, telephone and any other utility services furnished to the Premises during the Term. Landlord shall not be liable for any interruption in utility services unless caused solely by the gross negligence or willful misconduct of Landlord nor shall Tenant be entitled to an abatement or reduction of Rent on account of any interruptions.

2.3 Insurance.

(a) **General Insurance.** Tenant shall procure and maintain throughout the Term of this Lease the following insurance:

- (1) Commercial General Liability Insurance including bodily injury, death, property damage, independent contractors, products/completed operations, contractual, and personal injury liability, with a limit of \$2,000,000 per occurrence and in the annual aggregate.

(b) **Fire.** Tenant shall also procure and maintain throughout the term of this Lease, at its sole cost and expense, the following insurance Fire and “all risks” extended coverage insurance covering Tenant's personal Premises, fixtures, improvements and equipment against loss or damage containing the waiver of subrogation required in this Lease and in an amount equal to the full replacement value.

(c) **Miscellaneous.** It is expressly understood and agreed that the foregoing minimum limits of insurance coverage shall not limit the liability of Tenant for its acts or omissions as provided in this Lease. All of the foregoing insurance policies shall name Landlord and such other parties as Landlord shall from time to time designate as an additional insured as their respective interests may appear, and shall provide that any loss shall be payable to Tenant, Landlord and any other additional insured parties as their respective interests may appear. Tenant shall deliver to Landlord certificates of coverages in form and content reasonably satisfactory to Landlord as to all such policies, prior to the Delivery Date, or, in the case of renewals thereto, 15 days prior to the expiration of the prior insurance policy, together with evidence that such policies are fully paid for, and that no cancellation, material change or non-renewal thereof shall be effective except upon 30 days' prior written notice from the insurer to Landlord.

(d) **Limitation of Liability.** Landlord and Landlord's agents and employees shall not be liable to Tenant, nor to Tenant's employees, agents or visitors, nor to any other person whomever, for any injury to or death of any person, or damage to Premises caused by the Premises becoming out of repair or by defect or failure of any structural element of the Premises or of any equipment pipes or wiring, or broken glass, or by the backing up of drains, or by gas, water, steam, electricity, or oil leaking, escaping or flowing into the Premises, nor shall Landlord be liable to Tenant, nor to Tenant's employees, agents or visitors, nor to any other person whomsoever, for any loss or damage that may be occasioned by or through the acts or omissions of any persons whomsoever. Landlord shall not be liable to Tenant or to Tenant's employees, agents, contractors, invitees or to any other person whomsoever, for any injury to any person or damage to Premises in or about the Premises caused by any reason. However, nothing in this section shall exempt Landlord for liability for damage or injury caused by the gross negligence or willful misconduct of Landlord or its agents, contractors or employees.

(e) **Waiver of Subrogation.** Landlord and Tenant each hereby release the other from any and all liability or responsibility to the other, or to any other party claiming through or under them by way of subrogation or otherwise, for any loss or damage to Premises caused by a casualty which is insurable under the standard fire and extended coverage insurance. Landlord and Tenant agree that all policies of insurance obtained by them pursuant to the terms of this Lease shall contain provisions or endorsements thereto waiving the insurer's rights of subrogation with respect to claims against the

other, and, unless the policies permit waiver of subrogation without notice to the insurer, each shall notify its insurance companies of the existence of the waiver and indemnity provisions set forth in this Lease.

(f) **Increases in Coverages.** Landlord shall have the right to reasonably increase the amount of the coverages provided the increase is commercially reasonable and available at commercially reasonable rates, and the types of coverage, during the Term of this Lease upon prior written notice to Tenant.

2.4 Maintenance.

(a) **Landlord Maintenance Obligations.** Landlord shall be responsible for the maintenance, repair and replacement of any and all structural components of the building located on the Premises, and the maintenance, repair and replacement of: (1) the electrical system, (2) utility lines and connections to the Premises, (3) the parking lot, entrances, exterior lighting, and landscaping, (4) the heating, ventilation and air conditioning system, and (5) the fire sprinkler mains, if any, except for ordinary wear and tear. Landlord shall not be required to maintain, repair or rebuild, or to make any alterations, replacements or renewals of any nature or description to, the Premises or any part thereof, whether ordinary or extraordinary, structural or non-structural, foreseen or unforeseen, or to maintain the Premises or any part thereof in any way, except as set forth in this Section 2.4(a), and Tenant hereby expressly waives any right to make repairs at the expense of Landlord which may be provided for in any statute or law in effect at the time of the execution of this Lease or any statute of law which may thereafter be enacted.

(b) **Tenant Maintenance Obligations.** Except for Landlord's obligations set forth in Section 2.4(a) above, Tenant agrees that, at its sole cost and expense, it will keep and maintain the Premises in good condition, repair and appearance. Tenant shall also notify Landlord of any maintenance obligations as set forth in Section 2.4(a) above within a reasonable amount of time for Landlord to make repairs and limit any further issues or damage.

ARTICLE 3 USE AND ASSIGNMENT

3.1 Use. Tenant shall use the Premises solely as a Chamber of Commerce. Tenant shall not do or permit anything to be done on the Premises that may result in the creation, commission or maintenance of a nuisance.

3.2 Compliance with Law. Tenant agrees, at its own expense, to comply with all laws, orders and regulations of federal, state and municipal authorities and with any lawful direction of any public officer which shall impose any duty upon Tenant with respect to any work to be performed by Tenant on the Premises or the use of the Premises. Tenant shall, at its own expense, procure, maintain and strictly comply with all required licenses, permits or approvals necessary for Tenant's use and occupancy of the Premises and for any activities or work to be performed by Tenant on the Premises, or the use of the Premises. Upon Landlord's written request, Tenant shall promptly provide Landlord with copies of all such permits and approvals obtained by Tenant.

3.3 Quiet Enjoyment. Except as otherwise expressly set forth in this Lease, Landlord covenants and represents to Tenant that Tenant shall, at all times during this Lease, peaceably and

quietly enjoy the Premises without any disturbance from Landlord or from any other person claiming through Landlord, provided Tenant complies with its obligations hereunder.

3.5 Transfer of Landlord's Interest. Landlord shall have the right to sell the Property and assign its interest in this Lease to any third party in Landlord's sole discretion. If Landlord sells or transfers its interest in the Premises (other than a transfer for security purposes) Landlord shall be released from all obligations and liabilities accruing thereafter under this Lease, if Landlord's successor has assumed in writing Landlord's obligations under this Lease.

3.6 Assignment and Subletting. Tenant shall not transfer this Lease or any interest therein (any sale, assignment, mortgage, pledge, hypothecation or encumbrance of this Lease shall be deemed a "**transfer**"), and shall not sublet the Premises or any part thereof, without the prior written consent of Landlord (such consent to be in the sole discretion of Landlord) in each instance, and any attempt to do so without such consent shall be voidable by Landlord and, at Landlord's election, shall constitute a material default under this Lease. Sublet of the Premises is subject to the restrictions identified in the Declaration of Easements and Conditions by Waremart, Inc., recorded as Document No. 199710086 in the Sutter County Official Records and attached hereto as Exhibit "D".

ARTICLE 4 CONDITION OF PREMISES

4.1 Condition of Premises. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS LEASE, AS A MATERIAL PART OF THE CONSIDERATION FOR THIS LEASE, LANDLORD AND TENANT AGREE THAT, TENANT IS LEASING THE PREMISES "AS IS" WITH ALL FAULTS AND DEFECTS, LATENT AND PATENT, AND TENANT ACKNOWLEDGES AND AGREES THAT LANDLORD HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE PREMISES, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, OR THE PRESENCE OR ABSENCE OF ANY POLLUTANT, HAZARDOUS WASTE, GAS OR SUBSTANCE OR SOLID WASTE ON OR ABOUT THE PREMISES, (B) THE INCOME TO BE DERIVED FROM THE PREMISES, (C) THE SUITABILITY OF THE PREMISES FOR ANY AND ALL ACTIVITIES AND USES WHICH TENANT MAY INTEND TO CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PREMISES OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY OR BODY HAVING JURISDICTION INCLUDING WITHOUT LIMITATION, ALL APPLICABLE ZONING LAWS, (E) THE HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PREMISES, OR (F) ANY OTHER MATTER RELATED TO OR CONCERNING THE PREMISES. TENANT SHALL NOT SEEK RECOURSE AGAINST LANDLORD ON ACCOUNT OF ANY LOSS, COST OR EXPENSE SUFFERED OR INCURRED BY TENANT WITH REGARD TO ANY OF THE MATTER DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE AND HEREBY ASSUMES THE RISK OF ANY ADVERSE MATTERS RELATED TO THE MATTERS DESCRIBED IN CLAUSES (A) THROUGH (F) ABOVE FROM AND AFTER THE EFFECTIVE DATE OF THIS LEASE. TENANT ACKNOWLEDGES THAT TENANT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PREMISES, IS

RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PREMISES AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF LANDLORD OR ANY STATEMENT, REPRESENTATION OR OTHER ASSERTION MADE BY LANDLORD WITH RESPECT TO THE PREMISES. TENANT FURTHER ACKNOWLEDGES THAT NO INDEPENDENT INVESTIGATION OR VERIFICATION HAS BEEN OR WILL BE MADE BY LANDLORD WITH RESPECT TO ANY INFORMATION SUPPLIED BY OR ON BEHALF OF LANDLORD CONCERNING THE PREMISES, AND LANDLORD MAKES NO REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, IT BEING INTENDED BY THE PARTIES THAT TENANT SHALL VERIFY THE ACCURACY AND COMPLETENESS OF SUCH INFORMATION ITSELF.

4.2 Alterations. Tenant shall not make any alterations, additions or improvements to the Premises without Landlord's prior written consent which shall not be unreasonably withheld, conditioned or delayed provided that such alterations, additions or improvements are made to the interior portions of the building, and do not affect the structural or mechanical systems thereof. Tenant shall not have the authority to, and shall not, permit any lien, charge or encumbrance of any kind whatsoever to be placed upon the Premises, and Tenant shall bond or discharge any such lien, charge or encumbrance within 15 days' written notice from Landlord. Notwithstanding anything to the contrary set forth in this Lease, Tenant shall be solely responsible for making any alterations or improvements which are required by laws, rules, regulations, ordinances, permits, approvals, licenses or authorizations in connection with the Premises or Tenant's use thereof.

4.3 Condemnation. In the event of condemnation or other similar taking or transfer due to governmental order, of all or any portion of the Premises which renders the Premises reasonably and economically unsuitable for Tenant's use, this Lease, at Landlord's sole discretion, shall terminate, in which case the Rent shall be apportioned as of such date, and Tenant shall be released of all further duties and obligations hereunder. Landlord shall be entitled to the entire proceeds of any condemnation award; provided, however, that Tenant shall have the right to make a separate claim against the condemning authority provided that such claim does not reduce the award which would be otherwise payable to Landlord.

4.4 Damage and Destruction.

(a) **Casualty.** If, during the Term, a fire or other casualty shall render the whole or any portion of the Premises untenable, in Tenant's commercially reasonable judgment, and if, in Landlord's commercially reasonable judgment, the Premises can reasonably be expected to be restored to substantially the same condition existing immediately prior to such casualty as soon as reasonably practicable and in all events within 180 days from the date of such casualty, and Landlord elects in writing to Tenant in its sole discretion to restore the Premises to such condition, Landlord shall use commercially reasonable efforts to repair and restore the Premises to substantially the same condition existing immediately prior to such casualty (with the exception of any Tenant improvements or the property of Tenant) within such 180-day period. In the event that Landlord timely completes such repair and/or restoration, this Lease shall remain in full force and effect. In the event that Landlord does not complete such repair and restoration within such 180-day period for any reason or elects in writing to Tenant not to repair or restore the Premises, Tenant may, upon 15 days prior written notice to Landlord, terminate this Lease.

(b) **Rent Proration.** After the date of any casualty subject to this Section 4.4, and for the period during which any repair and/or restoration is being performed, all Rent and additional rent shall continue to be due and payable hereunder, but shall be reduced in the same proportion that the Premises rendered untenable bears to the total gross leasable area of the Premises until the Premises is completely restored, repaired, or replaced to the condition set forth herein.

ARTICLE 5 DEFAULT AND REMEDIES

5.1 Default. The following events shall be deemed to be events of default by Tenant under this Lease:

(a) Tenant shall fail to pay any other obligation under this Lease involving the payment of money and such failure shall continue for a period of 10 days after such payment shall become due and payable.

(b) Tenant shall fail to comply with any provision of this Lease (other than those described in subsection (a) above) and shall not cure such failure within 30 days after written notice thereof to Tenant, provided, however, if the cure shall take longer than 30 days, Tenant shall have such additional time not to exceed 60 days if Tenant commences such cure within the initial 30-day period and diligently prosecutes such cure to completion.

(c) Tenant shall desert or vacate the Premises or any substantial portion of the Premises or at any time prior to the last month of the Lease Term shall remove or attempt to remove, without the prior written consent of Landlord, all or a substantial amount of Tenant's personal property, equipment or fixtures.

5.2 Remedies. Upon the occurrence of any such event of default, Landlord shall have the option to pursue any one or more of the following remedies to the extent permitted by law:

(a) Without any further notice or demand whatsoever, Tenant shall be obligated to reimburse Landlord for the damages suffered by Landlord as a result of the event of default, plus interest on such amount at the Default Rate and Landlord may pursue a monetary recovery from Tenant.

(b) Without any further notice or demand whatsoever, Landlord may take any one or more of the actions permissible at law to ensure performance by Tenant of Tenant's covenants and obligations under this Lease. In this regard, and without limiting the generality of the immediately preceding sentence, it is agreed that if Tenant deserts or vacates the Premises, Landlord may enter upon and take possession of such premises in order to protect them from deterioration. It is further agreed in this regard that in the event of any default described in Section 5.1(b) above, Landlord shall have the right to enter upon the Premises without being liable for prosecution or any claim for damages therefor, and do whatever Tenant is obligated to do under the terms of this Lease; and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in thus effecting compliance with Tenant's obligations under this Lease, and Tenant further agrees that Landlord shall not be liable for any damages resulting to the Tenant from such action.

(c) Landlord may re-enter the Premises with or without terminating this Lease in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefor. In addition, Tenant agrees to pay to Landlord on demand the amount of all loss and damage which Landlord may suffer by reason of any re-entry effected pursuant to this subsection (c), said loss and damage to be determined by either of the following alternative measures of damages.

If Landlord elects to exercise the remedy prescribed in Subsection (b) above, this election shall in no way prejudice Landlord's right at any time thereafter to cancel said election in favor of the remedy prescribed in Subsection (c) above, provided that at the time of such cancellation Tenant is still in default. Pursuit of any of the above remedies shall not preclude pursuit of any other remedies prescribed in other sections of this Lease and any other remedies provided by law. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default.

(d) It is agreed that, in addition to payments required pursuant to Subsections (b) and (c) above. Tenant shall compensate Landlord for all expenses incurred by Landlord in repossession (including, among other expenses, any increase in insurance premiums caused by the vacancy of the Premises), all losses incurred by Landlord as a direct result of Tenant's default and a reasonable allowance for Landlord's other direct costs attributable directly or indirectly to Tenant's default and Landlord's pursuing the rights and remedies provided herein and under applicable law.

(e) Landlord may restrain or enjoin any breach or threatened breach of any covenant, duty or obligation of Tenant herein contained without the necessity of proving the inadequacy of any legal remedy or irreparable harm. The remedies of Landlord hereunder shall be deemed cumulative and not exclusive of each other.

(f) Tenant hereby waives any and all rights to receive a notice to quit and rights of redemption or restoration of the operation of this Lease conferred by any present or future law, statute or otherwise upon the expiration or sooner termination of the term of this Lease, the entry of final unappealable judgment for recovery of possession through any action or proceeding, or Landlord's obtaining possession of the Premises under the terms of this Lease. In an event of default occurs, Tenant hereby waives its rights to receive any notice of default, as well as any period of and right to cure said default, as may be required by State or local law, and Tenants' rights in that regard shall be solely as provided in this Lease.

ARTICLE 6

ENVIRONMENTAL

6.1 Compliance by Tenant. During the Term, Tenant shall comply with all Environmental Laws and Environmental Permits (each as defined in Section 6.5) applicable to Tenant's use of the Premises, will cause all other persons occupying or using the Premises to comply with all such Environmental Laws and Environmental Permits, will immediately pay or cause to be paid all costs and expenses incurred by reason of such compliance, and will obtain and renew all Environmental Permits required for operation or use of the Premises.

6.2 Prohibition. Tenant shall not treat, release or dispose of, or permit the treatment, release or disposal of Hazardous Materials (as defined in Section 6.5) on the Premises.

6.3 Notice to Landlord. Tenant will immediately advise Landlord in writing of any of the following: (a) any pending or threatened Environmental Claim (as defined in Section 6.5) against Tenant relating to the Premises; (b) any condition or occurrence on the Premises or any Premises adjoining the Premises that could reasonably be anticipated to cause the Premises to be subject to any restrictions on the ownership, occupancy, use or transferability of the Premises under any Environmental Law; and (c) the actual or anticipated taking of any removal or remedial action by Tenant in response to the actual or alleged presence of any Hazardous Material on the Premises. All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and Tenant's response thereto. In addition, Tenant will provide Landlord with copies of all communications regarding the Premises with any government or governmental agency relating to Environmental Laws, all such communications with any person relating to Environmental Claims, and such detailed reports of any such Environmental Claim as may reasonably be requested by Landlord.

6.4 Indemnification.

(a) Tenant agrees to defend, indemnify and hold harmless the Indemnitees (as defined in Article 7)) from and against all obligations (including removal and remedial actions), losses, claims, suits, judgments, liabilities, penalties, damages (including consequential and punitive damages), cleanup costs, remediation expenses, response costs, fines, penalties, and other costs and expenses (including attorneys' and consultants' fees and expenses) of any kind or nature whatsoever that may at any time be incurred by, imposed on or asserted against such Indemnitees directly or indirectly based on, or arising or resulting from (a) the actual or alleged presence of Hazardous Materials in, on or under the Premises which is caused or permitted by Tenant or by Tenant's use of the Premises and (b) any Environmental Claim relating in any way to Tenant's operation or use of the Premises (**"Hazardous Materials Indemnified Matters"**).

(b) All sums paid and costs incurred by Landlord with respect to any Hazardous Materials Indemnified Matter shall bear interest at the Default Rate of interest from the date so paid or incurred until reimbursed by Tenant, and all such sums and costs shall be immediately due and payable on demand.

6.5 Definitions.

(a) **"Hazardous Materials"** means (i) petroleum or petroleum products, natural or synthetic gas, asbestos in any form that is or could become friable, urea formaldehyde, foam insulation, and radon gas; (ii) any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "contaminants" or "pollutants," or words of similar import, under any applicable Environmental Law; and (iii) any other substance exposure which is regulated by any governmental authority.

(b) **"Environmental Law"** means any federal, state or local statute, law, rule, regulation, ordinance, code, policy or rule of common law now or hereafter in effect and in each case as amended,

and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the handling of solid waste, including recyclable materials and organic waste, the environment, public health, safety or Hazardous Materials, including without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Clean Air Act, 42 U.S.C. §§ 7401 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f et seq.; the Atomic Energy Act, 42 U.S.C. § 2011 et seq.; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq.; the Occupational Safety and Health Act, 29 U.S.C. §§ 651 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code §§ 25300 et seq., Division 20 of the California Health and Safety Code; Division 4.5 of Title 22 of the California Code of Regulations; Division 30 of the California Public Resources Code; and Titles 14 and 27 of the California Code of Regulations.

(c) “Environmental Claims” means any and all third party, administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigations, proceedings, consent orders or consent agreements relating in any way to any Environmental Law or any Environmental Permit, including without limitation (i) any and all Environmental Claims by governmental or regulatory authorities (including but not limited to the California Department of Toxic Substances Control, the California Department of Resources Recycling and Recovery, the Monterey County Local Enforcement Agency, the Monterey County Dept. of Health, and Monterey County Hazardous Materials Management Services or CUPA) for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Environmental Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

(d) “Environmental Permits” means all permits, approvals, identification numbers, licenses and other authorizations required under any applicable Environmental Law.

6.6 Survival. The provisions of this Section shall survive the expiration or sooner termination of this Lease.

ARTICLE 7 MISCELLANEOUS

7.1 Indemnification by Tenant. Tenant agrees to indemnify and hold harmless Landlord and its affiliated agents, directors, officers, and employees (as used in this Section, Landlord and its affiliated agents, directors, officers, and employees are collectively called “**Indemnitees**”) from and against any and all liabilities, losses, damages, liens, claims, suits, causes of action, costs (including court costs, attorneys’ fees and costs of investigation), and actions of any kind arising out of, caused by, resulting from or alleged to arise by reason of injury to or death of any person or damage to or loss of Premises occurring on, in, or about the Premises or by reason of any other claim whatsoever of any person or party occasioned or alleged to be occasioned in whole or in part by any act or omission on the part of Tenant or any invitee, licensee, employee, director, officer, servant, contractor, subcontractor or Tenant of Tenant, or by any breach, violation, or nonperformance of any covenant

of Tenant under this Lease, even if such liability, losses, damages, liens, claims, suits, causes of action, costs, injuries, deaths or damages arise from or are attributed to the sole negligence of any Indemnatee. If any action or proceeding shall be brought by or against any Indemnatee in connection with any such liability or claim, Tenant, on notice from Landlord, shall defend such action or proceeding, at Tenant's expense, by or through attorneys reasonably satisfactory to Landlord. The provisions of this Section shall apply to all activities of Tenant with respect to the Premises, whether occurring before or after the Delivery Date of the Term and Tenant's obligations under this Section shall not be limited to the limits or coverage of insurance maintained or required to be maintained by Tenant under this Lease.

7.2 Exemption of Landlord from Liability. If the Premises, or any part thereof, is damaged by fire or other cause against which Tenant is required to carry insurance pursuant to this Lease, Landlord shall not be liable to Tenant for any loss, cost or expense arising out of or in connection with such damage. Tenant hereby releases Landlord, its directors, officers, shareholders, partners, employees, agents and representatives, from any liability, claim or action arising out of or in connection with such damage.

7.3 Indemnification by Landlord. Landlord agrees to indemnify and hold harmless Tenant from and against any and all liabilities, losses, damages, liens, claims, suits, causes of action, costs (including court costs, attorneys' fees and costs of investigation), and actions of any kind arising out of, caused by, resulting from or alleged to arise from the gross negligence or the willful misconduct of the Landlord.

7.4 Access to Premises. Landlord and Landlord's employees, agents and representatives shall have the right to enter the Premises at any time in case of an emergency, and at all reasonable times upon prior reasonable notice to Tenant for any lawful purpose including, but not limited to, examining the Premises; making such repairs or alterations therein as may be necessary or appropriate in Landlord's sole judgment for the safety and preservation thereof, or as required by any law, rule, regulation, statute, order, permit or direction of any applicable governmental authority; erecting, installing, maintaining, repairing or replacing equipment running in, to, or through the Premises; and posting notices of non-responsibility. Any entry to the Premises by Landlord shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises, or an eviction, partial eviction or constructive eviction of Tenant from the Premises or any portion thereof, and shall not relieve Tenant of its obligations hereunder.

7.5 Brokers. Each of the parties represents and warrants there are no claims for brokerage commissions or finders' fees in connection with the execution of this Lease, and each of the parties agrees to indemnify and hold harmless the other from any and all liabilities, costs and expenses (including attorneys' fees) arising from any such claim.

7.6 Relationship of Parties. The relationship between the parties hereto shall be solely as set forth herein and neither party shall be deemed the employee, agent, partner or joint venturer of the other.

7.7 Separability. Each and every covenant and agreement herein shall be separate and independent from any other and the breach of any covenant or agreement shall in no way or manner discharge or relieve the performance of any other covenant or agreement. Each and all of the rights and remedies given to either party by this Lease or by law or equity are cumulative, and the exercise

of any such right or remedy by either party shall not impair such party's right to exercise any other right or remedy available to such party under this Lease or by law or equity.

7.8 No Waiver. No delay in exercising or omission of the right to exercise any right or power by either party shall impair any such right or power, or shall be construed as a waiver of any breach or default or as acquiescence thereto. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a continuing or subsequent breach of the same covenant, provision or condition. The consent or approval by either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

7.9 Attorneys' Fees. In the event of any controversy arising under or relating to the interpretation or implementation of this Lease or any breach thereof, the prevailing party shall be entitled to payment for all costs and attorneys' fees (both trial and appellate) incurred in connection therewith.

7.10 Entire Lease. This Lease together with all Exhibits attached hereto constitutes and represents the entire agreement between the parties hereto and supersedes any prior understandings or agreements, written or verbal, between the parties hereto respecting the subject matter herein.

7.11 Amendment. This Lease may be amended, supplemented, modified or discharged only upon an agreement in writing executed by all of the parties hereto.

7.12 Successors and Assigns. This Lease shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns, subject, however, to the limitations contained herein.

7.12 Partial Invalidity. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

7.13 Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are situated.

7.14 Subordination. This Lease is and shall be subject and subordinate, at all times, to the lien of any mortgages or deeds of trust which now affect the Premises; provided, however, that so long as Tenant shall not be in default in the performance of its obligations under this Lease, neither this Lease nor Tenant's right to remain in exclusive possession of the Premises shall be affected or disturbed by reason of any default under such mortgage or deed of trust, and, if such mortgage or deed of trust shall be foreclosed or if such mortgagee or trustee shall exercise any of its remedies under such mortgage or deed of trust, this Lease and all of Tenant's rights and obligations hereunder shall survive such foreclosure and continue in full force and effect. Landlord covenants that it shall, upon Tenant's request and at Tenant's expense, obtain and deliver to Tenant (a) evidence satisfactory to the Tenant of the existence of such a "non-disturbance" provision of any such mortgage or deed of trust, or (b) a separate "non-disturbance" agreement incorporating the provisions of this section, satisfactory to Tenant.

7.15 Notices. All notices or other communications shall be deemed given by: (a) personal delivery or overnight courier, or (b) a written notice mailed via certified mail, return receipt requested; such notices to be addressed to the parties at the addresses set forth below:

Landlord:	City of Yuba City 1201 Civic Center Boulevard Yuba City, CA 95993 Attn: City Manager
With copy to:	Aleshire & Wynder, LLP 2440 Tulare Street, Suite 410 Fresno, CA. 93721 Attn: Shannon Chaffin
Tenant:	Yuba-Sutter Chamber of Commerce 1300 Franklin Road Yuba City, CA 95993 Attn: Executive Director

7.16 Recording. Tenant shall not record this Lease or a memorandum hereof without the prior written consent of Landlord which Landlord may withhold in its sole discretion.

7.17 Estoppel. Tenant agrees that it will from time to time upon request by Landlord within 10 business days execute and deliver to Landlord a written statement addressed to Landlord (and to a party[ies] designated by Landlord), which statement shall identify Tenant and this Lease, shall certify that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), shall confirm that Landlord is not in default as to any obligations of Landlord under this Lease (or if Landlord is in default, specifying any default), shall confirm Tenant, and shall contain such other information or confirmations as Landlord may reasonably require.

7.18 Force Majeure. In the event that either party hereto shall be unable to carry out, in whole or in part, its obligations under this Lease by reason of acts of God, acts of war or conditions attributable to war, riots, insurrection, strikes, lockouts, labor troubles, diseases, epidemics, pandemics, quarantines, declarations of emergency by any federal, state or local governmental authority, enactment after the Effective Date of statutes, laws, or ordinances by legislative bodies, issuance of regulations or orders by administrative agencies or commissions, actions by federal, state, municipal or regulatory courts or recording offices, or other reason of like nature not the fault of the party delayed in performance but not including financial inability to perform (“**Permitted Delay**”), such party shall be excused from performance for the period of time equivalent to the delay caused by such Permitted Delay, shall not be deemed in default during such inability, and shall not be liable to the other party for any breach. Promptly following the occurrence of an event giving rise to a Permitted Delay, the affected party shall give written notice of the event to the other party, which notice shall include a description of the nature of the event, its cause and possible consequences, its direct impact on the party’s inability to perform all or any part of its obligations under this Lease, and the expected duration of the event, if known.

7.19 Surrender.

(a) Tenant shall deliver and surrender to Landlord possession of the Premises (including all of Tenant's Alterations in and to the Premises and all replacements and all fixtures permanently attached to the Premises) immediately upon the expiration of the Term or the earlier termination of this Lease in as good condition and repair as the same were on the Delivery Date (loss by any insured casualty and ordinary wear and tear only excepted).

(b) In the event Tenant remains in possession of the Premises after the expiration of this Lease and without the execution of a new lease, it shall be deemed to be occupying said premises as a month-to-month Tenant and otherwise subject to all the conditions, provisions and obligations of this Lease. Neither any provision hereof nor acceptance by Landlord of rent after such expiration or earlier termination shall be deemed a consent to a holdover hereunder or result in a renewal of this Lease or an extension of the Term. Notwithstanding any provision to the contrary contained herein, (i) Landlord expressly reserves the right to reenter the Premises, and the right to assert any remedy at law or in equity to evict Tenant and collect damages in connection with any such holding over, and (ii) Tenant shall indemnify, defend and hold Landlord harmless from and against any and all claims, demands, actions, losses, damages (including consequential damages), obligations, costs and expenses, including, without limitation, attorneys' fees incurred or suffered by Landlord by reason of Tenant's failure to surrender the Premises on the expiration or earlier termination of this Lease in accordance with the provisions of this Lease. In the event Tenant holds over, either with or without the consent of Landlord, Tenant hereby waives its rights to receive any prior written notice to quit and vacate the Premises as may be required by State or local law.

7.20 Waiver of Jury Trial. LANDLORD AND TENANT HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR ANY DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONNECTION HERewith OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THE DEMISED PROPERTY (INCLUDING WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS LEASE OR ANY CLAIMS OR DEFENSES ASSERTING THAT THIS LEASE WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR LANDLORD TO ENTER AND ACCEPT THIS LEASE.

7.21 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one document. An electronic signature, and a ".pdf" or facsimile copy of any signature hereto shall be deemed an original.

7.22 Exhibits. Exhibits A, B, and C attached hereto are incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have each executed this Lease as of the Effective Date set forth above.

TENANT:

YUBA-SUTTER CHAMBER OF
COMMERCE

By: _____
Name: _____
Title: _____

LANDLORD:

CITY OF YUBA CITY

By: _____
Name: _____
Title: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER LLP

By: _____
Shannon Chaffin, City Attorney

EXHIBIT "A"

DESCRIPTION OF THE PROPERTY

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at a point in the Westerly line of that certain real property described in the Grant Deed to the State of California recorded in Vol. 405, Page 118, Official Records of said County, from which the Northeast corner of said Section 28 bears the following three (3) courses: (1) North 19°59'12" West 16.77 feet; (2) North 00°35'00" East 16.50 feet and (3) South 89°46'28" East 123.00 feet; thence from the point of beginning and along said Westerly line South 19°59'12" East 71.48 feet to the Northwesterly corner of that certain real property described in the Grant Deed to the State of California recorded in Instrument No. 1997-00093, Official Records of said County; thence leaving said Westerly line and along the Westerly line of that certain real property described in said Instrument No. 1997-00093 South 00°35'00" West 79.30 feet; thence leaving said Westerly line South 89°52'06" West 98.07 feet; thence North 00°07'54" West 146.52 feet; thence North 89°52'06" East 74.78 feet to the point of beginning.

EXHIBIT “B”

DEPICTION OF PREMISES



EXHIBIT "C"

CONFIRMATION LETTER

CONFIRMATION OF COMMENCEMENT DATES

_____, 20__

City of Yuba City
2010 Civic Center Boulevard
Yuba City, CA 95993
Attn: City Manager

Re: Lease Agreement ("**Lease**") dated December 17, 2024, between the City of Yuba City ("**Landlord**"), and the Yuba-Sutter Chamber of Commerce ("**Tenant**"). Capitalized terms used herein but not defined shall be given the meanings assigned to them in the Lease.

Landlord and Tenant agree as follows:

1. **Condition of Premises.** Tenant has accepted possession of the Premises pursuant to the Lease.
2. **Commencement Date.** The Commencement Date is January 1, 2025.
3. **Contact Person.** Tenant's contact person at the Premises is:

Yuba-Sutter Chamber of Commerce
1300 Franklin Road, Yuba City, CA 95993
Attention: Janell Willis, Executive Director
Telephone: 530-743-6501

4. **Binding Effect; Governing Law.** Except as modified hereby, the Lease shall remain in full effect and this letter shall be binding upon Landlord and Tenant and their respective successors and assigns. If any inconsistency exists or arises between the terms of this letter and the terms of the Lease, the terms of this letter shall prevail. This letter shall be governed by the laws of the state in which the Premises are located.

[Signature Page Follows]

Please indicate your agreement to the above matters by signing this letter in the space indicated below and returning an executed original to us.

Sincerely,

YUBA-SUTTER CHAMBER OF COMMERCE

By: _____

Name: _____

Title: _____

Agreed and accepted:

CITY OF YUBA CITY

By: _____

Name: _____

Title: _____

EXHIBIT “D”

DECLARATION OF EASEMENTS AND CONDITIONS BY WAREMART, INC.

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Recording Requested by and
When Recorded, Return to:

Walmart, Inc.
ATTN: Vice President, Real Estate
P.O. Box 5756
Boise, ID 83705

Recorded in County of Sutter
Lonna B. Smith, Clerk/Recorder



192.00

199710086 08:00am 07/28/97

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(Space above line for Recorder's Use)

Indexed**DECLARATION OF EASEMENTS AND CONDITIONS**

By

WAREMART, INC.

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DECLARATION OF EASEMENTS AND CONDITIONS

THIS DECLARATION OF EASEMENTS AND CONDITIONS ("DEC") is made as of the 24th day of July, 1997 by WAREMART, INC., an Idaho corporation ("Waremart").

RECITALS

This DEC is made with reference to the following facts and objectives:

A. Waremart is the owner of a certain tract of land in Sutter County, California more particularly described in Exhibit A attached hereto (the "Shopping Center").

B. The Shopping Center consists of eight (8) contiguous parcels identified as Parcel 1 through 8 on the Site Plan attached hereto as Exhibit B (the "Site Plan"). The parcel of property identified on the Site Plan as Parcel 9 is not part of the Shopping Center and is not covered or effected by this DEC.

C. Waremart intends that the Shopping Center (except for Parcel 8) be developed as an integrated retail shopping complex, but not a planned development, and in order to effectuate the common use and operation of certain portions of the Shopping Center, Waremart hereby grants certain reciprocal easements and imposes certain conditions and restrictions on the same.

D. There is presently located on Parcel 8 what is commonly referred to as the "Littlejohn House." The Littlejohn House and the civic plaza around the house will be used for civic and community purposes.

NOW, THEREFORE, in consideration of the premises, the covenants and agreements hereinafter set forth and in furtherance of the parties understanding, it is agreed as follows:

ARTICLE 1 DEFINITIONS

1.1 Approving Party. "Approving Party" shall mean the Party designated from time to time to make certain decisions and/or give certain approvals pursuant to the terms of this DEC. There shall be one Approving Party which shall be the owner of the Waremart Tract. The Approving Party shall, unless otherwise provided herein, have absolute discretion to make the decisions and/or give the approvals expressly designated in this DEC

to be made and/or given by the Approving Party. Waremart shall be the initial Approving Party.

1.2 Building Area. "Building Area" shall mean the limited areas of the Shopping Center within which buildings (which for the purpose of this DEC shall include any appurtenant canopies, supports, loading docks, truck ramps and other outward extensions) may be constructed, placed or located; Building Areas are designated on the Building Tie Exhibit (attached hereto as Exhibit C) by the building limit lines outlined in black thereon.

1.3 Building Tie Exhibit. "Building Tie Exhibit" shall mean the Building Tie Exhibit attached hereto as Exhibit C.

1.4 Common Area. "Common Area" shall mean all areas within the exterior boundaries of the Shopping Center, exclusive of buildings.

1.5 Constant Dollars. "Constant Dollars" means the present value of the dollars to which such phrase refers. An adjustment shall occur on January 1 of the sixth calendar year following the date of this DEC, and thereafter at five (5) year intervals. Constant Dollars shall be determined by multiplying the dollar amount to be adjusted by a fraction, the numerator of which is the Current Index Number and the denominator of which is the Base Index Number. The "Base Index Number" shall be the level of the Index for the month during which the DEC is dated; the "Current Index Number" shall be the level of the Index for the month of September of the year preceding the adjustment year; the "Index" shall be the Consumer Price Index, All Urban Consumers, for the greater Sacramento, California (or if not available, San Francisco, California) metropolitan area, published by the United States Department of Commerce (base year 1982-84=100), or any successor index thereto as hereinafter provided. If publication of the Index is discontinued, or if the basis of calculating the Index is materially changed, then the Approving Party shall substitute for the Index comparable statistics as computed by an agency of the United States Government or, if none, by a substantial and responsible periodical or publication of recognized authority most closely approximating the result which would have been achieved by the Index.

1.6 Environmental Laws. "Environmental Laws" means all present and future federal, state or local statute, ordinance, regulation, rule, guideline, decision or order governing the generation, storage, release, discharge, transportation, removal, remediation, reduction or disposal of hazardous or toxic materials such as, without limitation, the Resource Conservation and Recovery Act (RCRA, 42 U.S.C. § 6901, *et seq.*), the Comprehensive Environmental Response Compensation and Liability Act (CERCLA, 42 U.S.C. § 9601, *et seq.*) as amended, the Toxic Substance Control Act (TSCA, 15 U.S.C. § 2601, *et seq.*), the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRTKA, 42 U.S.C. § 11001, *et seq.*) the Clean Water Act (33 U.S.C. § 1251, *et seq.*), the Clean Air Act (42 U.S.C. § 7401, *et seq.*), the Pollution Prevention Act of 1990 (42 U.S.C. § 13101, *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 1801, *et seq.*), or any similar laws of the State of California, County of Sutter, or Yuba City

regulating environmental pollutants or underground storage tanks, and any and all amendments, supplements, modifications and replacements thereof.

1.7 Floor Area. "Floor Area" shall mean the actual number of square feet of space contained on each floor within a building, including any mezzanine or basement space, as measured from the exterior faces of the exterior walls or store front and/or the center line of any common walls; provided, however, that the following areas shall not be included in such calculations: office space within retail establishments used by the Occupant for administrative purposes of that location and which is not open or accessible to the general public; space attributable to any multi-deck, platform or structural levels used for the storage of merchandise which is located vertically above ground floor; any space used for building utilities or mechanical equipment; truck ramps, loading and delivery areas and trash compactor facilities located outside the building though attached to it. Within thirty (30) days of a request, a Party shall certify to the requesting Party the amount of Floor Area applicable to each building on its Tract. If any Party causes an as-built survey to be prepared with respect to any portion of the Shopping Center, such Party shall furnish a copy of the survey to the other Parties for informational purposes only.

During any period of rebuilding, repairing, replacement or reconstruction of a building, the Floor Area of that building shall be deemed to be the same as existed immediately prior to that period. Upon completion of such rebuilding, repairing, replacement or reconstruction, the Party upon whose Tract such building is located, shall cause a new determination of Floor Area for such building to be made in the manner described above, and such determination shall be sent to any Party requesting the same.

1.8 Hazardous Materials. "Hazardous Materials" means wastes, substances, mixtures, pollutants, contaminants or other materials which are defined or classified by any Environmental Law as hazardous, toxic or radioactive, including, whether or not so defined, petroleum and natural gas products, polychlorinated biphenyls, radioactive materials, urea formaldehyde foam insulation and asbestos-containing materials.

1.9 Inline Tracts. "Inline Tracts" shall mean Parcels 1, 2, 3 and 4 as depicted on the Site Plan.

1.10 Occupant. "Occupant" shall mean any Person from time to time entitled to the use and occupancy of any portion of a building in the Shopping Center under an ownership right or any lease, sublease, license, concession, or other similar agreement.

1.11 Operator. "Operator" means the Person designated from time to time by the Approving Party to maintain and operate the Common Area of the Shopping Center. The Person designated as Operator shall serve in such capacity until it resigns or is removed by the Approving Party.

1.12 Parcel 2. "Parcel 2" shall mean that certain parcel of property identified on the Site Plan as Parcel 2.

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1.13 Parcel 3. "Parcel 3" shall mean that certain parcel of property identified on the Site Plan as Parcel 3.

1.14 Parcel 4. "Parcel 4" shall mean that certain parcel of property identified on the Site Plan as Parcel 4.

1.15 Parcel 5. "Parcel 5" shall mean that certain parcel of property identified on the Site Plan as Parcel 5.

1.16 Parcel 6. "Parcel 6" shall mean that certain parcel of property identified on the Site Plan as Parcel 6.

1.17 Parcel 7. "Parcel 7" shall mean that certain parcel of property identified on the Site Plan as Parcel 7.

1.18 Parcel 8. "Parcel 8" shall mean that certain parcel of property identified on the Site Plan as Parcel 8.

1.19 Party. "Party" shall mean each signatory hereto and, after compliance with the notice requirements set forth below, their respective successors and assigns who become owners of any portion of the Shopping Center. Each Party shall be liable for the performance of all covenants, obligations and undertakings herein set forth with respect to the portion of the Shopping Center owned by it which accrue during the period of such ownership, and such liability shall continue with respect to any portion transferred until the notice of transfer set forth below is given, at which time the transferring Party's liability for unaccrued obligations shall terminate. A Party transferring all or any portion of its interest in the Shopping Center shall give notice to all other Parties of such transfer and shall include therein at least the following information:

- (i) the name and address of the new Party;
- (ii) a copy of the legal description of the portion of the Shopping Center transferred; and
- (iii) if the transferee is the designated Approving Party.

If a Tract is owned by more than one Person, the Person or Persons holding at least 51% of the ownership interest in the Tract shall designate one of their number to represent all owners of the Tract and such designated Person shall be deemed the Party for such Tract. Until the notice of transfer is given, the transferring Party shall (for the purpose of this DEC only) be the transferee's agent.

Nothing contained herein to the contrary shall affect the existence, priority, validity or enforceability of any lien permitted hereunder which is placed upon the transferred portion of the Shopping Center prior to receipt of the notice.

1.20 Permanent Access Easement Exhibit. "Permanent Access Easement Exhibit" shall mean the Permanent Access Easement Exhibit attached hereto as Exhibit D.

1.21 Person. "Person" shall mean any individual, partnership, firm, association, corporation, trust, or any other form of business or government entity.

1.22 Permittee. "Permittee" shall mean all Occupants and the officers, directors, employees, agents, contractors, customers, vendors, suppliers, visitors, invitees, licensees, subtenants, and concessionaires of Occupants insofar as their activities relate to the intended development, use and occupancy of the Shopping Center. Among others, Persons engaging in the following activities on the Common Area will not be considered to be Permittees:

- (i) Exhibiting any placard, sign, or notice;
- (ii) Distributing any circular, handbill, placard, or booklet;
- (iii) Soliciting memberships or contributions;
- (iv) Parading, picketing, or demonstrating; and
- (v) Failing to follow regulations relating to the use of the Shopping Center.

1.23 Restaurant. "Restaurant" shall mean any operation or business which requires a governmental permit, license and/or authorization to prepare and/or serve food for either on or off site consumption.

1.24 Shopping Center. "Shopping Center" shall mean the real property described in Exhibit A attached hereto.

1.25 Site Plan. "Site Plan" shall mean the Site Plan attached hereto as Exhibit B.

1.26 Tract. "Tract" shall mean that portion of the Shopping Center owned by a Party. There are eight (8) Tracts within the Shopping Center.

1.27 Utility Lines. "Utility Lines" shall mean those facilities and systems for the transmission of utility services, including drainage and storage of surface water. "Common Utility Lines" shall mean those Utility Lines which are installed to provide the applicable common service to all of the Tracts within the Shopping Center. "Separate Utility Lines" shall mean those Utility Lines which are installed to provide the applicable service solely to a particular Tract. For the purpose of this DEC, the portion of a Utility Line extending between a Common Utility Line and a building shall be considered a Separate Utility Line.

1.28 Walmart Tract. "Walmart Tract" shall mean that certain parcel of property identified on the Site Plan as Parcel 1.

ARTICLE 2 EASEMENTS

2.1 Ingress, Egress and Parking.

During the term of this DEC each Party hereby grants and conveys to each other Party for its use and for the use of its Permittees, in common with others entitled to use the same, a non-exclusive easement for the passage and parking of vehicles over and across the parking and driveway areas of the grantor's Tract Common Area, as the same may from time to time be constructed and maintained for such use, and for the passage and accommodation of pedestrians over and across the parking, driveways and sidewalk areas of the grantor's Tract Common Area, as the same may from time to time be constructed and maintained for such use. Such easement rights shall be subject to the following reservation, as well as other provisions contained in this DEC: each Party reserves the right at any time and from time to time to exclude and restrain any Person who is not a Permittee from using the Common Area on its Tract.

In addition to the foregoing, the Parties each hereby grant and convey to the other (and their successors and assigns) for their use and for the use of their Permittees, in common with others entitled to use the same, a non-exclusive perpetual access easement over and across that portion of the Shopping Center identified on the Permanent Access Easement Exhibit (attached hereto as Exhibit D) as the "Permanent Access."

2.2 Utilities.

(a) Each Party hereby grants and conveys to each other Party non-exclusive perpetual easements in, to, over, under, along and across those portions of the Common Area (exclusive of any portion located within a Building Area) located on the grantor's Tract necessary for the installation, operation, flow, passage, use, maintenance, connection, repair, relocation, and removal of Utility Lines serving the grantee's Tract, including but not limited to, sanitary sewers, storm drains, water (fire and domestic), gas, electrical, telephone and communication lines. All Utility Lines shall be underground except:

- (i) ground mounted electrical transformers;
- (ii) as may be necessary during periods of construction, reconstruction, repair, or temporary service;
- (iii) as may be required by governmental agencies having jurisdiction;
- (iv) as may be required by the provider of such service; and
- (v) fire hydrants.

Prior to exercising the right granted herein, the grantee shall first provide the grantor with a written statement describing the need for such easement, shall identify the proposed location of the Utility Line, and shall furnish a certificate of insurance showing that its contractor has obtained the minimum insurance coverage required by 5.4(c) hereof. Except as otherwise agreed to by the grantor and the grantee, any Party installing Separate Utility Lines pursuant to the provisions of this subparagraph shall pay all costs and expenses with respect thereto and shall cause all work in connection therewith (including general clean-up and proper surface and/or subsurface restoration) to be completed as quickly as possible, in a manner so as to minimize interference with the use of the Common Area and in a manner so as to not unreasonably interface with the use, occupancy or enjoyment of the grantor's Tract. If the Parties elect to install Common Utility Lines, all repair, maintenance, replacement and other work thereon shall, if not performed by the utility company or the Operator, be performed by the owner of the Tract upon which the Common Utility Lines are located and paid for as provided in Section 4.2.

(b) The initial location of any Utility Line shall be subject to the prior written approval of the Approving Party and the Party whose Common Area is to be burdened thereby, such approval not to be unreasonably withheld or delayed. The easement area shall be the greater of the width reasonably necessary to satisfy the requirements of a private or public utility, or five feet (5') on each side of the centerline if the easement is granted to a Party. Upon request, the grantee shall provide to the grantor a copy of an as-built survey showing the location of such Utility Line. The grantor shall have the right at any time to relocate a Utility Line upon thirty (30) days' prior written notice, provided that such relocation:

- (i) shall not interfere with or diminish the utility service to the grantee during the grantee's business hours;
- (ii) shall not reduce or impair the usefulness or function of such Utility Line;
- (iii) shall be performed without cost or expense to grantee;
- (iv) shall be completed using materials and design standards which equal or exceed those originally used; and
- (v) shall have been approved by the provider of such service and the appropriate governmental or quasi-governmental agencies having jurisdiction thereover.

Documentation of the relocated easement area, including the furnishing to the grantee of an "as-built" survey, shall be the grantor's expense and shall be accomplished as soon as possible.

(c) Each Party hereby grants and conveys to each Party owning an adjacent Tract the perpetual right and easement to discharge surface storm drainage and/or runoff from the grantee's Tract over, upon and across the Common Area of the grantor's Tract, upon the following conditions and terms:

(i) The Common Area grades and the surface water drainage/retention system for the Shopping Center shall be initially constructed in strict conformance with the details approved by the Approving Party; and

(ii) No Party shall alter or permit to be altered the surface of the Common Area or the drainage/retention system constructed on its Tract if such alteration would materially increase the flow of surface water onto an adjacent Tract either in the aggregate or by directing the flow of surface water to a limited area or materially decrease the purity or quality of surface water flowing onto an adjacent Tract.

The surface water collection, retention and distribution facilities shall be deemed a Common Utility Line.

2.3 Construction, Maintenance and Reconstruction.

(a) In order to accommodate any building improvements which may inadvertently be constructed beyond a Tract's boundary line, each Party grants to each Party owning an adjacent Tract an easement in, to, over, under, and across that portion of the grantor's Tract adjacent to such common boundary line for the maintenance and replacement of such building improvements to a maximum lateral distance of six inches (6").

(b) In the event a constructing Party (the "Constructing Party") determines that it is necessary to place underground piers, footings and/or foundations ("Subsurface Construction Elements") across the boundary line of its Tract, the Constructing Party shall advise the Party owning the adjacent Tract (the "Adjacent Party") of its construction requirement and shall provide plans and specifications relating thereto, including proposed construction techniques for the Subsurface Construction Elements. The Adjacent Party hereby grants and conveys to the Constructing Party for the benefit of its Tract an easement, not to exceed a maximum lateral distance of five feet (5') under that portion of the Adjacent Party's Tract not theretofore occupied or reasonably anticipated to be occupied by any then existing structure, for the installation, maintenance and replacement of such Subsurface Construction Elements; provided, however, that the Constructing Party shall have no right to use such easement if the Adjacent Party is able to provide the Constructing Party a reasonable alternative construction method for the placement of the Subsurface Construction Elements entirely on the Constructing Party's Tract.

The Adjacent Party reserves the right to require the Constructing Party to modify the design specifications for the Subsurface Construction Elements in order to permit the Adjacent Party the opportunity to utilize the same in connection with the construction of its building improvements to the end that each Party shall be able to place its building

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immediately adjacent to the common boundary line. If a common Subsurface Construction Element is used by the Parties, each shall assume and pay its reasonable share of the cost and expense of the design and construction thereof. In the event any building utilizing a common Subsurface Construction Element is destroyed and not replaced or is removed, the common Subsurface Construction Element shall remain in place for the benefit of the other building utilizing the same.

(c) The foregoing easement grants shall not diminish or waive any right of a Party to recover damages resulting from the constructing Party's failure to construct its building within its Tract in the case of (a) above, or within the easement area limits in the case of (b) above. The easements in each instance shall:

(i) continue in effect for term of this DEC and thereafter for so long as the building utilizing the easement area exists (including a reasonable period to permit reconstruction or replacement of such building if the same shall be destroyed, damaged, or demolished); and

(ii) include the reasonable right of subsurface access necessary to exercise and enjoy such grant upon terms and with the limitations described in 3.1(e) below.

(d) Nothing herein shall be deemed to create or establish a "common" or "party" wall to be shared by buildings constructed along the common boundary line between the Tracts.

2.4 **Restriction.** No Party shall grant any easement or license for the purpose set forth in this Article for the benefit of any property not within the Shopping Center or for the benefit of any Person in connection with any activity not related to the Shopping Center; provided, however, that the foregoing shall not prohibit the granting or dedicating of easements by a Party on its Tract to governmental or quasi-governmental authorities or to public utilities.

ARTICLE 3 CONSTRUCTION

3.1 General Requirements.

(a) Each Party agrees that all construction activities performed by it within the Shopping Center shall be performed in compliance with all applicable laws, rules, regulations, orders, and ordinances of the city, county, state, and federal government, or any department or agency thereof.

(b) Each Party further agrees that its construction activities shall not:

(i) cause any unreasonable increase in the cost of constructing improvements upon another Party's Tract;

(ii) unreasonably interfere with construction work being performed on any other part of the Shopping Center;

(iii) unreasonably interfere with the use, occupancy or enjoyment of any part of the remainder of the Shopping Center by any other Party or its Permittees; or

(iv) cause any building located on another Tract to be in violation of any law, rule, regulation, order or ordinance authorized by any city, county, state, federal government, or any department or agency thereof.

(c) Each Party agrees to defend, indemnify and hold harmless each other Party from all claims, losses, liabilities, actions, proceedings and costs (including reasonable attorneys' fees and costs of suit), including liens, and any accident, injury or loss or damage whatsoever occurring to any Person or to the property of any Person arising out of or resulting from any construction activities performed or authorized by such indemnifying Party; provided however, that the foregoing shall not be applicable to events or circumstances caused by the negligence or willful act or omission of such indemnified Party, its licensees, concessionaires, agents, servants, employees, or anyone claiming by, through, or under any of them unless covered by the release set forth in 5.4(d).

(d) In connection with any construction, reconstruction, repair or maintenance on its Tract, each Party reserves the right to create a temporary staging and/or storage area in the Common Area or in the Building Area on its Tract at a location which will not unreasonably interfere with access between such Tract and the other areas of the Shopping Center. Prior to the commencement of any work which requires the establishment of a staging and/or storage area on its Tract a Party shall give at least 30 days prior notice to the Approving Party, for its approval, of the proposed location, provided, however, that if a business is operating on the Waremart Tract then no other Party's staging area shall be located within 500 feet of the front door of the building on the Waremart Tract, unless located within a Building Area. If the Approving Party does not approve the proposed location of the staging and/or storage area, the Party shall modify the proposed location to satisfy the reasonable requirements of the Approving Party. If substantial work is to be performed, the constructing Party shall, at the request of the Approving Party, fence off the staging and storage area. All storage of materials and the parking of construction vehicles, including vehicles of workers, shall occur only on the constructing Party's Tract, and all laborers, suppliers, contractors and others connected with such construction activities shall use only the access points located upon the constructing Party's Tract. Upon completion of such work, the constructing Party shall restore the affected Common Area to a condition equal to or better than that existing prior to commencement of such work.

(e) Each Party hereby grants and conveys to each other Party and to its respective contractors, materialmen and laborers a temporary license for access and passage over and across the Common Area of the grantor's Tract as shall be reasonably necessary for the grantee to construct and/or maintain improvements upon the grantee's Tract; provided,

however, that such license shall be in effect only during periods when actual construction and/or maintenance is being performed and provided further that the use of such license shall not unreasonably interfere with the use, operation and enjoyment of the Common Area by others. Prior to exercising the rights granted herein, the grantee shall first provide the grantor with a written statement describing the need for such license, and shall furnish a certificate of insurance showing that its contractor has obtained the minimum insurance coverage required by Section 5.4(b) hereof. Any Party availing itself of the temporary license shall promptly pay all costs and expenses associated with such work, shall diligently complete such work as quickly as possible, and shall promptly clean the area, and restore and/or repair the affected portion of the Common Area to a condition which is equal to or better than the condition which existed prior to the commencement of such work. Notwithstanding the foregoing, in the event a dispute exists between the contractors, laborers, suppliers and/or others connected with construction activities, each Party shall have the right to prohibit the contractors, laborers, suppliers and/or others working for another Party from using the Common Area on its Tract.

3.2 Common Area. The Parties have agreed that the Common Area of the Shopping Center shall be initially constructed as shown on the Site Plan, provided, however, no fence or other barrier which would prevent or unreasonably obstruct the passage of pedestrian or vehicular travel shall be erected or permitted within or across the Common Area, exclusive of the limited curbing and other forms of traffic control depicted on the Site Plan, or permitted staging and/or storage areas. The following minimum general design standards shall be complied with throughout the term of this Agreement:

(a) The lighting system shall be designed to produce a minimum maintained lighting intensity measured at grade at all points in the Common Area of 2.5 foot-candle; provided, however, that the extreme edge of the parking or drive areas may have not less than a minimum maintained lighting intensity measured at grade of 2.0 foot-candle, and provided further that the drive areas immediately in front of the entrance to any building shall have not less than a minimum maintained lighting intensity measured at grade of 4.0 foot-candle, except that the required lighting intensity measured at grade level for the drive areas immediately in front of the entrance to the building located on Parcel 8 shall be not less than 2.5 foot-candle. Subject to the provisions of Section 5.2 hereof, each Party may elect to control the lighting system located on its Tract. The type and design of the Common Area light standards shall be approved by the Approving Party.

(b) The slope in the parking area shall not exceed a maximum of three percent (3%) nor be less than a minimum of one percent (1%).

(c) All sidewalks and pedestrian aisles shall be concrete or other approved materials; the automobile parking areas, drives, and access roads shall be designed in conformity with the recommendations of a registered soils engineer approved by the Approving Party which shall require the installation of a suitable base and the surfacing with an asphaltic concrete or concrete wearing material.

(d) Utility Lines that are placed underground shall be at depths designated by consultants approved by the Approving Party. If surface water retention and/or detention areas are located outside of the general parking lots, such areas shall be fenced or otherwise secured to impede public access thereto.

(e) The parking area on each Tract comprising the Shopping Center shall contain sufficient ground level parking spaces in order to comply with the following minimum requirements:

(i) Parcels:

- Parcel 1: A minimum of 328 parking spaces on said Tract, of which not more than 92 spaces shall be compact parking spaces.
- Parcel 2: A minimum of 152 parking spaces on said Tract, of which not more than 35 spaces shall be compact parking spaces.
- Parcel 3: A minimum of 154 parking spaces on said Tract, of which not more than 20 spaces shall be compact parking spaces.
- Parcel 4: A minimum of 90 parking spaces on said Tract, of which not more than 7 spaces shall be compact parking spaces.
- Parcel 5: A minimum of 22 parking spaces on said Tract, of which not more than 2 spaces shall be compact parking spaces.
- Parcel 6: A minimum of 35 parking spaces on said Tract, of which not more than 4 spaces shall be compact parking spaces.
- Parcel 7: A minimum of 63 parking spaces on said Tract, of which not more than 5 spaces shall be compact parking spaces.
- Parcel 8: 8 parking spaces on said Tract, none of which shall be compact spaces, PROVIDED, HOWEVER, the owner of Parcel 8 may either increase or decrease the number of parking spaces on Parcel 8, subject to it first obtaining the prior written consent of the Approving Party, which consent may be withheld in the Approving Party's sole discretion.

(ii) if a business use contains a drive-up unit (such as remote banking teller or food ordering/dispensing facility), then, except for the video tape return box located on the Waremart Tract, there shall also be created space for stacking not less than five (5) automobiles for each drive-up unit;

In the event of a condemnation of part of a Tract or sale or transfer in lieu thereof that reduces the number of usable parking spaces below that which is required herein, the Party whose Tract is so affected shall use its best efforts (including using proceeds from the condemnation award or settlement) to restore and/or substitute ground level parking spaces in order to comply with the parking requirements set forth in this DEC. If such compliance is not possible, such Party shall not be deemed in default hereunder, but such Party shall not be permitted to expand the amount of Floor Area located upon its Tract. If such Floor

Area is thereafter reduced other than by casualty, then the Floor Area on such Tract may not subsequently be increased unless the parking requirement is satisfied.

(f) No Party shall make changes to the Common Area on its Tract without the approval of the Approving Party, except that each Party hereby reserves the right, from time to time without obtaining the consent or approval of any other Party, to make at its own expense any insignificant change, modification or alteration in its portion of the Common Area, including the installation of convenience facilities such as mailboxes, public telephones and benches, provided that:

(i) the accessibility of such Common Area for pedestrian and vehicular traffic (as it relates to the remainder of the Shopping Center) is not unreasonably restricted or hindered, and all parking stalls and rows and vehicular traffic lanes shall remain generally as shown on the Site Plan;

(ii) there shall be maintained at all times within such Common Area, a sufficient number of vehicular parking spaces to meet the parking requirements set forth in 3.2(e), as well as all governmental rules, regulations, and/or ordinances relating to parking requirements;

(iii) no governmental rule, ordinance or regulation shall be violated as a result of such action, and such action shall not result in any other Party being in violation of any governmental rule, ordinance or regulation;

(iv) no change shall be made in the access points between the Common Area and the public streets; provided, however, that additional access points may be created with the approval of the applicable governmental entity(s) and the Approving Party; and

(v) at least thirty (30) days prior to making any such change, modification or alteration, the Party desiring to do such work shall deliver to the Approving Party copies of the plans therefor, and provided further that such work shall not occur between October 1st and the following January 31.

The provisions of this paragraph (f) do not apply to any changes, modifications or alterations of Common Area located within Building Areas which result from or arise out of the construction, expansion or maintenance of buildings.

Notwithstanding anything contained herein to the contrary, any change to the access points or the major driveways identified on the Site Plan as the "Permanent Access Easements" from that which is shown on the Site Plan must be approved by each of the Parties.

3.3 Building Improvements.

(a) While it is acknowledged and agreed that no Party shall have an obligation to commence construction of any building on its Tract, the Parties hereby agree once construction has been commenced, such building shall be completed in a timely fashion. Each building on a Tract shall be located only within the Building Area designated on the Site Plan for such Tract. The Building Area for each building shall not exceed the number of square feet designated in Section 3.3(f) for that building.

(b) The exterior of all buildings to be constructed or placed within the Shopping Center shall be architecturally and aesthetically compatible. In order to insure the exterior architectural and aesthetic compatibility of the buildings within the Shopping Center, each Party shall submit to the Approving Party detailed plans ("Plans") as required by Exhibit C attached hereto covering the initial construction of each building and any additions, remodeling, reconstruction or other alteration thereto which changes the exterior thereof for approval at least 30 days prior to the commencement of any such work. If the Approving Party should reject the Plans for not complying with the architectural theme, the submitting Party and the Approving Party shall mutually consult to establish approved Plans for the proposed work. The Approving Party shall not arbitrarily or unreasonably withhold approval of the Plans, nor shall they withhold approval of exterior remodeling or exterior reconstruction which does not either substantially enlarge an existing structure, or substantially change an existing structure. In no event shall the Approving Party require any other Party to utilize design standards superior to those utilized by the Approving Party in the construction of buildings on its Tract. Approval of Plans by the Approving Party shall not constitute assumption of responsibility for the accuracy, sufficiency, or propriety thereof, nor shall such approval constitute a representation or warranty that the Plans comply with applicable laws. No material deviation shall be made from the approved Plans without the Approving Party's prior written consent.

(c) Buildings may be placed along the common boundary line between the Inline Tracts and the owners of such Tracts agree to support any request by the other for a side-yard or setback variance if the same is required in order to accommodate such construction.

(d) Waremart initially proposes to construct on the Waremart Tract and to limit construction on the remaining Inline Tracts to buildings which are classified as an "unlimited area" building under certain building codes. (By way of explanation, but not limitation, an "unlimited area" building is designated II-N or V-N under the Uniform Building Code.) Waremart and any subsequent owner of the remaining Inline Tracts agree that if they construct an "unlimited area" building, such building shall be located immediately adjacent to the common boundary line between the Inline Tracts. So long as Waremart plans to construct an "unlimited area" building, or so long as an "unlimited area" building exists on either the Waremart Tract or any of the other Inline Tracts (including any restoration or reconstruction thereof), all buildings constructed within the Building Areas on the Inline Tracts shall comply with the following requirements:

(i) no building shall be constructed within sixty feet (60') of the Building Area on the Waremart Tract unless such building, hereinafter referred to as the "adjacent building," shall be located immediately adjacent to the common boundary line and is attached to the "unlimited area" building on the Waremart Tract, when and so long as such "unlimited area" building exists.

(ii) if an "adjacent building" exists on the Inline Tracts, then no building shall be located within sixty feet (60') of the "adjacent building" unless such building is attached to the "adjacent building"; the "adjacent building" and all other buildings on the Inline Tracts that are attached to the "adjacent building" and to each other are hereinafter referred to as the "building group";

(iii) any building that is not part of the "building group," shall be located at least sixty feet (60') distant from the "building group"; and

(iv) the "adjacent building" or the "building group," as the case may be, shall comply with the building code requirements applicable to an "unlimited area" building, including without limitation the installation of an approved sprinkler system for fire protection.

In addition to the requirements set forth above, the Parties agree that no building shall initially be placed or constructed on the Inline Tracts in a manner which will, based on then existing governmental regulations, either preclude the construction in the Building Areas on the Inline Tracts of an "unlimited area" building, or cause an existing "unlimited area" building thereon to no longer be in conformance with applicable building code requirements, it being understood and agreed, however, that subsequent changes in governmental regulations shall not obligate a Party to modify or alter its existing building.

A sixty-foot no-build clear area easement exists around the buildings on the Inline Tracts, the location of which is shown on the Building Tie Exhibit (Exhibit C attached hereto).

(e) The second Party to construct a building along a common boundary line shall do so in a manner that does not result in damage to the improvements in place on the adjoining Tract, and further shall undertake and assume at its sole cost the obligation of completing and maintaining the nominal attachment (flashing and seal) of its building to that of the existing building on the other Tract, it being the intent of the Parties to establish and maintain the appearance of one continuous building complex. In performing such attachment, the wall of one building shall not receive support from nor apply pressure to the wall of the other building.

(f) No building or other structure (exclusive of any light poles, free standing signs referred to in 5.3 hereof or flag poles referred to in Section 5.3(a) hereof) shall exceed the following size and height restrictions:

<u>TRACT</u>	<u>MAXIMUM HEIGHT</u>	<u>MAXIMUM ALLOWABLE FLOOR AREA</u>
Parcel 1	46 feet	85,500 square feet
Parcel 2	32 feet	27,700 square feet
Parcel 3	37 feet	25,450 square feet
Parcel 4	37 feet	20,200 square feet
Parcel 5	22 feet	6,500 square feet
Parcel 6	22 feet	6,600 square feet
Parcel 7	22 feet	3,500 square feet
Parcel 8	As presently constructed	3,500 square feet

The height of any building shall be measured perpendicular from the finished floor elevation to the top of the roof structure, including any screening, parapet, penthouse, mechanical equipment or similar appurtenance located on the roof of such building. PROVIDED, HOWEVER, the height of each building pad shall be subject to the prior written approval of the Approving Party. Any Party shall have the right to install, maintain, repair, replace and remove Communications Equipment on the top of the building on its Tract so long as it does not extend above the height limits established above; provided, however, such Communication Equipment shall be screened so that it is not visible by customers. As used herein, the phrase "Communications Equipment" means such things as satellite and microwave dishes, antennas and laser heads, together with associated equipment and cable.

(g) No building or other structure on Parcels 5, 6 and 7 shall exceed one story.

(h) The height of the existing building on Parcel 8 shall not be increased without the prior written approval of the Approving Party.

3.4 Phased Development.

(a) Site improvement work (the "Initial Work") has been performed on the Shopping Center. All additional site improvement work for or on the balance of the Shopping Center not included in the Initial Work (the "Remaining Work") shall be subject to the Approving Party's prior written consent and shall be performed in accordance with and subject to the terms and conditions applicable thereto set forth elsewhere in this DEC and in accordance with this 3.4. All of the Remaining Work applicable to any Tract shall be completed prior to the earlier of (a) initial occupancy of any building on such Tract in question or (b) issuance of any certificate of occupancy for any such building. Nothing in this DEC shall obligate any party to commence any Remaining Work, but once commenced, all of the Remaining Work for the Tract in question shall be prosecuted continuously and with all due diligence to completion. The Remaining Work shall be performed (if at all) under separate contract and independent of the Initial Work.

(b) Except for areas on which any party is then prosecuting any Remaining Work, any undeveloped Tract shall either be hard-surfaced, left in a natural, but attractive, condition or planted in grass and maintained in an attractive condition until building improvements are constructed thereon. The owner of such Tract shall take such steps on a on-going basis as are reasonably necessary to prevent erosion or blowing dust. In addition, the Party engaging in any Remaining Work shall leave the Initial Work, including all drive lanes and access points, open and accessible, and shall perform such construction in such manner as will not adversely affect the balance of the Shopping Center, or the businesses from time to time being conducted thereon, in any material way.

ARTICLE 4 MAINTENANCE AND REPAIR

4.1 Utility Lines.

(a) Each Party shall maintain and repair, or cause to be maintained and repaired, in a good state of repair and safe condition, all Separate Utility Lines utilized by it regardless of where located. Any maintenance and repair of nondedicated utilities located on another Party's Tract shall be performed: after two (2) weeks notice to the grantor (except in an emergency the work may be initiated with reasonable notice); after normal business hours whenever possible; and in such a manner as to cause as little disturbance in the use of the grantor's Tract as is practicable under the circumstances. Any Party performing or causing to be performed maintenance or repair work agrees: to promptly pay all costs and expenses associated therewith; to diligently complete such work as quickly as possible; and to promptly clean the area and restore the affected portion of the Common Area to a condition equal to or better than the condition which existed prior to the commencement of such work.

(b) Common Utility Lines shall be maintained and replaced as part of the Common Area pursuant to 4.2 below.

4.2 Common Area Maintenance.

(a) Subject to the joint maintenance provision set forth in (b) below, each Party shall maintain, or cause to be maintained, the Common Area on its Tract in a sightly, safe condition and good state of repair. Any unimproved Common Area shall be mowed and kept litter-free. The minimum standard of maintenance for the improved Common Area shall be comparable to the standard of maintenance followed in other first class retail developments of comparable size in the Sacramento, California area; notwithstanding the foregoing, however, the Common Area shall be operated and maintained in compliance with all applicable governmental laws, rules, regulations, orders and ordinances, and the provisions of this DEC. All Common Area improvements shall be repaired or replaced with materials at least equal to the quality of the materials being repaired or replaced so as to maintain the architectural and aesthetic harmony of the Shopping Center as a whole. The maintenance and repair obligation shall include but not be limited to the following:

(i) **Drive and Parking Areas.** Maintaining all paved surfaces and curbs in a smooth and evenly covered condition, including, without limitation, replacement of base, skin patch, resealing and resurfacing. (For the purpose of this section, an overlay of the drives and parking areas shall be considered a maintenance item.). The owner of each Tract shall attempt in good faith to coordinate any resurfacing or restriping of the parking lot in the Common Area in order to maintain its appearance as an integrated parking area for the entire Shopping Center.

(ii) **Debris and Refuse.** Periodic removal of all papers, debris, filth, refuse, ice and snow (1" on surface), including vacuuming and broom sweeping to the extent necessary to keep the Common Area in a first-class, clean and orderly condition; provided, however, that Occupant trash and/or garbage removal shall not be a Common Area Maintenance Cost (defined in (b) below) since such removal obligation is covered by this Section 4.2(a). All sweeping shall be at appropriate intervals during such times as shall not interfere with the conduct of business or use of the Common Area by Permittees.

(iii) **Non-Occupant Signs and Markers.** Maintaining, cleaning and replacing any appropriate directional, stop or handicapped parking signs; restriping parking lots and drive lanes as necessary to maintain parking space designation and traffic direction; and keeping clearly marked fire lanes, loading zones, no parking areas and pedestrian cross-walks.

(iv) **Lighting.** Maintaining, cleaning and replacing Common Area lighting facilities, including light standards, wires, conduits, lamps, ballasts and lenses, time clocks and circuit breakers.

(v) **Landscaping.** Maintaining and replacing of all landscape plantings, trees and shrubs in an attractive and thriving condition, trimmed and weed free. Maintaining and replacing landscape planters, including those adjacent to exterior walls of buildings and automatic sprinkler systems. Modify irrigation systems to satisfy governmental water allocation or emergency requirements.

(vi) **Common Utility Lines.** Maintaining, cleaning, replacing, and repairing any and all Common Utility Lines. PROVIDED, HOWEVER, the cost of maintaining, cleaning, replacing and repairing Common Utility Lines, if not performed by the utility company, shall be shared by the owners of the Shopping Center in the ratio that the building Floor Area of the improvements located on each Tract bears to the total building Floor Area of the improvements located on all Tracts.

(vii) **Obstructions.** Keeping the Common Area free from any obstructions including those caused by the sale or display of merchandise, unless such obstruction is permitted under the provisions of this DEC.

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(viii) Sidewalks. Maintaining, cleaning and replacing of all sidewalks, including those adjacent and contiguous to buildings located within the Shopping Center. Sidewalks shall be cleaned regularly and swept at appropriate intervals during such time as shall not interfere with the conduct of business or use of the Common Area.

Notwithstanding anything in this section to the contrary, each Party shall, at its sole cost and expense, maintain and repair any exterior shipping/receiving dock area, any truck ramp or truck parking area, and any refuse, compactor or dumpster area located on its Tract.

(b) Unless and until the Approving Party designates in writing an Operator, each Party shall maintain the Common Area in its Tract in accordance with the requirements of (a) above. Commencing on the date the Approving Party designates in writing the identity of an Operator, and continuing thereafter until the Approving Party designates another Operator or determines that an Operator shall no longer be used, the Operator shall operate and maintain the Common Area in the Shopping Center in accordance with the requirements of (a) above. Within 30 days following the commencement of such maintenance and operation, Operator shall provide the Parties an estimated budget for the balance of the then-current calendar year containing the information required by (c) below, and each Party agrees to pay its share thereof in accordance with (d) below. The Operator may hire companies affiliated with it to perform the maintenance and operation of the Common Area, but only if the rates charged by such companies are competitive with those of other companies furnishing similar services in the metropolitan area in or about the Shopping Center, it being agreed that this provision shall be construed strictly against Operator. Each Party hereby grants to Operator, its agents and employees a license to enter upon its Tract to discharge the duties to operate, maintain and repair the Common Area. Operator shall expend only such funds as are reasonably necessary for the operation, maintenance and insurance of the Common Area and shall promptly pay such costs ("Common Area Maintenance Costs") when incurred. For the purpose of this DEC, Common Area Maintenance Costs shall not include:

- (i) any late charges or fees;
- (ii) any charge for lighting electricity to a Party that separately pays the electrical costs for lighting the Common Area on its Tract;
- (iii) any costs to clean up or repair the Common Area resulting from promotional activities or from construction, maintenance or replacement of buildings;
- (iv) real property taxes and assessments;
- (v) Operator's profit, administrative and overhead costs (including but not limited to: office space, equipment and utilities; legal, accounting or administrative

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services; Operator's personnel who are not permanently located at the Shopping Center); and

- (vi) entertainment, transportation, meals and lodging of anyone.

In lieu of Operator's profit, administrative and overhead costs, Operator shall be permitted to charge an amount ("Administration Fee") computed by multiplying the Common Area Maintenance Costs (exclusive of insurance premiums, fees paid to third Persons who perform all or a portion of the Common Area operation and management on Operator's behalf, and utility charges) by not more than ten percent (10%). To the extent the Operator directly or indirectly contracts with a commercial property management company to administer or oversee any portion of the maintenance of the Common Area, Operator shall not receive an Administration Fee on the portion so contracted. If any of Operator's personnel at the Shopping Center perform services, functions or tasks in addition to Common Area duties, then the cost of such personnel shall be equitably allocated according to time spent performing such duties.

(c) Operator shall, at least 90 days prior to the beginning of each calendar year, submit to the Approving Party an estimated budget ("Budget") for the Common Area Maintenance Costs and the Administration Fee for operating and maintaining the Common Area of the Shopping Center located on the Operator Maintenance Areas for the ensuing calendar year. The Budget shall be in a form reasonably acceptable to the Approving Party and shall identify separate cost estimates for at least the categories specified under 4.2(a), plus:

- (i) rental or purchase of equipment and supplies;
- (ii) depreciation or trade-in allowance applicable to items purchased for Common Area purposes; and
- (iii) Administration Fee.

If an item of maintenance or replacement is to be accomplished in phases over a period of calendar years, such as resurfacing of the drive and/or parking areas, then the Budget shall separately identify the cost attributable to such year (including the area of the Common Area affected), and shall note the anticipated cost and timing (indicating the area of the Common Area affected) of such phased work during succeeding calendar years. The cost of approved "phased" work shall be paid by the Parties, notwithstanding that when such work is performed a Party may not then be participating in the joint maintenance of the Shopping Center.

In the event the Budget is approved by the Approving Party, it shall, within twenty (20) business days thereafter, provide the remaining Parties with copies of the approved Budget.

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Operator shall use its best efforts to operate and maintain the Operator Maintenance Areas in accordance with the Budget. Notwithstanding the foregoing, Operator shall have the right to make emergency repairs to the Common Area to prevent injury or damage to person or property, it being understood that Operator shall nevertheless advise each Party of such emergency condition as soon as reasonably possible, including the corrective measures taken and the cost thereof. If the cost of the emergency action exceeds \$10,000.00 in Constant Dollars then Operator may submit a supplemental billing to each Party, together with evidence supporting such payment, and each Party shall pay its share thereof within thirty (30) days.

(d) Common Area Maintenance Costs and the Administration Fee shall, except as otherwise provided herein, be allocated in the proportion that the land area of each Tract bears to the total land area of the Shopping Center. As provided in Section 5.1(d), additional costs resulting from seasonal or promotional sales in the Outdoor Sales Area are to be paid by the party holding such sales.

Each Party shall pay to the Operator in equal monthly payments, in advance, its share of the Common Area Maintenance Costs and the Administrative Fee based either upon the amount set forth in the approved Budget, or if a Budget is not approved, then the lesser of the amount set forth in the unapproved Budget or the monthly payment established for the prior year. The Operator shall reasonably estimate such costs for the partial year during which its maintenance obligations commence and each Inline Owner shall make its first payment in the month following Operator's undertaking of such maintenance and repair of the Common Area. Within 90 days after the end of each calendar year, Operator shall provide each Party with a statement certified by an authorized Person, together with supporting invoices and other materials setting forth the actual Common Area Maintenance Costs paid by it for the operation and maintenance of the Common Area, the Administration Fee, and such Party's share of the aggregate thereof. If the amount paid by a Party for such calendar year shall have exceeded its share, Operator shall refund the excess to such Party at the time such certified statement is delivered, or if the amount paid by a Party for such calendar year shall be less than its share, such Party shall pay the balance of its share to Operator within 30 days after receipt of such certified statement.

Within two years after receipt of any such certified statement, each Party shall have the right to audit Operator's books and records pertaining to the operation and maintenance of the Common Area for the calendar year covered by such certified statement; the Party shall notify Operator of its intent to audit at least 15 days prior to the designated audit date. In the event that such audit shall disclose any error in the determination of the Common Area Maintenance Costs, the Administration Fee or in the allocation thereof to a Tract, an appropriate adjustment shall be made forthwith. The cost of any audit shall be assumed by the auditing Party unless such Party shall be entitled to a refund in excess of three percent (3%) of the amount calculated by Operator as its share for the calendar year, in which case Operator shall pay the cost of such audit.

(e) Operator agrees to defend, indemnify and hold each Party paying it the amounts due hereunder harmless from and against any mechanic's, materialmen's and/or laborer's liens, and all costs, expenses and liabilities in connection therewith, including reasonable attorney's fees and court costs, arising out of the maintenance and operation by Operator of the Common Area, and in the event that the Tract of any such Party shall become subject to any such lien, Operator shall promptly cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting such bond or other security as shall be required by law to obtain such release and discharge.

(f) In the event a Party maintaining the Common Area on its Tract fails to maintain it in accordance with the requirements of Section 4.2(a) above (such Party being hereinafter referred to as the "Defaulting Party") any other Party (hereinafter referred to as the "Nondefaulting Party") may send written notice of such failure to the Defaulting Party. Such notice shall contain an itemized statement of the specific deficiencies (hereinafter referred to as the "Deficiencies") in the Defaulting Party's performance of its obligations under Section 4.2(a). Except for an Emergency Situation, the Defaulting Party shall have ten (10) days after receipt of such notice in which to correct the Deficiencies or in which to commence to correct the Deficiencies if the Deficiencies cannot be corrected within the said ten-day period, and thereafter to proceed diligently to complete the correction of the Deficiencies. An "Emergency Situation" is a situation which threatens access to a Tract or threatens an immediate substantial loss or damage to property or any personal injury or death to persons. In the event a Defaulting Party shall fail or refuse to timely correct or to begin to correct the Deficiencies and proceed to diligently complete the same, as the case may be, the Nondefaulting Party may, in its option, correct the Deficiencies and take over the portion of the Common Area maintenance on the Defaulting Party's Tract which relates to the Deficiencies. In the event the Nondefaulting Party shall exercise its option, the Defaulting Party shall, within ten (10) days from receipt from the Nondefaulting Party, of an itemized invoice for the costs incurred by the Nondefaulting Party in correcting the Deficiencies and/or maintaining the Common Area on the Defaulting Party's Tract, pay such costs to the Nondefaulting Party, plus an administrative fee in the amount of 10% of the costs. If the invoice is not paid within said five-day period, interest on the amount due under the invoice from the date of the invoice shall be paid by the Defaulting Party at U.S. National Bank of Oregon's prime rate of interest (or if it no longer exists a comparable regional national bank located in Oregon, plus two percent (2%) per annum until paid.

The Defaulting Party may reassume maintenance of the Common Area on its Tract upon: (i) paying any and all amounts, including interest and administrative fees, then due the Non-Defaulting Party, and (ii) providing the Nondefaulting Party with reasonable assurance that it will maintain the Tract in accordance with the requirements of Section 4.2(a) above.

(g) In the event any of the Common Area is damaged or destroyed by any cause whatsoever, whether insured or uninsured, during the term of this DEC, other than damage caused by ordinary use or wear and tear, the Party upon whose Tract such Common Area

is located shall repair or restore such Common Area at its sole cost and expense with all due diligence; provided that no Party shall be required to expend more than \$250,000 in Constant Dollars in excess of insurance proceeds which may be available (or which would have been available except for a Party's failure to obtain insurance coverage as required herein or for elections relating to deductibles or self-insurance for which the Party shall be responsible to contribute) for such repair or restoration. Notwithstanding the limitation set forth in the preceding sentence, a Party may require another Party to do such restoration work if the requiring Party has agreed in writing to pay the costs in excess of such sum. Except to the extent limited by 5.4 hereof, in the event such damage or destruction of Common Area is caused in whole or in part by another Party or third Person, the Party obligated to make such repair or restoration reserves and retains the right to proceed against such other Party or third Person for indemnity, contribution or damages.

(h) Notwithstanding anything else in this Section 4.2 to the contrary, so long as the City of Yuba City is the owner of Parcel 8, it shall, at its own cost and expense, maintain, repair, and/or replace the portions of the Common Area located on its Parcel in accordance with the requirements of this Section 4.2. It is recognized and acknowledged that certain maintenance items within the Common Area of the entire Shopping Center benefit Parcel 8 and cannot be practically segregated from or allocated to Parcel 8. These items are the maintenance, repair, and/or replacement of the Common Area parking lot lighting (including the bollard lights on Parcel 8), the paved drive and parking areas, the landscaping and irrigation of areas on the exterior boundary of the Shopping Center, and the Common Utility Lines (the "Nonallocable Items"). The City of Yuba City, as the owner of Parcel 8, shall, in addition to maintaining, repairing, and/or replacing the portions of the Common Area located on Parcel 8, pay the Operator, or if there is not an Operator, the Party which has or will be paying for same, its pro rata share of that portion of the Common Area Maintenance Costs and Administration Fee, which is attributable to Nonallocable Items at the times and in the manner set forth in this Section 4.2. In the event the City of Yuba City no longer owns Parcel 8, this Section 4.2(h) shall be null and void and the Common Area Maintenance Costs and Administration Fee shall be shared pro rata as provided in the remainder of this Section 4.2.

4.3 Building Improvements.

(a) After completion of construction, each Party covenants and agrees to maintain and keep the exterior portion of the building improvements, if any, located on its Tract in first-class condition and state of repair in a manner consistent with other first-class retail developments of comparable size in the Sacramento, California area, in compliance with all governmental laws, rules, regulations, orders, and ordinances exercising jurisdiction thereover, and in compliance with the provisions of this DEC. Each Party further agrees to store all trash and garbage in adequate containers, to locate such containers so that they are not readily visible from the parking area, and to arrange for regular removal of such trash or garbage.

(b) In the event any of the building improvements are damaged by fire or other casualty (whether insured or not), the Party upon whose Tract such building improvements are located shall, subject to governmental regulations and/or insurance adjustment delays, immediately remove the debris resulting from such event and provide a sightly barrier, and within a reasonable time thereafter shall either (i) repair or restore the building improvements so damaged to a complete unit, such repair or restoration to be performed in accordance with all provisions of this DEC, or (ii) erect other building improvements in such location, such construction to be performed in accordance with all provisions of this DEC, or (iii) demolish the damaged portion and/or the balance of such building improvements and restore the cleared area to either a hard surface condition or a landscaped condition in which event the area shall be Common Area until a replacement building is erected. Such Party shall have the option to choose which of the foregoing alternatives to perform, but such Party shall be obligated to perform one of such alternatives. Such Party shall give notice to each other Party within ninety (90) days from the date of such casualty of which alternative it elects.

ARTICLE 5 OPERATION OF THE SHOPPING CENTER

5.1 Uses.

(a) Subject to the limitations set forth in this Section 5.1, no part of the Shopping Center shall be used or occupied for purposes other than retail sales, Banking Offices, Restaurants and Fast Food Restaurants (defined below). The term "Banking Office" shall mean an office which provides banking services directly to consumers. PROVIDED, HOWEVER, except for the limited authorized uses set forth in Sections 5.1(c)(i), (ii) and (iii) and Section 5.1(e), Parcel 8 shall be used only for civic, city governmental and/or non-profit Business Offices (defined in Section 5.1(c)(i)).

(b) No use shall be permitted in the Shopping Center which is inconsistent with the operation of a first-class retail shopping center. Without limiting the generality of the foregoing, the following uses shall not be permitted:

(i) Any use which emits an obnoxious odor, noise, or sound which can be heard or smelled outside of any building in the Shopping Center; however, this provision shall not be interpreted to restrict the Occupant of the Waremart Tract from conducting its supermarket operations thereon, including a bakery, in the ordinary course of its business, provided that the Occupant of the Waremart Tract shall take measures normally taken by first-class supermarket operations and shopping centers to limit the emission of odors;

(ii) Any operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural, or mining operation;

(iii) Any "second hand" store or "surplus" store except those such as Ross Dress For Less or T.J. Maxx;

(iv) Any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, or maintenance);

(v) Any dumping, disposing, incineration, or reduction of garbage (exclusive of garbage compactors or other future technology no more intrusive than garbage compactors located near the rear of any building);

(vi) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;

(vii) Any central laundry, dry cleaning plant, or laundromat; provided, however, this prohibition shall not be applicable to: 1) nominal supportive facilities for on-site service oriented to pickup and delivery by the ultimate consumer as the same may be found in retail shopping districts in the metropolitan area where the Shopping Center is located; and 2) the operation of on-site laundry facilities within a store which services only the internal needs of that store and does not provide laundry services to the general public;

(viii) Any automobile, truck, trailer, boat or recreational vehicles sales, leasing, display, body shop or repair operation;

(ix) any entertaining or recreational facility which includes movie and live performance theater(s), bowling lanes, skating rink, gym, dance hall, billiard or pool hall, massage parlor or similar facility;

(x) Any living quarters, sleeping apartments, or lodging rooms;

(xi) Any veterinary hospital or animal raising facilities (except that this prohibition shall not prohibit pet shops);

(xii) Any mortuary or funeral home;

(xiii) Any adult book or adult video store or establishment selling or exhibiting pornographic materials or drug-related paraphernalia;

(xiv) Any bar, tavern or other establishment whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds fifteen per cent (15%) of the gross revenues of such business;

(xv) Any health spa, fitness center, gym or workout facility;

(xvi) Any flea market, amusement or video arcade (except up to five electronic games shall be allowed if incidental to any permitted use);

(xvii) Any training or educational facility, including but not limited to: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided however, this prohibition shall not be applicable to on-site employee training by an Occupant incidental to the conduct of its business at the Shopping Center; or

(xviii) Any gambling facility or operation, including but not limited to: off-track or sports betting parlor; table games such as black-jack or poker; slot machines, video poker/black-jack/keno machines or similar devices; or bingo hall. Notwithstanding the foregoing, this prohibition shall not apply to governmental sponsored gambling activities, or charitable gambling activities, so long as such governmental and/or charitable activities are incidental to the business operation being conducted by the Occupant.

(c) The following additional uses and occupancy restrictions shall apply:

(i) No part of the Shopping Center shall be used or occupied as a Business Office or a Retail Office. PROVIDED, HOWEVER, this prohibition shall not be applicable to: (1) Business Offices located within a building which only services the internal needs of that store and does not provide business office services to the general public; and (2) Parcel 8 may be used for civic, city governmental and/or non-profit Business Offices. The term "Business Office" shall mean an office which does not provide services directly to consumers and the term "Retail Office" shall mean an office, other than a Banking Office, which provides services directly to consumers, including, but not limited to, real estate agencies, stock brokerages, title and escrow companies, insurance agencies and medical, dental and legal clinics.

(ii) No Restaurant shall be located in the Shopping Center other than: (1) Fast Food Restaurant(s) may be located on Parcel 5 so long as each Fast Food Restaurant located on Parcel 5 does not exceed 2,000 square feet of Floor Area; (2) a Restaurant whose primary method of service is for orders to be taken and food to be served by a waitperson at the customers' table may be located solely on Parcel 6; (3) a Fast Food Restaurant may be located on Parcel 7; and (4) a kiosk containing not more than 100 square feet may, subject to the Approving Party's prior written approval, be located on Parcel 8 and used for the sale of coffee and pastries. PROVIDED, HOWEVER, this prohibition shall not be applicable to the operation of a Restaurant or a Fast Food Restaurant which is incidental to the Occupants' primary purpose. The term "Restaurant" shall mean any operation or business which requires a governmental permit, license and/or authorization to prepare and/or serve food for either on or off site consumption. For the purpose of this section only, a Restaurant shall be an "incidental operation" if it occupies less than fifteen

percent (15%) of the Occupant's Floor Area and does not have a separate customer entry/exit door to the outside of the building. For purposes of this section only, the term "Fast Food Restaurant" shall mean a restaurant whose marketing strategy is based on preparing and dispensing food orders in a limited period of time. The term "Fast Food Restaurant" shall not, however, include a restaurant whose primary marketing strategy is selling pizzas. Without limitation and for illustrative purposes, Fast Food Restaurant(s) include the following:

Burger King
Wendy's
Carl's Jr
Taco Bell
Arby's
Kenny Rogers
Subway
Starbuck's Coffee

Hardy's
McDonalds
Jack In The Box
Roy Rogers
Taco Time
Boston Market
Blimpie
TCBY

(iii) No portion of Parcel 8 shall, without the Approving Party's prior written approval, be used: (1) for retail sales, PROVIDED, HOWEVER, the owner of Parcel 8 may lease not more than 500 square feet of the building located on Parcel 8 to a civic, city governmental or other non-profit organization for the sale of locally-grown products, historical guides, artifacts and tourist-style gift items, and to distribute community information; or (2) for a Banking Office (defined in Section 5.1(a)).

(d) Until such time as Waremart constructs and operates a supermarket on the Waremart Tract, and thereafter, for so long as the Waremart Tract is being used or has during any portion of the immediately preceding twelve (12) months been so used as a retail grocery operation, no portion of the Shopping Center, other than the Waremart Tract, shall be used as a retail grocery store operation (which is hereby defined to mean any store, bakery or delicatessen, engaged in the sale of food products for off-premises preparation and consumption). This restriction shall not be deemed to prevent or prohibit the sale of such food products from not more than 2,000 square feet of Floor Area by an Occupant of Parcels 2, 3, 4, 5, 6 or 7. This restriction may be waived or modified solely by the owner of the Waremart Tract in writing by an instrument recorded in the real property records of Sutter County, California. The twelve-month period referred to in this section shall not include any period during which the particular use lapses due to force majeure conditions or damage, destruction, condemnation, or remodeling of the building on the Waremart Tract so long as Waremart or its successor(s) diligently proceeds with such repair and restoration of such building reasonably calculated to permit resumption for such use.

(e) No merchandise, equipment or services, including but not limited to vending machines, promotional devises and similar items, shall be displayed, offered for sale or lease, or stored within the Common Area; provided however, that the foregoing prohibition shall not be applicable to (i) the storage of shopping carts; (ii) the seasonal display and sale

of bedding plants on the sidewalk in front of any building located on the Waremart Tract or the remaining Inline Tracts; (iii) temporary Shopping Center promotions, except that no promotional activities will be allowed in the Common Area without the prior written approval of the Approving Party which may be withheld in its sole and absolute discretion; or (iv) newspaper distribution stands and similar public service items. In addition, if a recycling center or equipment is required by law to be located in the Shopping Center, the location thereof shall be subject to the approval of the Parties. Notwithstanding the foregoing, the Occupant of the Waremart Tract shall be permitted:

(i) To have vending carts and the display and sale of merchandise and ready-to-eat products on sidewalks directly in front of the building located on the Waremart Tract, provided that said Occupant maintains said sidewalks at its sole cost in a neat and clean manner;

(ii) To locate a video tape return box in the parking lot of the Waremart Tract at the location shown on the Site Plan. provided that it does not protrude into any driveways and its use does not hinder or restrict the flow of traffic within the Shopping Center;

(iii) To conduct seasonal or promotional sales of merchandise from the Waremart Tract subject to the following restrictions:

(1) sales shall be limited to not more than sixty (60) days per calendar year;

(2) the sales area shall be limited to not more than 56 parking spaces within the area designated on the Site Plan as the "Outside Sales Area;"

(3) all booths, stands, displays and other structures erected in connection therewith shall be promptly removed by said Occupant of the Waremart Tract upon termination of said activities;

(4) the Occupant of the Waremart Tract shall be responsible for cleaning the Common Area where the sale is held during the sale and for restoring its condition to that existing immediately prior to said sale at the sole cost and expense of the Occupant of the Waremart Tract. In the event said Occupant does not clean or repair such area promptly, the Operator (or if there is not an Operator then any other Party) may do so and charge the cost thereof to said Occupant of the Waremart Tract; and

(5) the parking lot sales shall not interfere with the free movement of vehicular traffic within the Shopping Center or with access to or from the Shopping Center.

The Occupant of Parcels 2, 3 and 4 shall, subject to the same limitations set forth above in this Section 5.1(e), be permitted to conduct seasonal or promotional sales and merchandise from a sales area having no more than ten (10) parking spaces within the area shown on the Site Plan as the "Outside Sales Area" for the applicable Tract.

The Occupant of Parcel 6 may use the area designated on Exhibit G as the "Outdoor Dining Area" as an outdoor dining area, subject to the following restrictions: (1) the Outdoor Dining Area shall be cordoned off from the Outdoor Patio Area (which is designated as such on Exhibit G) and the Public Plaza (which is designated as such on Exhibit G) with temporary, movable bollards, ropes, fences and/or similar barriers; (2) all tables, stands, displays or other structures used or erected in connection with outdoor dining shall not be permanently affixed to the Outdoor Dining Area; and (3) the Occupant of Parcel 6, at its sole cost and expense, shall be responsible for cleaning the Outdoor Dining Area and maintaining it in good repair. In the event the Occupant of Parcel 6 does not promptly clean or repair such area, the Operator (or if there is not an Operator, then any other Party) may do so and charge the cost thereof to the owner of Parcel 6.

The Occupant of Parcel 6 may also, with the prior written consent of the owner of Parcel 8, use all or a portion of the area designated on Exhibit G as the "Outdoor Patio Area" for special events, such as weddings and receptions, subject to the following restrictions: (1) the special events shall be limited to a total of not more than six (6) days per calendar month; (2) that portion of the Outdoor Patio Area which is used for the special event shall be cordoned off from the remainder of the Outdoor Patio Area, and the Public Plaza (which is designated as such on Exhibit G) with temporary movable bollards, ropes, fences and/or similar barriers; (3) all tables, stands, displays or other structures used or erected in connection with the special event(s) shall not be permanently affixed to the Outdoor Patio Area and shall be promptly removed by the Occupant of Parcel 6 upon termination of said activities; and (4) the Occupant of Parcel 6, at its sole cost and expense, shall be responsible for cleaning the portion of the Outdoor Patio Area where the special event(s) was held, and for restoring its condition to that existing immediately prior to the special event(s). In the event the Occupant of Parcel 6 does not promptly clean or repair such area, the Operator (or if there is not an Operator, then any other Party) may do so and charge the cost thereof to the owner of Parcel 6.

The Occupant of Parcel 8 may use all or a portion of the Outdoor Patio Area for outdoor community events subject to the following restrictions: (1) the community event(s) shall be limited to a total of not more than six (6) days per calendar month; (2) the portion of the Outdoor Patio Area used for the community event shall be cordoned off from the remainder of the Outdoor Patio Area and the Public Plaza with temporary movable bollards, ropes, fences and/or similar barriers; (3) all tables, displays or other structures used or erected in connection with the community event(s) shall be promptly removed by the Occupant of Parcel 8 upon termination of said activities; and (4) the Occupant of Parcel 8, at its sole cost and expense, shall be responsible for cleaning the portion of the Outdoor Patio Area where the community event(s) was held, and for restoring its condition to that existing immediately prior to the community event(s). In the event the Occupant of

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Parcel 8 does not promptly clean or repair such area, the Operator (or if there is not an Operator, then any other Party) may do so and charge the cost thereof to the owner of Parcel 8.

The Occupants of Parcels 6 and 8 may trade or aggregate among themselves the days allowed for the use of the Outdoor Patio Area for special events or community events, as provided in the foregoing two paragraphs, so long as the total of the days used for such events do not exceed twelve (12) days in any calendar month. The Outdoor Patio Area may not be used more than a total of twelve (12) days per calendar month for special or community events and special and community event days may not be carried over from one month to the next.

The Occupant of Parcel 8 may, with the prior written consent of the owner of Parcel 6, use all or a portion of the Outdoor Dining Area in conjunction with its use of the Outdoor Patio Area for a community event, as described in the foregoing paragraph, subject to the following restrictions: (1) the use of the Outdoor Dining Area by the Occupant of Parcel 8 shall be limited to a total of not more than two (2) days per calendar month; (2) the portion of the Outdoor Dining Area and the Outdoor Patio Area used for the community event shall be cordoned off from the remaining portion of the Outdoor Dining Area and Outdoor Patio Area and from the Public Plaza with temporary movable bollards, ropes, fences and/or similar barriers; (3) all tables, stands, displays or other structures used or erected in connection with the community event shall be promptly removed by the Occupant of Parcel 8 upon termination of said activities; and (4) the Occupant of Parcel 8, at its sole cost and expense, shall be responsible for cleaning that portion of the Outdoor Dining Area where the community event(s) was held and for restoring its condition to that existing immediately prior to the community event(s). In the event the Occupant of Parcel 8 does not promptly clean or repair such area, the Operator and/or the Occupant of Parcel 6 (or if there is not an Operator, then any other Party) may do so and charge the cost thereof to the owner of Parcel 8. No community event may occupy both a portion of the Outdoor Patio Area and a portion of the Outdoor Dining Area for more than two days in any calendar month.

Except as otherwise provided herein (when it is being used for special events or community events in accordance with the terms of this Section 5.1(e)), the Outdoor Patio Area shall be open for use by Permittees.

(f) The name "Waremart" shall not be used to identify the Shopping Center or any business or trade conducted in the Shopping Center, other than on the Waremart Tract, without Waremart's prior written consent. The Shopping Center shall be called by such name as the Approving Party may from time to time designate.

(g) Except to the extent required by law, no Permittee shall be charged for the right to use the Common Area; for the purpose of this provision, a tax assessment or other form of charge applicable to parking spaces or parking lots may be deemed by the Approving Party an imposition required by law.

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(h) In order to minimize interference with normal customer parking within the Shopping Center, each Party shall cause the employees of the Occupants of its Tract to park their vehicles only in the parking spaces designated as "Employee Parking" on the Site Plan, and as to such parking spaces, each owner of the Tract upon which said employee parking spaces are located shall designate the same on its Tract by painting the letter "E" of such size and color as to be readily observable in daylight hours to users of the parking areas in each such space.

(i) This DEC is not intended to, and does not, create or impose any obligation on a Party to operate, continuously operate, or cause to be operated a business or any particular business at the Shopping Center or on any Tract.

5.2 Lighting.

(a) After completion of the Common Area lighting system on its Tract, each Party hereby covenants and agrees to keep its Tract fully illuminated each day from dusk to at least 12:00 midnight. Each Party further agrees to, except to the extent additional lighting is required herein, keep the lights in the Common Area on its Tract illuminated from dusk until dawn at not less than 25% of full capacity and to keep any exterior building security lights on from dusk until dawn. During the term of this DEC, each Party grants an irrevocable license to each other Party for the purpose of permitting the lighting from one Tract to incidentally shine on the adjoining Tract.

(b) It is recognized that the Occupant of the Waremart Tract may be open for business at different hours than the Occupants of the remaining Tracts in the Shopping Center, and that the Occupant of the Waremart Tract may wish to have the Common Area lights located on certain portions of the remaining Tracts in the Shopping Center and the Waremart Tract illuminated before and/or after the period required in (a) above. Notwithstanding anything to the contrary in this DEC, the owner of the Waremart Tract may require that the Common Area lights located on the Waremart Tract and on a portion of the remaining Tracts in the Shopping Center to be installed or modified so that the owner of the Waremart Tract controls the Common Area lights located on the Waremart Tract and a portion of the remaining Tracts in the Shopping Center (the "Affected Tracts") and may cause these Common Area lights to be operated before and/or after the period required in (a) above. The owner of the Waremart Tract shall be initially responsible for the payment of utility and maintenance charges incurred for the operation of the Common Area lighting on the Waremart Tract and the Affected Tracts. The owner(s) of the Affected Tracts shall, however, reimburse the owner of the Waremart Tract for that portion of utility and maintenance charges attributable to operating and maintaining the Common Area lights located on their Tract during the period required in (a) above and shall promptly pay the same upon receipt of an invoice from the owner of the Waremart Tract for the same.

5.3 Occupant Signs.

(a) No freestanding sign shall be permitted within the Shopping Center unless constructed in areas designated on the Site Plan, and only one such sign may be located in each designated area. The freestanding signs at the Shopping Center shall be utilized as follows:

(i) Two pylon signs at the approximate location shown on the Site Plan as Pylon Sign A and Pylon Sign B (collectively the "Center Signs");

(ii) The design and construction of and the panel inserts on the Center Signs shall be subject to the prior approval of the Approving Party, which approval shall not be unreasonably denied or delayed. PROVIDED, HOWEVER:

(1) The initial design and construction of the Center Signs shall substantially conform to that depicted in Exhibit F attached hereto.

(2) The Occupant(s) of Parcel 8 shall not be entitled to any signage on the Center Signs;

(3) The Occupant(s) of the Waremart Tract shall be entitled to exclusive use of a reader board on each of the Center Signs, if allowed by applicable governmental agencies;

(4) The Occupant(s) of the Waremart Tract shall be entitled to use the sign panels shown for its Tract on Exhibit F and to, in its sole discretion, determine whether its sign panel will have the highest location on the panel(s) on the Center Signs; and

(5) The Occupants of Parcels 2, 3, 4, 5, 6 and 7 shall be entitled to use the sign panels shown for its Tract on Exhibit F, PROVIDED, HOWEVER, each such Tract shall only be entitled to one sign panel for its Tract and to only identify one business on that sign panel.

(6) The cost of maintaining, and operating each of the Center Signs shall be allocated to and paid by the Owner of each Tract in the proportion that the square footage of the available sign panel for the applicable Tract bears to the total square footage of the available sign panels for the applicable Center Sign; PROVIDED, HOWEVER, each Party shall maintain its own sign facia.

This section shall not be interpreted to restrict the Occupant of the Waremart Tract from erecting a flag pole at the location shown on the Site Plan and displaying thereon only the United States flag and/or the State of California flag, provided that the same is

permitted by local ordinances and regulations, and provided further that the said Occupant exercises proper care in the maintenance and display of said flag(s) and flag pole.

(b) The location, size and design of monument signs, if any, on Parcels 5, 6, 7 and 8 shall, in addition to the approval of the applicable governmental agency(s), be subject to the prior written approval of the Approving Party, which approval may be withheld in the Approving Party's sole discretion.

(c) All Occupant identification signs attached to the exterior of a building must be approved in writing by the Approving Party and shall not be:

(i) placed on canopy roofs extending above the building roof, placed on penthouse walls, or placed so as to project above the parapet, canopy, or top of the wall upon which it is mounted;

(ii) placed at any angle to the building; provided, however, the foregoing shall not apply to any sign located under a sidewalk canopy if such sign is at least eight (8) feet above the sidewalk;

(iii) painted on the surface of any building;

(iv) flashing or audible signs;

(v) signs employing exposed raceways (unless the raceway is the same color as the building), exposed ballast boxes, or exposed transformers; or

(vi) paper or cardboard signs, temporary signs (exclusive of contractor signs), stickers or decals; provided, however, the foregoing shall not prohibit the placement at the entrance of each Occupant's space a small sticker or decal, indicating hours of business, emergency telephone numbers, acceptance of credit cards, and other similar bits of information.

Notwithstanding the above, the Occupant of the Waremart Tract, during such time as it is operating a supermarket thereon, may also display professionally prepared temporary signs and banners for in-store promotions.

Unless approved by the Approving Party, and further subject to any necessary governmental approvals, no Occupant of less than forty thousand (40,000) square feet of Floor Area shall have an exterior sign which identifies leased departments, and/or concessionaires nor, shall such sign identify specific brands or products for sale or services offered within a business establishment, unless such identification is used as part of the Occupant's trade name.

(d) Notwithstanding anything above to the contrary, each Party shall be permitted to place within the Common Area located on its Tract directional signs or informational

signs such as "Handicapped Parking", the temporary display of leasing information and the temporary erection of one sign identifying each contractor working on a construction job.

5.4 Insurance.

(a) Each Party (as to its Tract only) shall maintain or cause to be maintained in full force and effect Commercial General Liability Insurance with a combined single limit of liability of not less than Five Million Dollars (\$5,000,000.00) in Constant Dollars for bodily or personal injury or death, and for property damage, arising out of any one occurrence; the other Parties shall be "additional insureds" under such policy.

Each Party ("Indemnitor") covenants and agrees to defend, protect, indemnify and hold harmless each other Party ("Indemnitee") from and against all claims, including any action or proceedings brought thereon, and all costs, losses, expenses and liability (including reasonable attorney's fees and cost of suit) arising from or as a result of the injury to or death of any Person, or damage to the property of any Person located on the Tract owned by each Indemnitor, except for claims caused by the negligence or willful act or omission of such Indemnitees, its licensees, concessionaires, agents, servants, or employees, or the agents, servants, or employees of any licensee or concessionaire thereof.

(b) Prior to commencing any construction activities within the Shopping Center, each Party shall obtain or require its contractor to obtain and thereafter maintain so long as such construction activity is occurring, at least the minimum insurance coverages in Constant Dollars set forth below:

- (i) Workers' Compensation - statutory limits
- (ii) Employers' Liability - \$500,000
- (iii) Comprehensive General/Commercial General Liability and Business Auto Liability as follows:
 - (1) Bodily Injury - \$1,000,000 per occurrence
 - (2) Property Damage - \$1,000,000 per occurrence
 - (3) Independent Contractors Liability; same coverage as set forth in (1) and (2) above;
 - (4) Products/Completed Operations Coverage which shall be kept in effect for two (2) years after completion of work;
 - (5) "XCU" Hazard Endorsement, if applicable;
 - (6) "Broad Form" Property Damage Endorsement;

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(7) "Personal Injury" Endorsements;

(8) "Blanket Contractual Liability" Endorsement.

If the construction activity involves the use of another Party's Tract, then the owner of such Tract shall be an additional insured and such insurance shall provide that the same shall not be canceled, or reduced in amount or coverage below the requirements of this DEC, without at least thirty (30) days prior written notice to the named insureds and each additional insured. If such insurance is canceled or expires then the constructing Party shall immediately stop all work on or use of the other Party's Tract until either the required insurance is reinstated or replacement insurance obtained.

(c) Effective upon the commencement of construction of any building on its Tract and so long as such building exists, a Party shall carry, or cause to be carried, casualty insurance with "extended" or "all-risk" coverage, in the amount of 100% of full replacement cost thereof (excluding footings, foundations or excavations).

Each Party (the "Releasing Party") hereby releases and waives for itself, and each Person claiming by, through or under it, each other Party (the "Released Party") from any liability for any loss or damage to all property of such Releasing Party located upon the Releasing Party's Tract, which loss or damage is of the type covered by the insurance required to be maintained under Section 5.4(c), irrespective either of any negligence on the part of the Released Party which may have contributed to or caused such loss, or of the amount of such insurance required or actually carried, including any deductible or self insurance reserve. Each Party agrees to use its reasonable efforts to obtain, if needed, appropriate endorsements to its policies of insurance with respect to the foregoing release; provided, however, that failure to obtain such endorsements shall not affect the release hereinabove given. Each Party ("Indemnitor") covenants and agrees to indemnify, defend and hold harmless each other Party ("Indemnitee") from and against all claims asserted by or through any Permittees of the Indemnitor's Tract for any loss or damage to the property of such Permittee located upon the Indemnitor's Tract, which loss or damage is covered by the insurance required to be maintained under Section 5.4(c), irrespective of any negligence on the part of the Indemnitee which may have contributed to or caused such loss.

(d) All insurance required by Section 5.4 shall be procured from companies licensed in the state where the Shopping Center is located and shall be rated by Best's Insurance Reports not less than A/VII. All insurance may be provided under (i) an individual policy covering this location, (ii) a blanket policy or policies which includes other liabilities, properties and locations of such Party; provided, however, that if such blanket commercial general liability insurance policy or policies contain a general policy aggregate of less than \$20,000,000 in Constant Dollars, then such insuring Party shall also maintain excess liability coverage necessary to establish a total liability insurance limit of \$20,000,000 in Constant Dollars, (iii) a plan of self-insurance, provided that any Party so self-insuring notifies the other Parties of its intent to self-insure and agrees that upon request it shall deliver to such other Parties each calendar year a copy of its annual report that is audited

by an independent certified public accountant which discloses that such Party has \$80,000,000 in Constant Dollars or more of net worth, determined in accordance with generally accepted accounting principles; and (iv) a combination of any of the foregoing insurance programs. To the extent any deductible is permitted or allowed as a part of any insurance policy carried by a Party in compliance with Section 5.4, such Party shall be deemed to be covering the amount thereof under an informal plan of self-insurance; provided, however, that in no event shall any deductible exceed \$50,000.00 in Constant Dollars unless such Party complies with the requirements regarding self-insurance pursuant to (iii) above. Each Party agrees to furnish to any Party requesting the same, a certificate(s) of insurance evidencing that the insurance required to be carried by such Person is in full force and effect.

The insurance required pursuant to Sections 5.4(a) and (b) above shall include the following provisions:

(i) shall provide that the policy may not be canceled or reduced in amount or coverage below the requirements of this DEC, without at least thirty (30) days prior written notice by the insurer to each insured and to each additional insured;

(ii) shall provide for severability of interests;

(iii) shall provide that an act or omission of one of the insureds or additional insureds which would void or otherwise reduce coverage, shall not reduce or void the coverage as to the other named insureds; and

(iv) shall provide for contractual liability coverage with respect to the indemnity obligation set forth herein, provided, however, the coverage limits of such insurance shall in no event limit the indemnity obligations of any Party hereunder.

(e) Notwithstanding the requirements set forth in Sections 5.4(a) and (d) above, the City of Yuba City, as the owner of Parcel 8, may, in lieu of said liability insurance, provide self-insurance pursuant to California Government Code sections 990.4(a) and 990.8, so long as coverage for general liability with a combined single limit of liability is not less than Five Million Dollars (\$5,000,000) for bodily or personal injury or death, and for property damage, arising out of any one occurrence.

5.5 Taxes and Assessments. Each Party shall pay, or cause to be paid prior to delinquency, all taxes and assessments with respect to its Tract, the buildings, and improvements located thereon and any personal property owned or leased by such Party in the Shopping Center, provided that if the taxes or assessments or any part thereof may be paid in installments, the Party may pay each such installment as and when the same becomes due and payable. Nothing contained in this subsection shall prevent any Party from contesting at its cost and expense any such taxes and assessments with respect to its Tract in any manner such Party elects, so long as such contest is maintained with reasonable diligence and in good faith. At the time as such contest is concluded (allowing for appeal

to the highest appellate court), the contesting Party shall promptly pay all such taxes and assessments determined to be owing, together with all interest, penalties and costs thereon.

5.6 **Liens.** In the event any mechanic's lien is filed against the Tract of one Party as a result of services performed or materials furnished for the use of another Party, the Party permitting or causing such lien to be so filed agrees to cause such lien to be discharged within fifteen (15) days after the entry of a final judgment (after all appeals) for the foreclosure of such lien and further agrees to indemnify, defend, and hold harmless the other Party and its Tract against liabilities, losses, damages, costs or expenses (including reasonable attorneys' fees and cost of suit) on account of such claim of lien. Upon request of the Party whose Tract is subject to such lien, the Party permitting or causing such lien to be filed agrees to promptly cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. Nothing herein shall prevent a Party permitting or causing such lien from contesting the validity thereof in any manner such Party chooses so long as such contest is pursued with reasonable diligence. In the event such contest is determined adversely (allowing for appeal to the highest appellate court), such Party shall promptly pay in full the required amount, together with any interest, penalties, costs, or other charges necessary to release such lien.

ARTICLE 6 ENVIRONME. TAL MATTERS

6.1 **Duties of Users.** Except as provided in Section 6.2, neither the Parties nor any Occupant(s) shall release, generate, use, store, dump, transport, handle or dispose of any Hazardous Material within the Shopping Center or otherwise permit the presence of any Hazardous Material on, under or about the Shopping Center or transport any Hazardous Material to or from the Shopping Center. Any such use, handling or storage permitted under Section 6.2 shall be in accordance with all Environmental Laws and all other applicable laws, ordinances, rules and regulations now or hereafter promulgated by any governmental authority having jurisdiction thereof. Neither the Parties nor any Occupant(s) shall install, operate or maintain any above, below or at grade tank, sump, pit, pond, lagoon or other storage or treatment vessel or device on or about the Shopping Center unless plans therefor have been submitted to and approved by the Approving Party pursuant to Section 6.2 hereof. Each Party with respect to its Tract shall immediately notify the other Parties in writing of the following with respect to such Party's Tract: (i) any notice of violation or potential or alleged violation of any laws, ordinances or regulations which the Party shall have received from any governmental agency concerning the use, storage, release and/or disposal of Hazardous Materials; (ii) any and all inquiry, investigation, enforcement, cleanup, removal or other governmental or regulatory actions instituted or threatened relating to such Tract(s); (iii) all claims made or threatened by any third party relating to any Hazardous Materials; and (iv) any release of Hazardous Materials in a reportable quantity on or about the Shopping Center which such Party knows of or reasonably believes may have occurred. Such notice shall be accompanied by copies of any notices, inquiries or other documentation issued to the notifying Party in connection with such matters.

6.2 Permitted Use, Storage, Handling and Disposal of Hazardous Materials. Notwithstanding anything contained in Section 6.1 to the contrary, any Party, or any Occupant or Permittee may sell, store and use products containing Hazardous Materials in, on or about the Tract occupied by such Party, Occupant or Permittee or the Common Areas to the extent such products and/or equipment are incidental to normal shopping center operations, and are sold, stored or used in compliance with all applicable Environmental Laws. By way of example, and not limitation, such permitted materials may include paints, oils, solvents, sealers, adhesives and finishes, fertilizers, medicines, insecticides and rodent poisons and the like, which may be or contain Hazardous Materials, so long as such products are produced, packaged and purchased for retail sale and generally merchandised or sold in retail outlets or are normally used in maintaining or repairing shopping center improvements. A Party or an Occupant may also use other Hazardous Materials in connection with its use of its Tract if such Party or Occupant has received the Approving Party's prior consent to the same. The Approving Party shall not unreasonably withhold its consent provided (i) the Party demonstrates to the Approving Party's reasonable satisfaction that such Hazardous Materials (a) are necessary or useful to the Party's or its Occupant's business, (b) will be monitored, used, stored, handled and disposed of in compliance with all Environmental Laws, (c) will not endanger any persons or property and (d) will not invalidate or limit the coverage or increase the premiums of any insurance policy affecting or covering any portion of the Shopping Center, (ii) the Party or Occupant provides the Approving Party with such security as may be reasonably required by the Approving Party to help secure such Party's or Occupant's performance of its obligations under Section 6.3, and (iii) such Party or Occupant satisfies any other requirements any other Party may reasonably impose with respect to the Party's or Occupant's use of the subject Hazardous Materials.

6.3 Cleanup of Hazardous Materials. In the event Hazardous Materials are released within the Shopping Center in violation of any Environmental Law and such release occurred as a direct or indirect result of a Party's or its Occupant's or Permittee's use, handling, storage, or transportation of such Hazardous Material, as between the Parties, such Party or Occupant engaged in such activity shall be solely responsible and shall be liable for the prompt cleanup and remediation of any resulting contamination and all claims, costs, expenses (including reasonable attorney and consultant fees) and damages, including consequential damages, suffered by the other Party, Occupants and Permittees.

ARTICLE 7 MISCELLANEOUS

7.1 Default.

(a) The occurrence of any one or more of the following events shall constitute a material default and breach of this DEC by the non-performing Party (the "Defaulting Party"):

(i) The failure to make any payment required to be made hereunder within ten (10) days of the due date, or

(ii) The failure to observe or perform any of the covenants, conditions or obligations of this DEC, other than as described in (i) above, within thirty (30) days after the issuance of a written notice by another Party (the Non-Defaulting Party") specifying the nature of the default claimed.

(b) With respect to any default under Section (a)-(ii) above, any Non-Defaulting Party which is an Approving Party shall have the right, but not the obligation, to cure such default by the payment of money or the performance of some other action for the account of and at the expense of the Defaulting Party; provided, however, that in the event the default shall constitute an emergency condition, any such Non-Defaulting Party, acting in good faith, shall have the right to cure such default upon such advance notice as is reasonably possible under the circumstances or, if necessary, without advance notice, so long as notice is given as soon as possible thereafter. To effectuate any such cure, any such Non-Defaulting Party shall have the right to enter upon the Tract of the Defaulting Party (but not into any building) to perform any necessary work or furnish any necessary materials or services to cure the default of the Defaulting Party. Each Party shall be responsible for the default of its Occupants. In the event any Non-Defaulting Party shall cure a default, the Defaulting Party shall reimburse the Non-Defaulting Party for all costs and expenses incurred in connection with such curative action, plus interest as provided herein, within ten (10) days of receipt of demand, together with reasonable documentation supporting the expenditures made.

(c) Costs and expenses accruing and/or assessed pursuant to Section 7.1(b) above shall constitute a lien against the Defaulting Party's Tract. The lien shall attach and take effect only upon recordation of a claim of lien in the office of the Recorder of the County of the State in which the Shopping Center is located, by the Party making the claim. The claim of lien shall include the following:

- (i) The name of the lien claimant;
- (ii) A statement concerning the basis for the claim of lien and identifying the lien claimant as a curing Party;
- (iii) An identification of the owner or reputed owner of the Tract or interest therein against which the lien is claimed;
- (iv) A description of the Tract against which the lien is claimed;
- (v) A description of the work performed which has given rise to the claim of lien and a statement itemizing the amount thereof; and

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(vi) A statement that the lien is claimed pursuant to the provisions of this DEC, reciting the date, book and page of recordation hereof. The notice shall be duly verified, acknowledged and contain a certificate that a copy thereof has been served upon the Party against whom the lien is claimed, by personal service or by mailing pursuant to Section 7.4 below. The lien so claimed shall attach from the date of recordation solely in the amount claimed thereby and may be enforced in any judicial proceedings allowed by law, including without limitation, suit in the nature of a suit to foreclose a mortgage or mechanic's lien under the applicable provisions of the law of the State in which the Shopping Center is located.

(d) No waiver by any Party of any default under this DEC shall be effective or binding on such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take action in respect to such default. No express written waiver of any default shall affect any other default or cover any other period of time other than any default and/or period of time specified in such express waiver. One or more written waivers or any default under any provision of this DEC shall not be deemed to be a waiver of any subsequent default in the performance or the same provision or any other term or provision contained in this DEC.

(e) Each Non-Defaulting Party shall have the right to prosecute any proceedings at law or in equity against any Defaulting Party hereto, or any other Person, violating or attempting to violate or defaulting upon any of the provisions contained in this DEC, and to recover damages for any such violation or default. Such proceeding shall include the right to restrain by injunction any violation or threatened violation by another of any of the terms, covenants, or conditions of this DEC, or to obtain a decree to compel performance of any such terms, covenants, or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition (except those, if any, requiring the payment of a liquidated sum) is not adequate. All of the remedies permitted or available to a Party under this DEC or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

7.2 Interest.

Any time a Party shall not pay any sum payable hereunder to another within five (5) days of the due date, such delinquent Party shall pay interest on such amount from the due date to and including the date such payment is received by the Person entitled thereto, at the lesser of:

(i) The highest rate permitted by law to be paid on such type of obligation by the Person obligated to make such payment or the Person to whom such payment is due, whichever is less; or

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(ii) 2% per annum in excess of the prime rate from time to time publicly announced by United States National Bank of Oregon or its successor (or if it no longer exists a comparable regional national bank located in Oregon).

7.3 Estoppel Certificate.

Each Party agrees that upon written request (which shall not be more frequent than three (3) times during any calendar year) of any other Party, it will issue to such Person, or its prospective mortgagee or successor, an estoppel certificate stating to the best of the issuer's knowledge that as of such date:

(i) whether it knows of any default under this DEC by the requesting Person, and if there are known defaults, specifying the nature thereof;

(ii) whether this DEC has been assigned, modified or amended in any way by it and if so, then stating the nature thereof; and

(iii) whether this DEC is in full force and effect;

Such statement shall act as a waiver of any claim by the Person furnishing it to the extent such claim is based upon facts contrary to those asserted in the statement and to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts to the contrary of those contained in the statement, and who has acted in reasonable reliance upon the statement. The issuance of an estoppel certificate shall in no event subject the Person furnishing it to any liability for the negligent or inadvertent failure of such Person to disclose correct and/or relevant information, nor shall such issuance be construed to waive any rights of the issuer to either request an audit of the Common Area Maintenance Costs for any year it is entitled to do so, or challenge acts committed by other Parties for which approval by the Approving Party was required but not sought or obtained.

Notices.

All notices under this DEC shall be in writing and delivered either (i) in person, (ii) by reputable over-night delivery service, so long as delivery is made by obtaining a signed receipt, (iii) by certified mail, or (iv) by facsimile transmission, so long as the original notice is also forwarded by the method described in (i), (ii) or (iii).

WAREMART: Waremart, Inc.
8590 Fairview Avenue
P.O. Box 5756
Boise, ID 83705
Attn: Vice President, Real Estate
Fax Number: 208-377-0474

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Any notice give pursuant to this Agreement shall be deemed effective the day it is personally delivered or transmitted by facsimile, the day after it is delivered to the overnight delivery service, or three business days after the date it is deposited in the United States mail system.

Upon at least ten (10) days prior written notice, each Person shall have the right to change its address to any other address within the United States of America.

7.4 Approval Rights.

(a) Nothing contained in this DEC shall limit the right of a Party to exercise its business judgment, or act, in a subjective manner, with respect to any matter as to which it has specifically been granted such right, or the right to act in its sole discretion or sole judgment, whether "objectively" reasonable under the circumstances, and any such exercise shall not be deemed inconsistent with any covenant of good faith and fair dealing otherwise implied by law to be part of this DEC; and the Parties intend by this DEC to set forth their entire understanding with respect to the terms, covenants, conditions and standards pursuant to which their obligations are to be judged and their performance measured.

(b) Unless provision is made for a specific time period, each response to a request for an approval or consent shall be given by the Person to whom directed within thirty (30) days of receipt. Each disapproval shall be in writing and, subject to (a) above, the reasons shall be clearly stated. If a response is not given within the required time period, the requested Party shall be deemed to have given its approval.

7.5 Condemnation. In the event any portion of the Shopping Center shall be condemned, the award shall be paid to the Party owning the land or the improvement taken, except that (i) if the taking includes improvements belonging to more than one Party, such as Utility Lines or signs, the portion of the award allocable thereto shall be used to relocate, replace or restore such jointly owned improvements to a useful condition, and (ii) if the taking includes easement rights which are intended to extend beyond the term of this DEC, the portion of the award allocable to each such easement right shall be paid to the respective grantee thereof. In addition to the foregoing, if a separate claim can be filed for the taking of any other property interest existing pursuant to this DEC which does not reduce or diminish the amount paid to the Party owning the land or the improvement taken, then the owner of such other property interest shall have the right to seek an award for the taking thereof.

7.6 Binding Effect. The terms of this DEC and all easements granted hereunder shall constitute covenants running with the land and shall bind the real estate described herein and inure to the benefit of and be binding upon the signatories hereto and their respective successors and assigns who become Parties hereunder. This DEC is not intended to supersede, modify, amend, or otherwise change the provisions of any prior instrument affecting the land burdened hereby.

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7.7 Construction and Interpretation.

(a) This DEC and the Exhibits hereto contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Any prior negotiations, correspondence, memoranda or agreements are superseded in total by this DEC and Exhibits hereto. This DEC has been fully negotiated at arms length between the signatories hereto, and after advice by counsel and other representatives chosen by such signatories, and such signatories are fully informed with respect thereto; no such signatory shall be deemed the scrivener of this DEC; and, based on the foregoing, the provisions of this DEC and the Exhibits hereto shall be construed as a whole according to their common meaning and not strictly for or against any Party.

(b) Whenever required by the context of this DEC, (i) the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa and (ii) use of the words "including", "such as", or words of similar import, when following any general term, statement or matter shall not be construed to limit such statement, term or matter to specific items, whether or not language of non-limitation, such as "without limitation", or "but not limited to", are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest scope of such statement, terms or matter.

(c) The captions preceding the text of each article and section are included only for convenience of reference. Captions shall be disregarded in the construction and interpretation of this DEC. Capitalized terms are also selected only for convenience of reference and do not necessarily have any connection to the meaning that might otherwise be attached to such term in a context outside of this DEC.

(d) Invalidation of any of the provisions contained in this DEC, or of the application thereof to any person by judgment or court order shall in no way affect any of the other provisions hereof or the application thereof to any other person and the same shall remain in full force and effect.

(e) This DEC may be amended by, and only by, a written agreement signed by the then current Approving Party and shall be effective only when recorded in the county and state where the Shopping Center is located; provided, however, that no such amendment shall impose any materially greater obligation on, or materially impair any right of a party or its Tract without the consent of such party. No consent to the amendment of this DEC shall ever be required of any Occupant or Person other than the Parties. Each Party may consider, approve or disapprove any proposed amendment to this DEC in its sole and absolute discretion without regard to reasonableness or timeliness.

(f) This DEC may be executed in several counterparts, each of which shall be deemed an original. The signatures to this DEC may be executed and notarized on separate pages, and when attached to this DEC shall constitute one complete document.

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7.8 Negation of Partnership. None of the terms or provisions of this DEC shall be deemed to create a partnership between or among the Parties in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. Each Party shall be considered a separate owner, and no Party shall have the right to act as an agent for another Party, unless expressly authorized to do so herein or by separate written instrument signed by the Party to be charged.

7.9 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Shopping Center or of any Tract or portion thereof to the general public, or for any public use or purpose whatsoever. Except as herein specifically provided, no right, privileges or immunities of any Party hereto shall inure to the benefit of any third-party Person, nor shall any third-party Person be deemed to be a beneficiary of any of the provisions contained herein.

7.10 Excusable Delays. Whenever performance is required of any Person hereunder, such Person shall use all due diligence to perform and take all necessary measures in good faith to perform; provided, however, that if completion of performance shall be delayed at any time by reason of acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, unavailability of labor or materials, damage to work in progress by reason of fire or other casualty, or any cause beyond the reasonable control of such Person, then the time for performance as herein specified shall be appropriately extended by the amount of the delay actually so caused. The provisions of this section shall not operate to excuse any Person from the prompt payment of any monies required by this DEC or the performance of any indemnity obligations hereunder.

7.11 Mitigation of Damages. In all situations arising out of this DEC, all Parties shall attempt to avoid and mitigate the damages resulting from the conduct of any other Party. Each Party hereto shall take all reasonable measures to effectuate the provisions of this DEC.

7.12 DEC Shall Continue Notwithstanding Breach. It is expressly agreed that no breach of this DEC shall (i) entitle any Party to cancel, rescind, or otherwise terminate this DEC, or (ii) defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to any part of the Shopping Center. However, such limitation shall not affect in any manner any other rights or remedies which a Party may have hereunder by reason of any such breach.

7.13 Time. Time is of the essence of this DEC.

7.14 No Waiver. The failure of any Party to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies which that Party may have hereunder, at law or in equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

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7.15 Limitation of Liability.

(a) Except as specifically provided below, there shall be absolutely no corporate or personal liability of persons, firms, corporations or entities who constitute a Party hereto, including, but not limited to, officers, directors, employees or agents of a party hereto with respect to any of the terms, covenants, conditions, and provisions of this DEC. In the event of default by a Defaulting Party hereunder (as defined in Section 7.1) any Non-Defaulting Party (as defined in Section 7.1 hereof) who seeks recovery from a Defaulting Party hereto shall look solely to the interest of such Defaulting Party, its successors and assigns, in the Shopping Center for the satisfaction of each and every remedy of the Non-Defaulting Party; provided, however, the foregoing shall not in any way impair, limit or prejudice the right of any Party:

(i) to pursue equitable relief in connection with any term, covenants or condition of this DEC, including a proceeding for temporary restraining order, preliminary injunction, permanent injunction or specific performance; and

(ii) to recover from another Party (or its guarantor) all losses suffered, liabilities incurred or costs imposed arising out of or in connection with, or on account of, such Party (or its guarantor) not funding its self insurance obligations which were assumed pursuant to Section 5.4 above.

ARTICLE 8 TERM

8.1 Term of this DEC. This DEC shall be effective as of the date first above written and shall continue in full force and effect until 11:59 p.m. on December 31, 2075; provided, however, that the easements referred to in Article II hereof which are specified as being perpetual or as continuing beyond the term of this DEC shall continue in force and effect as provided therein. Upon termination of this DEC, all rights and privileges derived from and all duties and obligations created and imposed by the provisions of this DEC, except as relates to the easements mentioned above, shall terminate and have no further force or effect; provided, however, that the termination of this DEC shall not limit or affect any remedy at law or in equity that a Party may have against any other Party with respect to any liability or obligation arising or to be performed under this DEC prior to the date of such termination.

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IN WITNESS WHEREOF, the Parties have caused this DEC to be executed effective as of the day and year first above written.

WAREMART, INC.

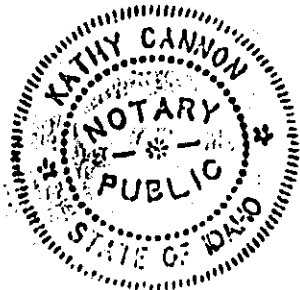
By *[Signature]*
Name GARY R PIVA
Its V.P. FINANCE

STATE OF CALIFORNIA)

County of Sutter)

On this 24th day of July in the year 1997, before me, Kathy Cannon, notary public, personally appeared GARY R. PIVA, known or identified to me, to be the VICE PRESIDENT of WAREMART, INC., who subscribed said corporate name to the foregoing instrument, and acknowledged to me that he executed the foregoing instrument on behalf of WAREMART, INC.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Kathy Cannon
Notary Public
Residing at Boise, Idaho
Comm. Expires 6/30/2001

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List of Exhibits

- Exhibit A Shopping Center Legal Description
- Exhibit B Site Plan
- Exhibit C Building Tie Exhibit
- Exhibit D Permanent Access Easement Exhibit
- Exhibit E Submission Guidelines
- Exhibit F Center Sign Design
- Exhibit G Outdoor Patio Area Exhibit

**EXHIBIT "A"****PROPERTY DESCRIPTION
PROPOSED PARCEL 1**

MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at a point in the Easterly line of that certain real property described in the Grant Deed to the Board of Church Extension of the Presbytery of Sacramento recorded in Vol. 527, Page 256, Official Records of said County, from which the Northeast corner of said Section 28 bears the following four (4) courses: (1) North 89°52'06" East 884.57 feet; (2) North 19°59'12" West 16.77 feet; (3) North 00°35'00" East 16.50 feet and (4) South 89°46'28" East 123.00 feet; thence from the point of beginning, leaving said Easterly line North 89°52'06" East 22.22 feet; thence South 00°07'54" East 651.95 feet; thence North 89°52'06" East 179.34 feet; thence South 00°07'54" East 54.26 feet; thence North 89°52'06" East 143.54 feet; thence North 00°07'54" West 292.11 feet; thence North 89°52'06" East 7.25 feet; thence North 00°07'54" West 247.50 feet; thence South 89°52'06" West 38.52 feet; thence North 00°07'54" West 166.60 feet; thence North 89°52'06" East 95.95 feet; thence South 00°07'54" East 44.60 feet; thence South 89°52'06" West 15.50 feet; thence South 00°07'54" East 92.00 feet; thence North 89°52'06" East 219.52 feet; thence South 00°07'54" East 277.50 feet; thence North 89°52'06" East 57.66 feet; thence South 00°07'54" East 241.62 feet; thence North 89°52'06" East 8.00 feet; thence South 00°07'54" East 35.00 feet; thence North 89°52'06" East 112.21 feet; thence South 00°07'54" East 88.42 feet; thence North 89°52'06" East 84.88 feet; thence North 00°07'54" West 334.55 feet; thence North 89°52'57" East 13.77 feet; thence North 00°07'54" West 159.00 feet; thence North 89°52'06" West 15.80 feet to a point in the Westerly line of that certain real property described in the Grant Deed to the State of California recorded in Instrument No. 1997-00093, Official Records of said County; thence along said Westerly line South 00°35'00" West 512.90 feet to a point in the Northerly line of Vernon Avenue as shown and so designated on that certain plat of "Palora Park No. 2" recorded in Book 8 of Surveys, Page 69, Official Records of said County; thence leaving said Westerly line and along the Northerly line of Vernon Avenue South 89°44'45" West 1094.58 feet; thence leaving said Northerly line North 00°06'19" East 295.36 feet to a point in the Southerly line of that certain real property described in the Grant Deed to the Board of Church Extension of the Presbytery of Sacramento recorded in Vol. 527, Page 257, Official Records of said County; thence along said Southerly line and along the Southerly and Easterly lines of that certain real property described in the Grant Deed to the Board of Church Extension recorded in Vol. 527, Page 256, Official Records of said County, the following two (2) courses: (1) North 89°46'28" West 191.54 feet and (2) North 00°06'19" East 506.63 feet to the point of beginning.



EXHIBIT "A"

PROPERTY DESCRIPTION
PROPOSED PARCEL 2

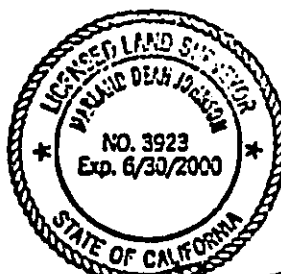
MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the Northeast corner of the parcel to be described hereby from which the Northeast corner of said Section 28 bears the following four (4) courses: (1) North 89°52'06" East 570.73 feet; (2) North 19°59'12" West 16.77 feet; (3) North 00°35'00" East 16.50 feet and (4) South 89°46'28" East 123.00 feet; thence from the point of beginning South 00°07'54" East 166.60 feet; thence North 89°52'06" East 38.52 feet; thence South 00°07'54" East 247.50 feet; thence South 89°52'06" West 7.25 feet; thence South 00°07'54" East 292.11 feet; thence South 89°52'06" West 143.54 feet; thence North 00°07'54" West 292.11 feet; thence South 89°52'06" West 15.22 feet; thence North 00°07'54" West 277.50 feet; thence North 89°52'06" East 35.49 feet; thence North 00°07'54" West 136.60 feet; thence North 89°52'06" East 92.00 feet to the point of beginning.

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EXHIBIT "A"

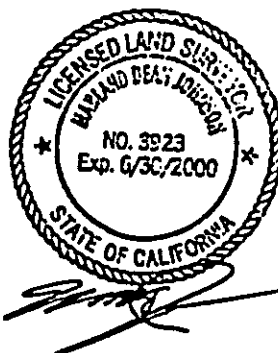
PROPERTY DESCRIPTION
PROPOSED PARCEL 3

MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the Northwest corner of the parcel to be described hereby from which the Northeast corner of said Section 28 bears the following six (6) courses: (1) North 89°52'06" East 104.48 feet; (2) North 00°07'54" West 136.60 feet; (3) North 89°52'06" East 166.28 feet; (4) North 19°59'12" West 16.77 feet; (5) North 00°35'00" East 16.50 feet and (6) South 89°46'28" East 123.00 feet; thence from the point of beginning North 89°52'06" East 104.48 feet; thence South 00°07'54" East 149.00 feet; thence North 89°52'06" East 172.03 feet; thence South 00°07'54" East 159.00 feet; thence South 89°52'57" West 13.77 feet; thence South 00°07'54" East 344.55 feet; thence South 89°52'06" West 84.88 feet; thence North 00°07'54" West 88.42 feet; thence South 89°52'06" West 112.21 feet; thence North 00°07'54" West 35.00 feet; thence South 89°52'06" West 8.00 feet; thence North 00°07'54" West 241.62 feet; thence South 89°52'06" West 57.66 feet; thence North 00°07'54" West 277.50 feet to the point of beginning.



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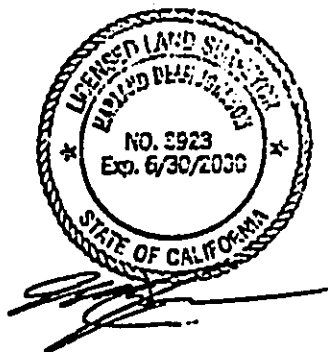
MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

EXHIBIT "A"
PROPERTY DESCRIPTION
PROPOSED PARCEL 4

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the Northeast corner of the parcel to be described hereby from which the Northeast corner of said Section 8 bears the following six (6) courses: (1) North 89°52'06" East 35.49 feet; (2) North 00°07'54" West 136.60 feet; (3) North 89°52'06" East 662.73 feet; (4) North 19°59'12" West 16.77 feet; (5) North 00°35'00" East 16.50 feet and (6) South 89°46'28" East 123.00 feet; thence from the point of beginning South 00°07'54" East 277.50 feet; thence North 89°52'06" East 15.22 feet; thence South 00°07'54" East 237.85 feet; thence South 89°52'06" West 179.34 feet; thence North 00°07'54" West 515.35 feet; thence North 89°52'06" East 164.13 feet to the point of beginning.



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EXHIBIT "A"

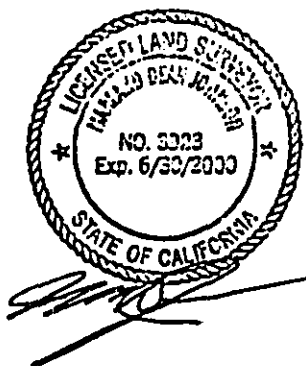
PROPERTY DESCRIPTION
PROPOSED PARCEL 5

MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the Northeast corner of the parcel to be described hereby from which the Northeast corner of said Section 28 bears the following four (4) courses: (1) North 89°52'06" East 662.73 feet; (2) North 19°59'12" West 16.77 feet; (3) North 00°35'00" East 16.50 feet and (4) South 89°46'28" East 123.00 feet; thence from the point of beginning South 00°07'54" East 136.60 feet; thence South 89°52'06" West 199.62 feet; thence North 00°07'54" West 136.60 feet; thence North 89°52'06" East 199.62 feet to the point of beginning.



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MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax 916/567-0120

EXHIBIT "A"**PROPERTY DESCRIPTION
PROPOSED PARCEL 6**

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the most Northeasterly corner of the parcel to be described hereby from which the Northeast corner of said Section 28 bears the following four (4) courses: (1) North 89°52'06" East 74.78 feet; (2) North 19°59'12" West 16.77 feet; (3) North 00°35'00" East 16.50 feet and (4) South 89°46'28" East 123.00 feet; thence from the point of beginning South 00°07'54" East 146.52 feet; thence North 89°52'06" East 98.07 feet to a point in the Westerly line of that certain real property described in the Grant Deed to the State of California recorded in Instrument No. 1997-00093, Official Records of said County; thence along said Westerly line South 00°35'00" West 139.09 feet; thence leaving said Westerly line South 89°52'06" West 187.83 feet; thence North 00°07'54" West 285.60 feet; thence North 89°52'06" East 91.50 feet to the point of beginning.



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MORTON & PITALO, INC.
 Civil Engineering Planning Surveying
 1788 Tribute Road, Suite 200
 Sacramento, CA 95815
 916/927-2400
 Fax: 916/567-0120

EXHIBIT "A"
PROPERTY DESCRIPTION
PROPOSED PARCEL 7

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at the Northeast corner of the parcel to be described hereby from which the Northeast corner of said Section 28 bears the following four (4) courses: (1) North 89°52'06" East 166.28 feet; (2) North 19°59'12" West 16.77 feet; (3) North 00°35'00" East 16.50 feet and (4) South 89°46'28" East 123.00 feet; thence from the point of beginning South 00°07'54" East 136.60 feet; thence South 89°52'06" West 324.00 feet; thence North 00°07'54" West 92.00 feet; thence North 89°52'06" East 15.50 feet; thence North 00°07'54" West 44.60 feet; thence North 89°52'06" East 308.50 feet to the point of beginning.



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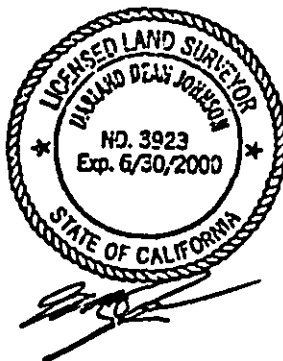
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73**EXHIBIT "A"****PROPERTY DESCRIPTION
PROPOSED PARCEL 8**

MORTON & PITALO, INC.
 Civil Engineering Planning Surveying
 1788 Tribute Road, Suite 200
 Sacramento, CA 95815
 916/927-2400
 Fax: 916/567-0120

All that certain real property situate in the City of Yuba City, County of Sutter, State of California, described as follows:

A portion of the Northeast one-quarter of the Northeast one-quarter of Section 28, Township 15 North, Range 3 East, M.D.B.&M., more particularly described as follows:

BEGINNING at a point in the Westerly line of that certain real property described in the Grant Deed to the State of California recorded in Vol. 405, Page 118, Official Records of said County, from which the Northeast corner of said Section 28 bears the following three (3) courses: (1) North 19°59'12" West 16.77 feet; (2) North 00°35'00" East 16.50 feet and (3) South 89°46'28" East 123.00 feet; thence from the point of beginning and along said Westerly line South 19°59'12" East 71.48 feet to the Northwesterly corner of that certain real property described in the Grant Deed to the State of California recorded in Instrument No. 1997-00093, Official Records of said County; thence leaving said Westerly line and along the Westerly line of that certain real property described in said Instrument No. 1997-00093 South 00°35'00" West 79.30 feet; thence leaving said Westerly line South 89°52'06" West 98.07 feet; thence North 00°07'54" West 146.52 feet; thence North 89°52'06" East 74.78 feet to the point of beginning.

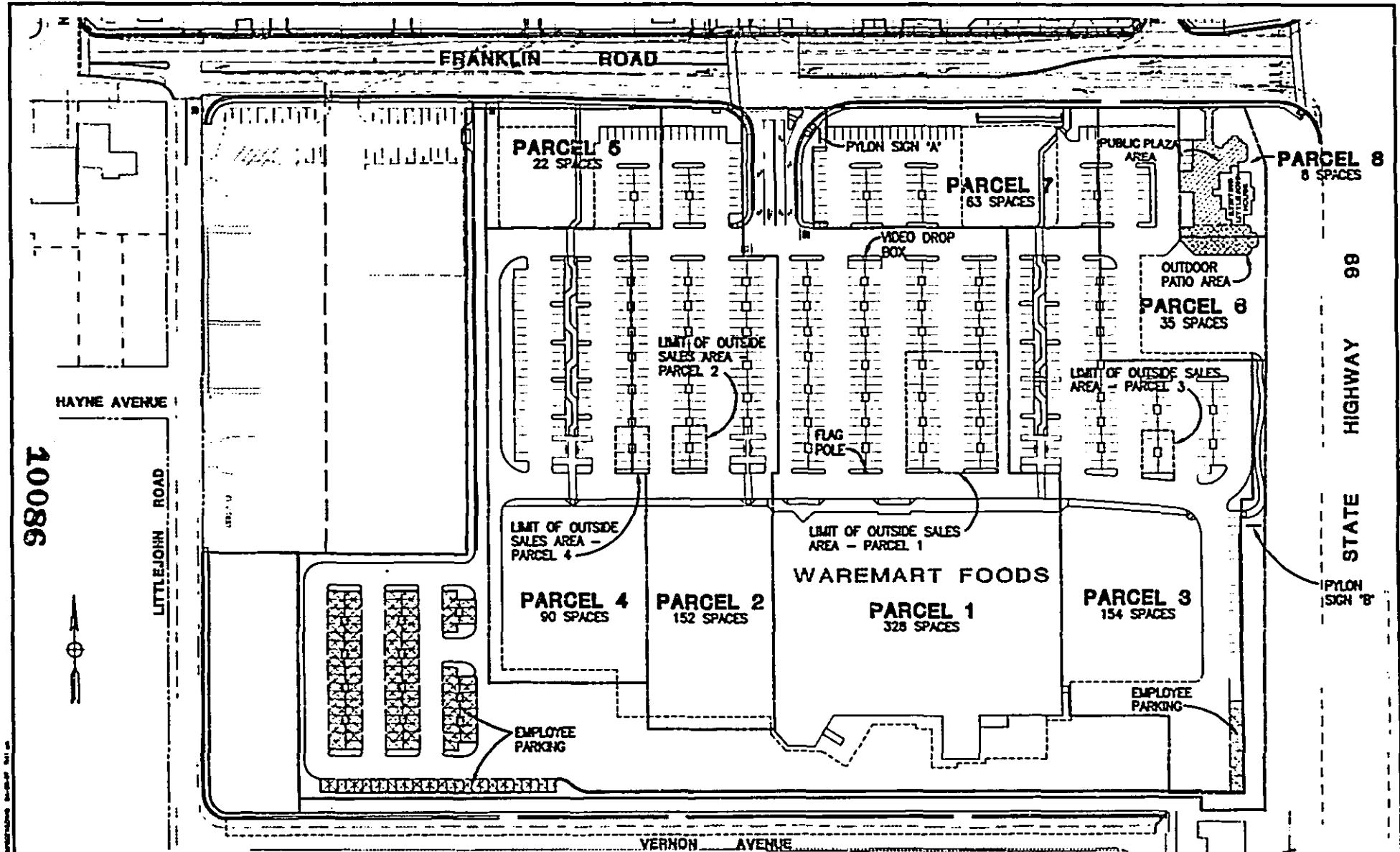


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3/18/97

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SCALE	PROJECT NAME	DATE	BY	CHECKED	APPROVED
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1" = 200'					
1" = 300'					
1" = 400'					
1" = 500'					
1" = 600'					
1" = 700'					
1" = 800'					
1" = 900'					
1" = 1000'					

EXHIBIT B

MORTON & PITALO, INC.
 CIVIL ENGINEERING • PLANNING • SURVEYING
 1705 TULARE ROAD, SUITE 200, SACRAMENTO, CA 95811
 PHONE (916) 487-2400 FAX (916) 487-0120

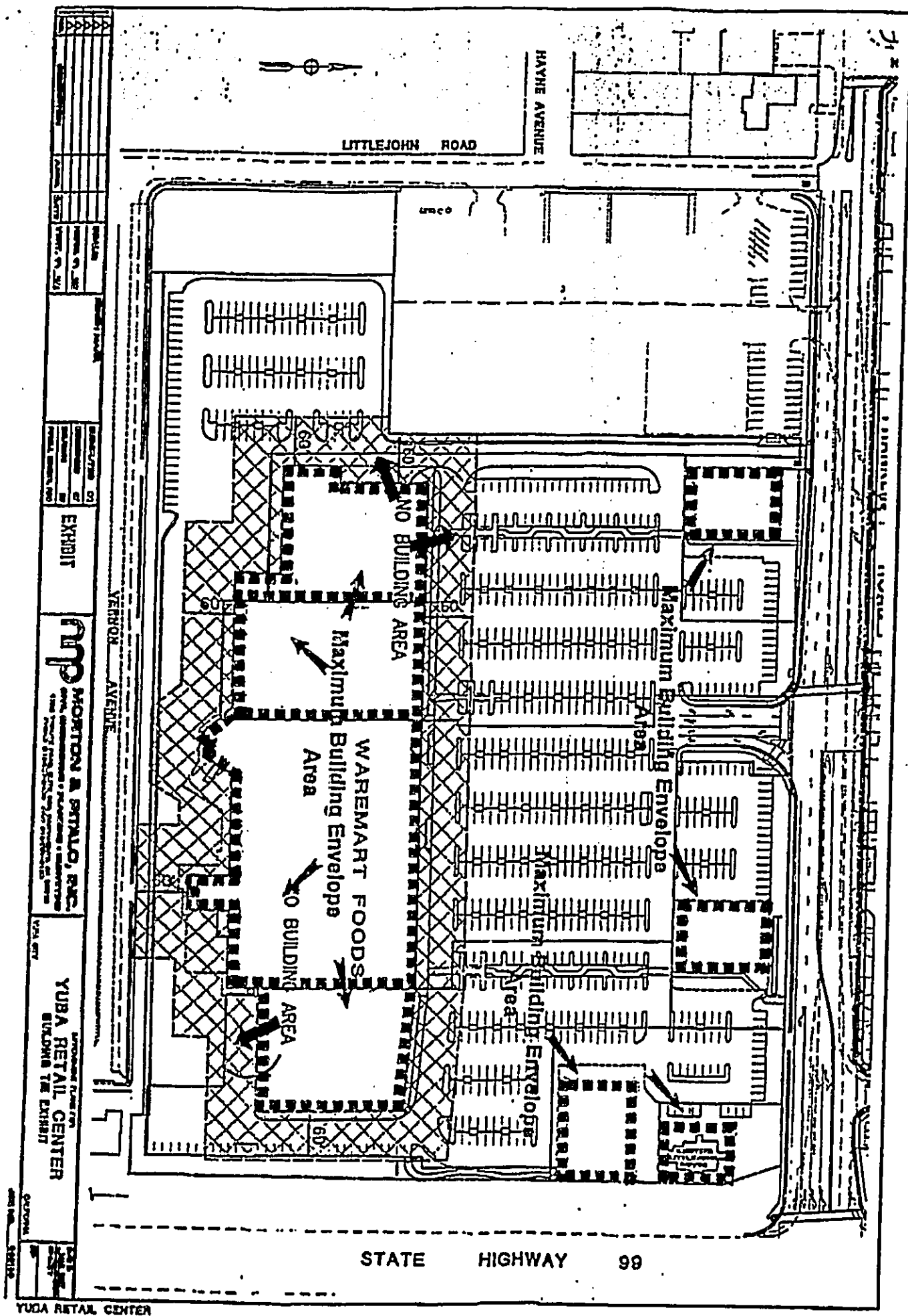
IMPROVEMENT PLAN FOR
YUBA RETAIL CENTER
 SITE PLAN

CALIFORNIA
 95012

YUBA RETAIL CENTER

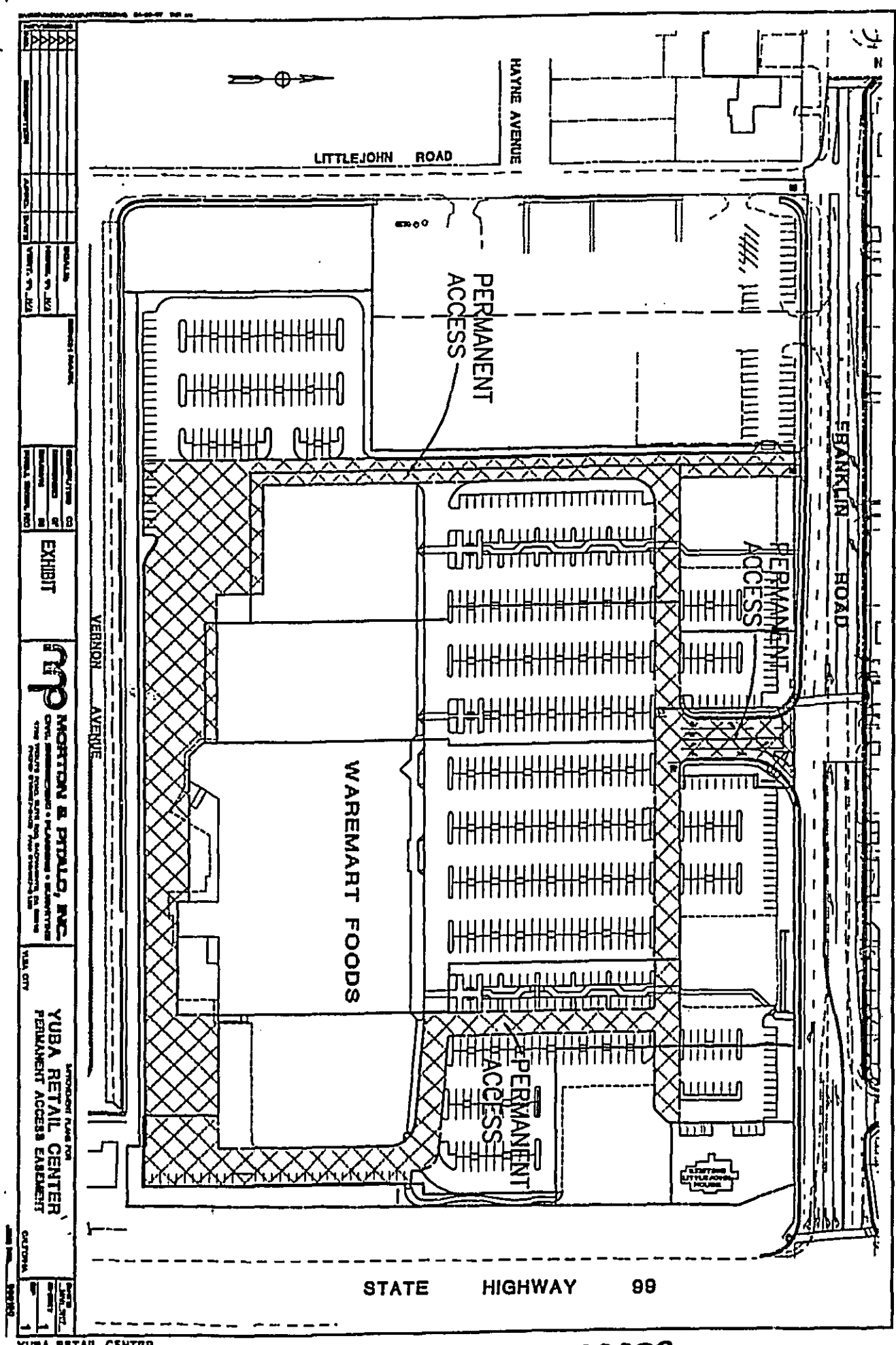
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PROJECT NO.	DATE	BY	REVISION
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YUBA RETAIL CENTER

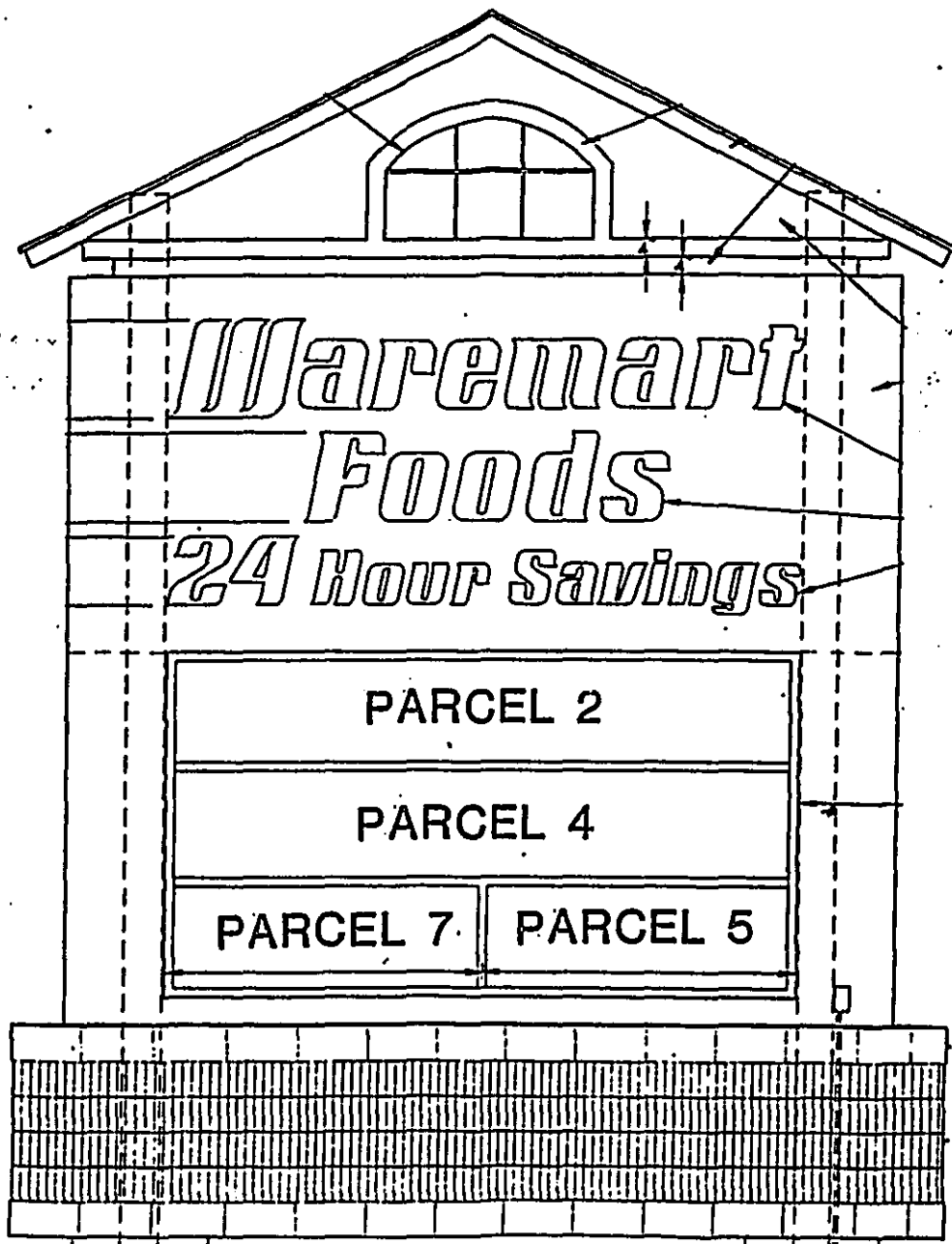
EXHIBIT D

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63**EXHIBIT E**

1. During the conceptual design phase, the constructing party shall submit to the Approving Party the following:
 - (a) Building design single plans to indicate the following:
 - Exterior wall configuration
 - Doors and store front extent
 - Canopies and overhands
 - Probable column locations
 - (b) Exterior elevation drawings to indicate the following:
 - Opaque wall areas with doors and store fronts
2. After approval has been granted of conceptual design phase submitted in accordance with the guidelines specified in paragraph 1 above, the constructing party shall submit final design phase plans to the Approving Party as follows:
 - (a) Building design plans delineating information outlined in the concept phase with the following added detail:
 - Exterior wall thickness
 - Structural columns or bearing walls at building exterior and proposed foundation design at adjoining wall between abutting buildings
 - Where common footings are to be shared, provide wall or column loan information for design of that footing
 - Proposed roof plan showing slopes and location of penthouses or other major mechanical equipment
 - References of key flashing details of roof to adjoining building
 - Proposed signage designs and locations
 - (b) Exterior elevation drawings delineating information outlined in the concept phase with the following added detail:
 - Proposed building sign standards
 - Paint color chips and samples of other materials such as brick or concrete aggregates (glass or aluminum finishes may be annotated on the elevations)
 - Proposed large scale details of key section conditions to show exterior design intent
 - Major penthouses or rooftop equipment profiles
 - Features such as special masonry patterns, bands or special materials and textures
 - Rain leaders or scuppers
 - Wall sections at various exterior locations including at the demising wall to the adjoining building with key vertical dimensioning
3. The constructing party shall provide the Approving Party with a complete set of bid documents for the building and/or improvements to be located on its Tract.

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PYLON SIGN B (HIGHWAY 99)

EXHIBIT **F**

5/16/2



PYLON SIGN A (FRANKLIN)

EXHIBIT. **F**

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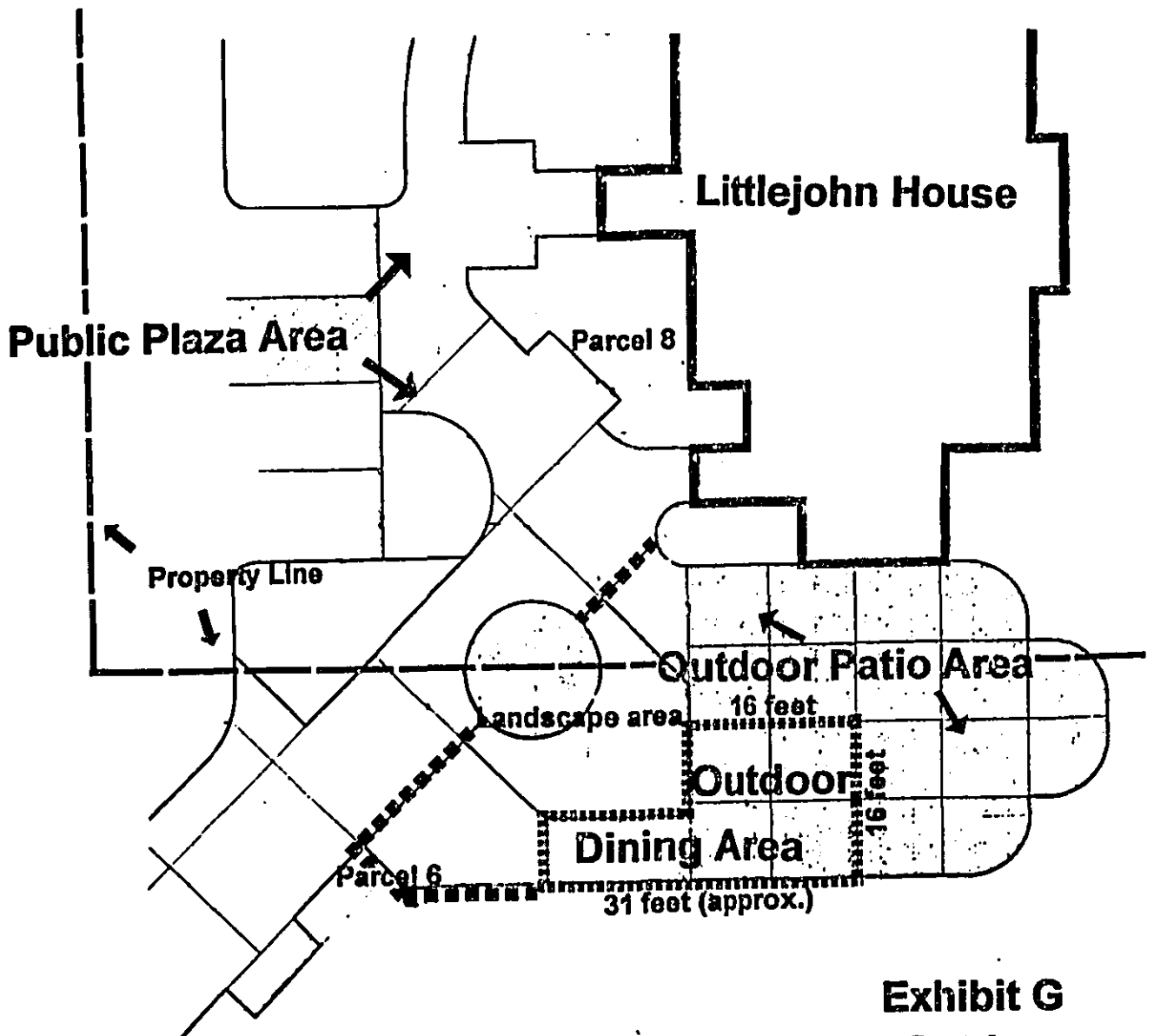


Exhibit G
Outdoor
Patio/Dining Area

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Community Services Department
Presentation By: Ann Gillen, Community Services Director

Summary

Subject: Parks and Recreation Commission Ordinance Update
Recommendation: Adopt an Ordinance of the City Council of the City of Yuba City to repeal Chapter 1 (Parks and Recreation Commission) of Title 9 by title only and waive the second reading
Fiscal Impact: None

Purpose:

To dissolve the City's Parks and Recreation Commission.

Background:

The Parks and Recreation Commission was established in 2002 as an advisory board for the City Council, the City Manager, and the Parks and Recreation Director in all matters pertaining to parks and recreation. At that time, the Commission recommended general policies concerning all parks and recreation properties, facilities, plans, programs, and activities to the Parks and Recreation Department. They were also established as the City's tree advisory board. The Parks and Recreation Commission consists of five (5) members and one (1) alternate. The current Parks and Recreation Commission has 2 vacant seats, including 1 alternate.

Analysis:

The function and purpose of the Parks and Recreation Commission has evolved over time, and has been reduced to minimal activity. This has resulted in lack of attendance and participation at Commission meetings, which has prompted the City Council and staff to re-evaluate the relevancy and purpose of the Commission going forward. Over time, it has been recognized that the Community Services Department, Parks Division has the knowledge and resources needed to study the problems and determine the needs of the City in connection with its tree program.

On November 19, 2024, staff introduced an Ordinance to City Council to repeal Chapter 1 (Parks and Recreation Commission) of Title 9 by title only.

Fiscal Impact:

None

Alternatives:

Deny or modify the recommendation.

Recommendation:

Adopt an Ordinance of the City Council of the City of Yuba City to repeal Chapter 1 (Parks and Recreation Commission) of Title 9 by title only and waive the second reading

Attachments:

1. Ordinance - Parks & Rec Commission 11.08.24
2. Title 9 - Parks & Recreation Commission

Prepared By:

Maddy Laffond
Community Services Administrative Assistant

Submitted By:

Diana Langely
City Manager

ATTACHMENT 1

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
TO DELETE CHAPTER 1 (PARKS AND RECREATION COMMISSION)
OF TITLE 9 OF THE MUNICIPAL CODE**

WHEREAS, the Parks and Recreation Commission was established in 2002 as an advisory board for the City Council, the City Manager, and the Parks and Recreation Director in all matters related to parks and recreation.; and

WHEREAS, the Community Services Department, Parks Division will take over as the City's Tree Advisory Board; and

WHEREAS, in order to better align with Council priorities, the Council desires to dissolve the Parks and Recreation Commission and delete Chapter 1 of Title 9 of the Municipal Code.

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

Section 1. The City Council expresses its appreciation for all members who have served on the Parks and Recreation Commission and their service to the Yuba City community.

Section 2. The City Council amends the Municipal Code to delete Chapter 1 of Title 9 in its entirety.

Section 3. The City Clerk shall certify the adoption of this Ordinance and cause it to be published, in accordance with Government Code, Section 36933, or as otherwise required by law.

Section 4. This Ordinance shall take effect and be in full force and effect from and after 30 days after its final passage and adoption.

Introduced, passed and adopted at a regular meeting of the City Council of the City of Yuba City on the 19th day of November, 2024.

AYES:

NOES:

ABSENT:

ATTEST:

Shon Harris, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

TITLE 9.

PARKS AND RECREATION

CHAPTER 1. PARKS AND RECREATION COMMISSION

Sec. 9-1.01. Creation/membership.

The Parks and Recreation Commission shall be composed of five members confirmed by the City Council. The City Council may choose to appoint one alternate member to the Commission, who would serve normally as a nonvoting member. In the absence of a regular member of the Commission, the alternate member shall take the absent individual's seat and have the right to vote. All members of the Parks and Recreation Commission shall reside within the City of Yuba City. The Parks and Recreation Director or his/her designee shall be an ex officio member and shall serve as Secretary of the Commission.

(§ 1, Ord. 002-02, eff. March 7, 2002)

Sec. 9-1.02. Terms of office.

The terms of members of the Parks and Recreation Commission shall be four years.

The anniversary date for all appointments shall be February 28th of any year. The three current commissioners whose terms expire on December 31, 2018 will be extended to February 28, 2019. The two commissioners whose terms expire on December 31, 2020 will be extended to February 28, 2021.

The terms of office set forth in this section shall not be deemed arbitrary. Members of the Parks and Recreation Commission serve at the pleasure of the City Council and may be removed without cause. Council may so order and appoint a successor for the unexpired term of office of the removed member. Any Commissioner appointed to succeed a vacated seat on the Commission shall be appointed for the unexpired portion of the term of their predecessor. Vacancies on the Commission shall be filled in the same manner as appointments for the unexpired term of office.

Council may establish by resolution appropriate service requirements, criteria and attendance standards governing service on the Planning Commission. Selection shall reflect as nearly as possible the diverse demographic characteristics of the population of Yuba City. Commissioners are expected to attend all Commission meetings.

(§ 1, Ord. 002-02, eff. March 7, 2002; Ord. No. 006-18, § 1, 9-18-2018)

Sec. 9-1.03. Powers and duties.

The Parks and Recreation Commission shall act in an advisory capacity to the City Council, to the City Manager, and to the Parks and Recreation Director in all matters pertaining to parks and recreation. The Commission shall interpret the leisure time needs, facilities, and services to public officials and the general public in order that adequate support may be obtained. The Commission shall recommend general policies concerning all parks and recreation properties, facilities, plans, programs, and activities. It may evaluate suggestions, criticisms,

and comments in light of such general policies. It may recommend a long-range program for the improvement, acquisition, and development of parks and recreation facilities and for the extension of services.

(§ 1, Ord. 002-02, eff. March 7, 2002)

Sec. 9-1.04. City Tree Advisory Board.

The City's Tree Advisory Board is established and shall consist of the five members of the Yuba City Parks and Recreation Commission. The duties of the City's Tree Advisory Board shall be as follows:

- (a) To study the problems and determine the needs of the City in connection with its tree program;
- (b) To recommend to the City Council the type and kind of trees to be planted upon City streets or parts of City streets, parks, or public places;
- (c) To assist the properly constituted officials of the City, as well as the City Council and citizens of the City, in the dissemination of news and information regarding the protection, maintenance, removal, and planting of trees on public lands, and to make such recommendations from time to time to the City Council as to desirable legislation concerning the tree program and activities for the City;
- (d) To act as advocates for the City's annual observance of Arbor Day, and undertake an ongoing program of public outreach and education in order to promote public understanding of the City's urban forest and public adherence to the standards and procedures established under the ordinance.

(§ 1, Ord. 002-02, eff. March 7, 2002)

Sec. 9-1.05. Officers.

- (a) The Commission shall choose one of its members to serve as chairperson and one of its members as vice chair. The chair and vice chair shall be elected each calendar year at the first meeting following January 1. The chairperson shall preside at all meetings, submit all motions to vote and in general do all things ordinarily required of a chairperson.
- (b) The vice chair shall assume the duties of the chairperson in his/her absence.
- (c) The secretary shall take and keep the minutes of all the meetings and provide information and assistance to the Commission. Copies of the minutes shall be submitted to the City Council for review.

(§ 1, Ord. 002-02, eff. March 7, 2002)

Sec. 9-1.06. Procedures.

The Commission shall hold regular meetings throughout the calendar year no less than quarterly.

The Parks and Recreation Commission may adopt rules of procedure, determine the order of business for its meetings, time and place and conduct of its members. Three members of the Parks and Recreation Commission shall constitute a quorum for the transaction of business.

(§ 1, Ord. 002-02, eff. March 7, 2002)

Sec. 9-1.07. Parks and Recreation Director.

There is hereby created the position of Parks and Recreation Director for the City. He or she shall be responsible to the City Manager for community-wide facilities and programs and for activities conducted on all

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properties and shall be the administrative head of the Parks and Recreation Department. He or she shall formulate and administer a broad public leisure time program and encourage wide community participation in such program. His or her responsibilities shall be primarily administrative in character, involving planning, organizing, and directing departmental staff and activities, subject to review at all times by the City Manager.

(§ 1, Ord. 002-02, eff. March 7, 2002)

CHAPTER 2. PARK AND RECREATION REGULATIONS

Sec. 9-2.01. Application of rules and regulations.

- (a) The park and recreation areas within the City shall be used and maintained for the benefit and entertainment of the public generally, subject, however, to the restrictions and limitations contained in this chapter and such other regulations as the Council may adopt hereafter by resolution.
- (b) The regulations set forth in this chapter shall apply to and be in full force and effect at all park and recreation areas which are under the jurisdiction and control of the City. Such regulations shall govern the use of all such park and recreation areas, and the observance of such regulations shall be a condition under which the public may use the park and recreation areas.

(§ 2, Ord. 01-98, eff. May 21, 1998)

Sec. 9-2.02. Hours of use.

- (a) *[Parks defined.]* For purposes of this chapter, the word "neighborhood parks" shall mean any City park except for Blackburn-Talley Sports Complex, Gauche Aquatic Park, and Sam Brannan Park. Blackburn-Talley Sports Complex, Gauche Aquatic Park and Sam Brannan Park are defined as "community parks" for purposes of this chapter.
- (b) *Neighborhood parks.* It shall be unlawful for any person to remain, use or loiter in any neighborhood park at any time between one-half hour after sunset to sunrise the following morning, with the exception of City-approved recreational activities.
- (c) *Community parks.* It shall be unlawful for any person to remain, use or loiter in any community park at any time between the hours of 10:00 p.m. and sunrise the following morning, with the exception of a City approved recreational activity.

(§ 2, Ord. 01-98, eff. May 21, 1998; § 1, Ord. 004-08, eff. April 17, 2008; § 1, Ord. 011-09, eff. December 3, 2009)

Sec. 9-2.03. Care of public property.

It shall be unlawful for any person to mark, graffiti, deface, disfigure, injure, tamper with, displace, or remove any City-owned real or personal property of any kind in any park or recreation area.

(§ 2, Ord. 01-98, eff. May 21, 1998)

Sec. 9-2.04. Care of trees, shrubbery, and lawns.

It shall be unlawful for any person to damage, cut, carve, transplant, or remove any tree, plant, wood, turf, or grass, or pick the flowers or seeds of any tree or plant, or attach any rope, wire, or other object to any tree or plant located in any park or recreation area.

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(Supp. No. 9)

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Diana Langley, City Manager

Summary

Subject: Annual Report from the Downtown Yuba City Business Improvement District and Proposed Levy of Annual Assessment for 2025

Recommendation: A. Adopt a Resolution Accepting and Approving the 2024-2025 Annual Report of the Downtown Yuba City Business Improvement District

B. Adopt a Resolution of Intention to Levy and Collect 2025 Annual Assessments and set a Public Hearing for January 21, 2025

Fiscal Impact: None related to levy and collection of annual assessments

Purpose:

To provide notice and opportunity for comment regarding the 2025 Assessment Levy for the Downtown Yuba City Business Improvement District.

Council's Strategic Goal:

This item addresses Council's Strategic Goals of Business Friendly and Fiscal Responsibility.

Background:

Pursuant to Chapter 9, Title 3 of the Yuba City Municipal Code, the Downtown Yuba City Business Association (DBA) has submitted its Annual Report. The report highlights accomplishments for the past year and identifies activities and improvements to be funded for the coming year. The boundaries of the District and the assessments to be collected are consistent with previous years.

Annually, renewal of the DBA's Business Improvement District (BID) is accomplished in a two-part process. First, the adoption of a Resolution declaring the City's intent to levy an assessment and ordering a Public Hearing. At a subsequent meeting, a Public Hearing is held in consideration of a Resolution confirming the Annual Report and levying the assessments for 2025.

Revenue from the assessments levied in the BID is used to fund improvements and activities to promote the District. The types of activities to be funded include: promotion of public events, promotion of tourism, and activities that benefit businesses located and operating in the BID.

The DBA is charged with carrying out the activities of the BID and their key focus continues to be establishing a strong leadership structure, marketing Downtown and creating new and improved events on Plumas Street. Economic success of the downtown is a priority achieved through the combined efforts of all the businesses in the district.

Analysis:

The attached Downtown Business Association Annual Report outlines the accomplishments during the 2024 calendar year, as well as the budget for 2025. In the coming calendar year, on behalf of the DBA, the City anticipates collecting approximately \$29,595 in assessments from both members and associate members. The BID is crucial to the economic success of the downtown merchants, especially as the economy has weathered increased inflation. The assessment district's funds will market the downtown whereas some individual merchants would not be able to market on their own. The DBA is currently managing the marketing efforts for downtown and will continue to do so for the district and the future of the downtown. It is the expressed desire of the DBA that the BID assessments continue.

Fiscal Impact:

While there is no direct fiscal impact to the City related to the levy and collection of annual assessments, the funds generated through the BID are used to promote the downtown merchants, which provide sales tax revenue to the City.

Alternatives:

1. Do not levy assessments.
2. Identify alternate funding source for Downtown improvements and activities.

Recommendation:

- A. Adopt a Resolution Accepting and Approving the 2024-2025 Annual Report of the Downtown Yuba City Business Improvement District.
- B. Adopt a Resolution of Intention to Levy and Collect 2025 Annual Assessments and set a Public Hearing for January 21, 2025.

Attachments:

1. Resolution - DBA Annual Report-2024-25
2. Yuba City Downtown Annual Report 2024
3. Resolution - Intention to Levy 2024-25

Prepared By:
Diana Langley
City Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
ACCEPTING AND APPROVING THE 2024-2025 ANNUAL REPORT OF THE
DOWNTOWN YUBA CITY BUSINESS IMPROVEMENT DISTRICT**

WHEREAS, pursuant to the Parking & Business Improvement Area Law of 1989, California Streets & Highway Code Section 36500 et seq. (the "Act"), the City Council adopted Ordinance No. 06-98 which became effective on January 1, 1999, and

WHEREAS, pursuant to the Act and Section 3.9.020 of the Yuba City Municipal Code added by Ordinance No. 06-98, the City Council established a certain described parking and business improvement area named the Downtown Yuba City Business Improvement District ("District"); and

WHEREAS, pursuant to Section 3.9.030 of the Yuba City Municipal Code added by Ordinance No. 06-98, the City appointed the elected officers of the Yuba City Downtown Business Association to serve as an advisory board to the City Council (the "Advisory Board") and authorized the City to enter into an agreement with the Advisory Board to carry out the purposes of the Act and Chapter 9 of the Yuba City Municipal Code; and

WHEREAS, the Advisory Board has filed the 2024-2025 Annual Report with the City Clerk for consideration by the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY RESOLVE, DETERMINE, AND FIND AS FOLLOWS:

1. The recitals set forth herein are true and correct.
2. Revenue from the assessments levied in the District shall be used to fund improvements and activities to promote the District. The types of activities to be funded include promotion of public events in the District, promotion of tourism within the District, and activities that benefit businesses located and operating in the District.
3. The 2024-2025 Annual Report contains a full and detailed description of the improvements and activities to be provided, the boundaries of the District and boundaries of each separate benefit zone within the District, and the proposed assessments to be levied upon the businesses within the area. A true and correct copy of the Annual Report is on file with the City Clerk of the City of Yuba City, which is approved by the City Council.
4. This Resolution is effective on its adoption.

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a Regular Meeting of the City Council of the City of Yuba City on the 17th day of December, 2024, and was duly adopted at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

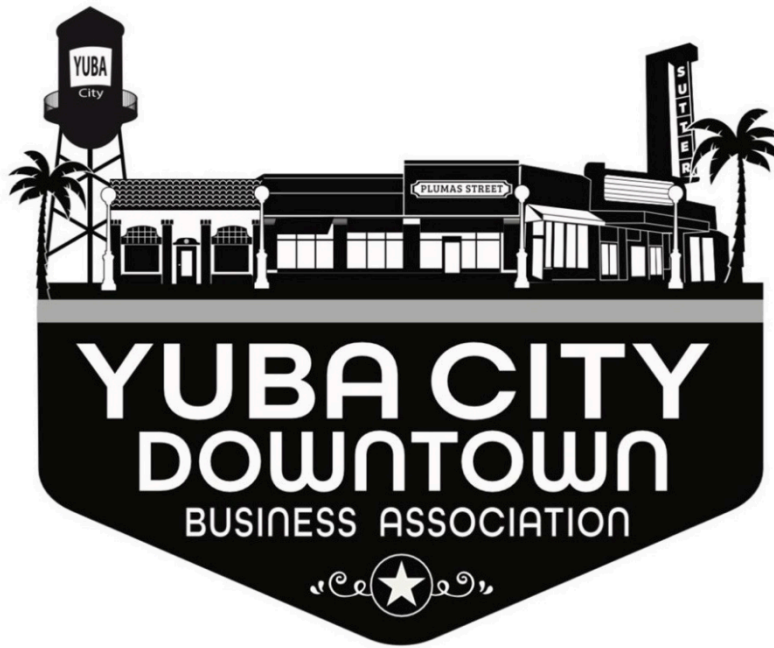
APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

1. Exhibits A-I – Annual Report 2024-2025

ATTACHMENT 2 EXHIBITS A – I



Annual Report

2024-2025

To: Honorable Mayor and Members of the City Council

Cc: Diana Langley, City Manager

From: Board of Directors - Yuba City Downtown Business Association

RE: 2024-2025 Annual Report

Date: November 19, 2024

1. NAME: Yuba City Downtown Business Association
2. FISCAL YEAR: January 1, 2025 to December 31, 2025
3. BOUNDARY/ZONE CHANGES: There are no proposed changes in the boundaries of the District. (See existing boundaries on Exhibit A)
4. ACCOMPLISHMENTS OF YUBA CITY DOWNTOWN BUSINESS ASSOCIATION DURING 2024: (See Exhibit B)
5. LIST OF 2024-25 YCDBA DIRECTORS AND COMMITTEE MEMBERS (See Exhibit C)
6. LIST OF ASSOCIATE MEMBERS (See Exhibit D)
7. PROPOSED IMPROVEMENTS AND ACTIVITIES (FY2024-25) (See Exhibit E)
8. ESTIMATED 2024 EXPENSES (See Exhibit F)
9. ESTIMATED BUDGET (FY2025) (See Exhibit G)
10. AGING ACCOUNTS RECEIVABLE-COLLECTIONS (See Exhibit H)
11. BASIS OF ASSESSMENT (FY2025) (See Exhibit I)

EXHIBIT A



There are no proposed changes in the boundaries of the District.

EXHIBIT B

Yuba City Downtown Business Association Mission of the Organization:

To preserve, promote and encourage aspiring businesses and provide a safe, clean center of culture and community life for residents and visitors alike.

Accomplishments for 2023/2024

Marketing Committee:

- Coordinated with City on Clean California Grant to include the following:
 - YC Water Tower Painting and Lighting Upgrades - Completed
 - Downtown arch (Plumas Street/Bridge Street)
 - Center Street Lighting
 - YC Water Tower Park Feature
- Decreased building vacancy from 40% to 10% working with landlords and recruiting small business owners to downtown.

Events Committee:

- Enhanced current smaller events
 - Trick-or-Treat attendance was over 1,200 children
 - Bunny Hop attendance was over 500 children
- Creating additional smaller entertainment events
 - Monthly Pub Crawls
 - Sutter Buttes Brewing 2025 Oktoberfest scheduled
- Partnering with other local events to be a destination
- Implemented online application for the Summer Stroll and Winter Stroll to comply with the City's Special Event Ordinance
- Secured Center Street as a location for outside event: Folk in the Fall Music Festival



EXHIBIT C

List of 2025 Directors and Committee Members
Yuba City Downtown Business Association

YCDBA Officers

President – Ryan Henshaw, State Farm Insurance
Vice President – Natalie Syverson, Natalie Syverson Photography
Treasurer – Scott Sargent, Sutter Buttes Brewing
Secretary - Marni Sanders, Blue Zones
Past President – Sandee Drown, The Happy Viking

YCDBA Board of Directors

Teresa Schmidt, Twin Cities Flooring (Events Chair)
Jake Livingood, Electronic Playground, LLC (Marketing Chair)
Tiffani Heyford, Creative Interiors
Skip Bertsch, Skip's Music Cafe
Alfredo Padilla, A & E Kings Boutique

EXHIBIT D

Associate Members

- *The DBA has 16 Associate Member businesses. These are businesses that are not located downtown; however, they want to be a part of and show their support for the downtown district. The following are DBA Associate Members:*
 - *City of Yuba City*
 - *County of Sutter*
 - *5 Guys Printing, Inc.*
 - *Budget Blinds of Yuba City*
 - *Cookie Tree*
 - *Daniel Gaines Insurance Agency, Inc.*
 - *Enterprise Rancheria*
 - *Express Personnel*
 - *Harkey House Bed & Breakfast*
 - *Holycross*
 - *Recology Yuba-Sutter*
 - *Results Radio*
 - *Twin Rivers Polaris*
 - *Visual Impact*
 - *Wheeler Chevrolet*
 - *Yuba Sutter Chamber of Commerce*

EXHIBIT E

Proposed Improvements and Activities

- Tree Light Designs on Plumas Street
- Additional small events on Plumas Street
- Historic Downtown Signage
- DBA Strategies Board Meeting in January, 2025

EXHIBIT F

Estimated 2024 Expenses

YCDBA 2024 Budget

Association Income

	2024 Projected	2023 Actual	Marketing Committee	Summer Stroll Budget	Summer Stroll Actual	Summer Stroll 24 Budget	Summer Stroll +/-	Christmas Stroll Christmas
DBA Members	\$ 29,500.00	\$ 29,869.15	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ -	\$ 2,000.00
Associate Member Dues	\$ 4,000.00	\$ 4,750.00					\$ -	
Collection on Delinquent Account	\$ 1,500.00						\$ -	
Income from Event Insurance	\$ 2,400.00	\$ 1,170.00		\$ 600.00	\$ 1,170.00	\$ 1,900.00	\$ (570.00)	\$ 600.00
Income From Downtown Events	\$ 30,000.00	\$ 37,888.00		\$ 5,500.00	\$ 12,925.00	\$ 13,000.00	\$ (7,425.00)	\$ 5,500.00
Income from Kids events	\$ 2,700.00	\$ 1,733.00		\$ 300.00	\$ 1,733.00	\$ 1,700.00	\$ (1,433.00)	\$ 2,400.00
Income from Food and Beverage	\$ 2,900.00	\$ 2,380.00		\$ 2,400.00	\$ 2,380.00	\$ 2,400.00	\$ 20.00	\$ 500.00
Income from Sublet	\$ -	\$ -	\$ 300.00	\$ -			\$ -	\$ -
Sponsorships	\$ 30,000.00	\$ 28,500.00		\$ 15,000.00	\$ 15,000.00	\$ 14,000.00	\$ -	\$ 15,000.00
Total Association Receipts	\$ 103,000.00	\$ 106,290.15	\$ 2,000.00	\$ 25,800.00	\$ 35,208.00	\$ 35,000.00	\$ (9,408.00)	\$ 26,000.00

Association Expenses

Credit Card Processing Fees	\$ 500.00	\$ 449.32		\$ 167.00	\$ 212.50	\$ -	\$ (45.50)	\$ 167.00
Board Training and Seminar Expenses	\$ 600.00	\$ 246.62					\$ -	
Dues and Subscriptions	\$ 1,500.00	\$ 2,126.55					\$ -	
Insurance and Permits	\$ 12,000.00	\$ 3,904.25		\$ 1,300.00	\$ 2,101.62	\$ 2,500.00	\$ (801.62)	\$ 1,300.00
Office and Computer Supplies	\$ 500.00	\$ 400.53					\$ -	
P.O. Box, Postage and Mailing	\$ 300.00	\$ 294.20		\$ 50.00	\$ 50.00	\$ 50.00	\$ -	\$ 50.00
Collections/ Small Claims Expense	\$ 1,000.00						\$ -	
Commercial Marketing/ Advertising and Promotion	\$ 1,200.00	\$ 117.98	\$ 500.00	\$ 500.00	\$ 496.61	\$ 500.00	\$ 3.39	\$ 500.00
Employee Exp 15 Hours a week @ \$25 per hour	\$ 19,500.00	\$ 11,412.50					\$ -	
Contracted Employee - Judy		\$ 8,537.50						
Employee Exp. 10 hours @ \$25 per hour per event	\$ 500.00			\$ 500.00	\$ 600.00	\$ 600.00	\$ (100.00)	\$ 500.00
Employee Taxes		\$ 1,780.50						
Employee - Workman Comp		\$ 1,020.51						
Event Entertainment	\$ 13,000.00	\$ 11,661.50		\$ 8,000.00	\$ 14,038.00	\$ 17,000.00	\$ (6,038.00)	\$ 4,000.00
Event Expense - Other - signs		\$ 385.04						
Event Expense - Other - Kids zone /Bock Capt					\$ 1,300.00	\$ 3,500.00		
Event Expense - Refund Christmas Stroll		\$ 24,506.84						
Equipment Rental	\$ 13,000.00	\$ 6,507.98		\$ 8,700.00	\$ 1,949.00	\$ 2,500.00	\$ 6,751.00	\$ 3,000.00
Maintenance	\$ 500.00	\$ 400.00					\$ -	
Mixer/ Annual Meeting	\$ 650.00	\$ 804.67					\$ -	
Newsletter		\$ 457.00					\$ -	
Non-Profit Status Fees and Costs	\$ 35.00	\$ 25.00					\$ -	
Printing and Reproduction	\$ 300.00	\$ 425.36	\$ 250.00	\$ 375.00	\$ 187.53	\$ 350.00	\$ 187.47	\$ 375.00
Police	\$ 7,000.00	\$ 3,412.95		YC	\$ 3,412.95	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
Rent	\$ 4,800.00	\$ 3,910.00					\$ -	
Security	\$ 1,000.00			\$ 360.00			\$ 360.00	\$ 360.00
Miscellaneous - Drew, lights	\$ 6,000.00	\$ 4,000.00		\$ 250.00		\$ 250.00	\$ 250.00	\$ 250.00
Bad Debt Expenses		\$ 4,757.62						
Community Relations Expense - Savemart		\$ 49.72						
Street Décor	\$ 8,500.00	\$ 540.39	\$ 500.00				\$ -	
Landscape and Flower Bowl maintenance	\$ 2,700.00	\$ 675.00					\$ -	
Telephone and Internet	\$ 2,400.00	\$ 2,449.90					\$ -	
Tax Preparation	\$ 400.00	\$ 289.00					\$ -	
Website and Social Media	\$ 2,400.00	\$ 1,400.00					\$ -	
Total Association Expenses	\$ 100,285.00	\$ 96,948.43	\$ 1,250.00	\$ 20,202.00	\$ 24,348.21	\$ 30,750.00	\$ (4,146.21)	\$ 14,002.00
Estimated Operation gain/loss Per category	\$ 2,715.00	\$ 9,341.72	\$ 750.00	\$ 5,598.00	\$ 10,859.79	\$ 4,250.00	\$ (5,261.79)	\$ 11,998.00
Total Budget			\$ 2,000.00				\$ -	\$ 26,000.00

EXHIBIT G

Estimated Budget FY 2025

	2024 Projected	2023 Actual	Marketing Committee	Summer Stroll Budget	Summer Stroll Actual	Summer Stroll 24 Budget
	\$ 29,500.00	\$ 29,869.15	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
	\$ 4,000.00	\$ 4,750.00				
	\$ 1,500.00					
	\$ 2,400.00	\$ 1,170.00		\$ 600.00	\$ 1,170.00	\$ 1,900.00
	\$ 30,000.00	\$ 37,888.00		\$ 5,500.00	\$ 12,925.00	\$ 13,000.00
	\$ 2,700.00	\$ 1,733.00		\$ 300.00	\$ 1,733.00	\$ 1,700.00
	\$ 2,900.00	\$ 2,380.00		\$ 2,400.00	\$ 2,380.00	\$ 2,400.00
	\$ -	\$ -	\$ 300.00	\$ -		
	\$ 30,000.00	\$ 28,500.00		\$ 15,000.00	\$ 15,000.00	\$ 14,000.00
	\$ 103,000.00	\$ 106,290.15	\$ 2,000.00	\$ 25,800.00	\$ 35,208.00	\$ 35,000.00
Association Expenses						
Credit Card Processing Fees	\$ 500.00	\$ 449.32		\$ 167.00	\$ 212.50	\$ -
Board Training and Seminar Expenses	\$ 600.00	\$ 246.62				
Dues and Subscriptions	\$ 1,500.00	\$ 2,126.55				
Insurance and Permits	\$ 12,000.00	\$ 3,904.25		\$ 1,300.00	\$ 2,101.62	\$ 2,500.00
Office and Computer Supplies	\$ 500.00	\$ 400.53				
P.O. Box, Postage and Mailing	\$ 300.00	\$ 294.20		\$ 50.00	\$ 50.00	\$ 50.00
Collections/ Small Claims Expense	\$ 1,000.00					
Commercial Marketing/ Advertising and Promotion	\$ 1,200.00	\$ 117.98	\$ 500.00	\$ 500.00	\$ 496.61	\$ 500.00
Employee Exp 15 Hours a week @ \$25 per hour	\$ 19,500.00	\$ 11,412.50				
Contracted Employee - Judy		\$ 8,537.50				
Employee Exp. 10 hours @\$25 per hour per event	\$ 500.00			\$ 500.00	\$ 600.00	\$ 600.00
Employee Taxes		\$ 1,780.50				
Employee - Workman Comp		\$ 1,020.51				
Event Entertainment	\$ 13,000.00	\$ 11,661.50		\$ 8,000.00	\$ 14,038.00	\$ 17,000.00
Event Expense - Other - signs		\$ 385.04				
Event Expense - Other - Kids zone /Bock Capt					\$ 1,300.00	\$ 3,500.00
Event Expense - Refund Christmas Stroll		\$ 24,506.84				
Equipment Rental	\$ 13,000.00	\$ 6,507.98		\$ 8,700.00	\$ 1,949.00	\$ 2,500.00
Maintenance	\$ 500.00	\$ 400.00				
Mixer/ Annual Meeting	\$ 650.00	\$ 804.67				
Newsletter		\$ 457.00				
Non-Profit Status Fees and Costs	\$ 35.00	\$ 25.00				
Printing and Reproduction	\$ 300.00	\$ 425.36	\$ 250.00	\$ 375.00	\$ 187.53	\$ 350.00
Police	\$ 7,000.00	\$ 3,412.95		YC	\$ 3,412.95	\$ 3,500.00
Rent	\$ 4,800.00	\$ 3,910.00				
Security	\$ 1,000.00			\$ 360.00		
Miscellaneous - Drew, lights	\$ 6,000.00	\$ 4,000.00		\$ 250.00		\$ 250.00
Bad Debt Expenses		\$ 4,757.62				
Community Relations Expense - Savemart		\$ 49.72				
Street Décor	\$ 8,500.00	\$ 540.39	\$ 500.00			
Landscape and Flower Bowl maintenance	\$ 2,700.00	\$ 675.00				
Telephone and Internet	\$ 2,400.00	\$ 2,449.90				
Tax Preparation	\$ 400.00	\$ 289.00				
Website and Social Media	\$ 2,400.00	\$ 1,400.00				
Total Association Expenses	\$ 100,285.00	\$ 96,948.43	\$ 1,250.00	\$ 20,202.00	\$ 24,348.21	\$ 30,750.00
Estimated Operation gain/loss Per category	\$ 2,715.00	\$ 9,341.72	\$ 750.00	\$ 5,598.00	\$ 10,859.79	\$ 4,250.00
Total Budget			\$ 2,000.00			

Exhibit H

A/R Aging Summary

As of November 27, 2024

Customer	Current	1-30	31-60	61-90	>90	Total
+ # 5 Guys Printing, Inc	0.00	0.00	0.00	0.00	250.00	250.00
+ # Enterprise Rancheria	0.00	0.00	0.00	0.00	250.00	250.00
+ # Recology Yuba Sutter	0.00	0.00	0.00	0.00	250.00	250.00
+ # Twin Rivers Polaris	0.00	0.00	0.00	0.00	250.00	250.00
+ # Visual Impact	0.00	0.00	0.00	0.00	317.50	317.50
A&E Kings Boutique	0.00	0.00	0.00	0.00	385.00	385.00
Adventist Health & Rideout	0.00	0.00	0.00	0.00	180.00	180.00
Amplex Hearing Aids, Inc.	0.00	0.00	0.00	0.00	350.00	350.00
As you Whish Salon & Beauty Bar	0.00	0.00	0.00	0.00	385.00	385.00
Babies to Teen Consignment Shop	0.00	0.00	0.00	0.00	385.00	385.00
Beck's Shoes	0.00	0.00	0.00	0.00	770.00	770.00
Best Collateral	0.00	0.00	0.00	0.00	250.00	250.00
BFS Printing, Boxes, Etc.	0.00	0.00	0.00	0.00	560.00	560.00
Black Heart Tattoo & Art Gallery	0.00	0.00	0.00	0.00	770.00	770.00
Bombshell Salon	0.00	0.00	0.00	0.00	770.00	770.00
CoreCycle Fitness	0.00	0.00	0.00	0.00	65.00	65.00
Cowgirl Boutique	0.00	0.00	0.00	0.00	577.50	577.50
Cupcake Magic	0.00	0.00	0.00	0.00	770.00	770.00
Daisy Nails (KV Nails) Salon	0.00	0.00	0.00	0.00	384.98	384.98
Dhillon's Pizza	0.00	0.00	0.00	0.00	385.00	385.00
E & J Music Lounge	0.00	0.00	0.00	0.00	385.00	385.00
Erica's Hair Studio	0.00	0.00	0.00	0.00	385.00	385.00
Fernando's Cali Kitchen	0.00	0.00	0.00	0.00	285.00	285.00
Heart-N-Soul	0.00	0.00	0.00	0.00	385.00	385.00
Hola Services	0.00	0.00	0.00	0.00	735.00	735.00
Holiday Inn Express	0.00	0.00	0.00	0.00	250.00	250.00
Holly Van Duzer	0.00	0.00	0.00	0.00	180.00	180.00
Iguana's Mexican Grill	0.00	0.00	0.00	0.00	560.00	560.00
Justin's Kitchen	0.00	0.00	0.00	0.00	560.00	560.00
Kabob and Gyro Hub	0.00	0.00	0.00	0.00	285.00	285.00
Korean Karate	0.00	0.00	0.00	0.00	770.00	770.00
La Flor de Michoacan	0.00	0.00	0.00	0.00	770.00	770.00
Lee's Canton Restaurant	0.00	0.00	0.00	0.00	180.00	180.00
Linda's Soda Bar & Grill {C}	0.00	0.00	0.00	0.00	735.00	735.00
Lunaria by Shawn Maria Inc	0.00	0.00	0.00	0.00	385.00	385.00
NEXA Mortgage	0.00	0.00	0.00	0.00	250.00	250.00
Novedades Chanito Perez	0.00	0.00	0.00	0.00	770.00	770.00
Novedades Espinoza	0.00	0.00	0.00	0.00	385.00	385.00
Ocean Massage	0.00	0.00	0.00	0.00	385.00	385.00

Phoenix Martial Arts	0.00	0.00	0.00	0.00	770.00	770.00
Phoenix Ridge	0.00	0.00	0.00	0.00	385.00	385.00
Plumas Barber (DrapedNTaped)	0.00	0.00	0.00	0.00	770.00	770.00
Plumas Interiors	0.00	0.00	0.00	0.00	385.00	385.00
Plumas St. Pub & Grill	0.00	0.00	0.00	0.00	560.00	560.00
Queen Penny	0.00	0.00	0.00	0.00	560.00	560.00
Queen Penny Display Shop	0.00	0.00	0.00	0.00	385.00	385.00
Righteous Ink	0.00	0.00	0.00	0.00	770.00	770.00
Royal Jewelers	0.00	0.00	0.00	0.00	385.00	385.00
Shadd's Vacuum Service	0.00	0.00	0.00	0.00	180.00	180.00
Si-Jo-Vi Stuff A Bear and Sawyers	0.00	0.00	0.00	0.00	385.00	385.00
Simply Divine Academy North	0.00	0.00	0.00	0.00	770.00	770.00
Sopa Thai {C}	0.00	0.00	0.00	0.00	1,000.00	1,000.00
Stanton Optical	0.00	0.00	0.00	0.00	770.00	770.00
Stay Faded	0.00	0.00	0.00	0.00	385.00	385.00
Studio 622	0.00	0.00	0.00	0.00	385.00	385.00
Succulent CBD	0.00	0.00	0.00	0.00	385.00	385.00
Sutter Buttes Brwg	0.00	0.00	0.00	0.00	380.00	380.00
Sutter Buttes Real Estate	0.00	0.00	0.00	0.00	350.00	350.00
Teegarden House & Event Center	0.00	0.00	0.00	0.00	385.00	385.00
The Art of Fades Studio	0.00	0.00	0.00	0.00	513.33	513.33
The Cellphone	0.00	0.00	0.00	0.00	770.00	770.00
The City Club	0.00	0.00	0.00	0.00	560.00	560.00
The Theater Gallery	0.00	0.00	0.00	0.00	770.00	770.00
Ubella Lash & Beauty	0.00	0.00	0.00	0.00	673.75	673.75
Wilbur Ellis	0.00	0.00	0.00	0.00	180.00	180.00
TOTAL	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 30,757.06	\$ 30,757.06

EXHIBIT I

District Assessment Formula

The Business Improvement District (BID) is a self-initiated business district funded by an annual assessment based on a formula developed by the Downtown Yuba City Business Improvement District Formation Committee. The assessments will be used to fund improvements and activities in the BID designed for economic stimulation and business enhancement for the businesses in the BID. The assessment formula is based on type, size and location of businesses in order to offer a fair and equitable charge for each business in the BID.

Retail, Restaurant and Service Businesses: Includes businesses that buy and resell goods such as clothing stores, shoe stores, office supplies, businesses that sell prepared foods and drinks, general office, news and advertising media, printers, photographers, personal care facilities and outlets, contractors, builders, service stations, repairing and servicing businesses, renting and leasing businesses, utilities, vending machine businesses, household finance companies, theaters and entertainment-oriented businesses, and other similar businesses not otherwise defined in the other categories.

Professional Business: Includes attorneys, architects, accountants, engineers, surveyors, physicians, dentists, optometrists, chiropractors and others in a medical/health service field, consultants, real estate brokers, financial advisors, laboratories (including dental and optical), hearing aid services, artists and designers, and similar businesses.

Lodging Businesses: Includes inns, hotels, motels, RV parks, and other similar businesses.

Financial Institutions: Includes banks, savings & loans, credit unions, and similar businesses.

Associate Members: Businesses outside the BID boundaries that would like to participate will be charged.

Note: Retail and restaurant businesses will be assessed on size which will be determined by number of employees, either full-time or the equivalent made up of multiples of part-time employees.

Business Type	Business Size (Number of Employees)	Annual Assessment Zone	
		A	B
Retail, Restaurant and Service	Small (1-4)	\$385	\$180
	Medium (5-9)	\$560	\$285
	Large (10+)	\$735	\$380
Professional Business		\$350	\$180
Lodging Business		\$560	\$285
Financial Business		\$875	\$725

ATTACHMENT 3

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
DECLARING ITS INTENTION TO LEVY AND COLLECT AN ANNUAL ASSESSMENT FOR
CALENDAR YEAR 2025 IN THE DOWNTOWN YUBA CITY BUSINESS IMPROVEMENT
DISTRICT AND SETTING A PUBLIC HEARING FOR
JANUARY 21, 2025**

WHEREAS, pursuant to the Parking & Business Improvement Area Law of 1989, California Streets & Highway Code Section 36500 et seq. (the “Act”), the City Council adopted Ordinance No. 06-98 which became effective on January 1, 1999, and

WHEREAS, pursuant to the Act and Section 3.9.020 of the Yuba City Municipal Code added by Ordinance No. 06-98, the City Council established a certain described parking and business improvement area named the Downtown Yuba City Business Improvement District (“District”); and

WHEREAS, pursuant to Section 3.9.030 of the Yuba City Municipal Code added by Ordinance No. 06-98, the City appointed the elected officers of the Yuba City Downtown Business Association to serve as an advisory board to the City Council (the “Advisory Board”) and authorized the City to enter into an agreement with the Advisory Board to carry out the purposes of the Act and Chapter 9 of the Yuba City Municipal Code; and

WHEREAS, the Advisory Board has filed the Annual Report for calendar year 2024-2025 with the City Clerk.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY RESOLVE, DETERMINE, AND FIND AS FOLLOWS:

1. The recitals set forth herein are true and correct.
2. The City Council does, at the request of the Advisory Board, and pursuant to the Act, declare its intention to levy and collect assessments within the District for calendar year 2025. The District is generally located in the downtown area of Yuba City, as more specifically depicted in Attachment 2.
3. Revenue from the assessments levied in the District shall be used to fund improvements and activities to promote the District. The types of activities to be funded include promotion of public events in the District, promotion of tourism within the District, and activities that benefit businesses located and operating in the District.
4. The 2024-2025 Annual Report contains a full and detailed description of the improvements and activities to be provided for in calendar year 2025, the boundaries of the District and boundaries of each separate benefit zone within the District, and the proposed assessments to be levied upon the businesses within the area. A true and correct copy of the Annual Report is on file with the City Clerk of the City of Yuba City, which has been approved by the City Council.
5. A public hearing to levy the annual assessment is hereby set for Tuesday, January 21, 2025, at 6:00 p.m., or as soon thereafter as may be heard, before the City Council of the City of Yuba City at the Council Chambers located at 1201 Civic Center Boulevard, Yuba City,

California.

6. At the public hearing the testimony of all interested persons, for or against the levying of the proposed assessment will be heard. A protest against the levying of the proposed assessment may be made orally or in writing. An oral protest shall be made at the public hearing. The form and manner of protests must comply with Sections 36524 and 36525 of the Act.
7. If at the conclusion of the public hearing, there are of record, valid written protests by the owners of the businesses within the District that will pay fifty percent (50 percent) or more of the total assessments of the entire District, no further proceedings, to levy the proposed assessment shall be taken for a period of at least one (1) year from the date of the finding of the majority written protest by the City Council.
8. Further information regarding the Downtown Yuba City Business Improvement District may be obtained from the City Clerk of the City of Yuba City at 1201 Civic Center Boulevard, Yuba City, California, or from the President of the Yuba City Downtown Business Association, Ryan Henshaw, State Farm Insurance, 799 Plumas Street, Yuba City, California.
9. The City Clerk is instructed to provide notice of the public hearing by publishing this Resolution of Intention in a newspaper of general circulation in the City of Yuba City no less than seven (7) days before the hearing.
10. This Resolution is effective on its adoption.

I HEREBY CERTIFY that the foregoing resolution was introduced and read at a Regular Meeting of the City Council of the City of Yuba City on the 17th day of December, 2024, and was duly adopted at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Diana Langley, City Manager

Summary

Subject: Downtown Yuba City Business Improvement District Ordinance
Recommendation: A. Conduct a Public Hearing; then
 B. Introduce an Ordinance of the City Council of the City of Yuba City to amend Municipal Code Section 3-9.050 for the collection of delinquent assessments, by title only, and waive the first reading
Fiscal Impact: This will improve the ability to collect delinquent Business Improvement District assessments

Purpose:

To improve the ability to collect delinquent Downtown Yuba City Business Improvement District assessments.

Council's Strategic Goal:

This item addresses Council's goals of Business Friendly and Fiscal Responsibility.

Background:

Chapter 9, Title 3 of the Yuba City Municipal Code addresses the Downtown Yuba City Business Improvement District (BID). Section 3-9.050 includes provisions for the collection of assessments, in which the City collects the annual assessments and the "District" collects delinquent assessments. The Downtown Business Association (DBA) has been acting as the "District" and is not set-up to collect delinquent assessments. Representatives from the DBA Board asked staff if the City could take over this function. Staff supports the DBA's request as the City has more tools available to collect delinquent assessments, including levying the assessment against the property owner's tax roll.

Analysis:

Staff recommends modifying Section 3-9.050, "Collection of assessment and refunds", as follows:

1. Modify Section 3-9.050a to identify that the City shall bill and collect all assessments, including delinquent assessments, from all businesses, trades, and professions within the District, or

- property owners, should the business, trade, or profession owner fail to pay.
2. Delete Section 3-9.050b to remove language related to the District collecting all delinquent assessments.
 3. Add Section 3-9.050d to specify the process for collection of delinquent assessments. The City may impose late penalties, and should the assessment remain delinquent as of June 30 of each year, the City may initiate and implement collection via a levy of the assessment on the property tax roll.

As this change will impact property owners, property owners will be notified multiple times that an assessment is delinquent. Notices will be sent to the property owner(s) concurrently with the second reminder notice, first delinquency letter, which will include a 10% penalty, and the second delinquency letter, which will include an escalating penalty, to the business owner(s).

Should the delinquent assessment still not be paid, the collection process will transition to a lien process that will include the following steps:

1. Finance Department shall prepare a written report, which shall be filed with the City Clerk, describing each parcel of which there are delinquent assessments during the preceding year, and the amount of delinquency.
2. City Clerk shall publish the notice of the report's filing and of the time and place of hearing on the report, prior to the date set for the hearing. The Finance Department shall mail written notice of the report's filing to each property owner whose property is identified as being subject to delinquent assessment charges.
3. Finance Department shall conduct a prehearing to hear and consider all objections or protests. The Finance Director shall then make a determination on each delinquency and present the list to the City Council for final determination at a public hearing.
4. City Council shall conduct a public hearing to consider all objections or protests, and then make a recommendation of each delinquency filed. The City Council's determination is final.
5. Following the hearing, prior to August 10 of each year, the City Clerk shall file with the Finance Director a copy of the signed report to submit to Sutter County to include the amount of delinquencies on the bills for taxes levied against the properties identified in the report.

As this is a change in how delinquent assessments are collected, staff invited all business and property owners to a meeting on November 19th to hear and provide feedback about the proposed changes. Few business and property owners were present. However, those in attendance inquired about the notification process to property owners. In addition, in early December, a follow-up letter was sent to all business and property owners to notify them of the proposed change and of the public hearing scheduled for consideration of this item.

Fiscal Impact:

As the DBA did not have tools available to collect delinquent assessments, there is a long list of aged accounts from businesses within the BID. The DBA Board voted to only pursue the collection of delinquent assessments dating back to January 2023, and forgive all other past due assessments. Staff is working with the DBA to identify the businesses and corresponding property owners that will be subject to collection of delinquent assessments, and will follow the process outlined in the amended Ordinance should it be adopted and become effective.

Alternatives:

1. Direct staff to modify the proposed code changes.

2. Do not amend the code.

Recommendation:

A. Conduct a Public Hearing; then

B. Introduce an Ordinance of the City Council of the City of Yuba City to amend Municipal Code Section 3-9.050 for the collection of delinquent assessments, by title only, and waive the first reading.

Attachments:

1. Proposed Ordinance Update - Downtown Business Improvement District
2. Municipal Code - Chapter 9 of Title 3

Prepared By:
Diana Langley
City Manager

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AMENDING MUNICIPAL CODE SECTION 3-9.050 FOR THE COLLECTION OF DELINQUENT
ASSESSMENTS**

WHEREAS, the Downtown Yuba City Business Improvement District was created in 1998 as a self-initiated business district funded by an annual assessment; and

WHEREAS, Chapter 9 of Title 3 of the Yuba City Municipal Code contains the parameters related to the establishment and implementation of the Downtown Yuba City Business Improvement District; and

WHEREAS, Section 3-9.050, "Collection of assessment and refund" currently identifies that the City will collect assessments, the "District" will collect delinquent assessments, and does not include current tools available to collect delinquent assessments; and

WHEREAS, the Downtown Business Association has requested that the City modify the Ordinance so that the City collects all assessments, current and delinquent; and

WHEREAS, staff concurs with the Downtown Business Association's request and would like to add the ability to collect delinquent assessments from property owners via a lien placed on the property tax roll; and

WHEREAS, the City Council now desires to amend Chapter 9 of Title 3 of the Yuba City Municipal Code.

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

Section 1. The above recitals are incorporated by reference.

Section 2. Section 3-9.050 of Chapter 9 of Title 3 of the Yuba City Municipal Code is amended to read in its entirety as follows:

Sec. 3-9.050. Collection of assessment and refunds.

- (a) The City shall bill and collect from all businesses, trades, and professions within the District all assessments authorized by this chapter. Should the business, trade, or profession not pay their assessment, the City will collect delinquent assessments from the property owner of which the business, trade, or profession is located.
- (b) The City shall pay any costs the City incurs for the process of billing and/or collecting the non-delinquent assessments for the Business Improvement District.
- (c) No refund upon termination of business within the business improvement district. The business assessments under the terms of this chapter are not refundable upon termination of a business or for any unused portion or term of the assessment year.
- (d) Collection of delinquent assessments. For delinquent assessments, the City may impose late payment penalties on businesses that fail to timely pay their respective assessments at a rate of 10% per month. If the assessment remains unpaid 60 days after the date of delinquency, the City may commence any action it deems appropriate or necessary to recover the delinquent assessments and late payment penalties. Any business which is delinquent in

payment of its assessment shall be liable for all costs of collection of the delinquent assessment.

All assessments which remain delinquent as of June 30 of each year may be collected in the same manner as the general taxes for the City for the forthcoming fiscal year, as follows:

- (1) The City's Finance Department shall prepare a written report, which shall be filed with the City Clerk. The report shall describe each parcel of real property for which there are any assessment delinquencies during the preceding year, and the amount of delinquency.
- (2) The City Clerk shall publish notice of the report's filing and of the time and place of hearing on the report, prior to the date set for the hearing. The notice shall be published once a week for two successive weeks prior to the hearing. The Finance Department shall also mail written notice of the report's filing to each property owner whose property or parcel is identified as being subject to delinquent assessment charges.
- (3) At the time stated in the notice for the prehearing, the Finance Director and/or designee shall hear and consider all objections or protests, if any, to the report concerning the delinquencies in a "prehearing." Thereafter, the City Finance Director may revise, change, reduce, or modify any delinquency, or overrule any or all objections thereto. The Finance Director shall then make his or her determination on each delinquency identified in the report, and present the list to the City Council for final determination at the public hearing stated in the notice.
- (4) At the time stated in the notice, following the prehearing and prior to submission to the County of Sutter, the City Council shall hear and consider all objections or protests, if any, to the report concerning the delinquencies. Thereafter the City Council may adopt, revise, change, reduce or modify any delinquency or overrule any or all objections thereto. The City Council shall then make its determination on each delinquency identified in the report; the City Council's determination shall be final.
- (5) Following the hearing, on or before August 10 of each year, the City Clerk shall file with the City's Finance Director a copy of the signed report to submit to the County. The Finance Director will submit a request to the County of Sutter to include the amount of delinquencies on the bills for taxes levied against the properties identified in the report.

SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

PUBLICATION. The City Clerk shall certify the adoption of this Ordinance and cause it to be published, in accordance with Government Code, Section 36933, or as otherwise required by law.

EFFECTIVE DATE. This Ordinance shall take effect and be in full force and effect from and after thirty (30) calendar days after its final passage and adoption. Within fifteen (15) calendar days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

Introduced and read at a regular meeting of the City Council of the City of Yuba City on the 17th day of December 2024, and adopted at a regular meeting thereof held on the 21st day of January 2025.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor
City of Yuba City

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBACITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

CHAPTER 9. DOWNTOWN YUBA CITY BUSINESS IMPROVEMENT DISTRICT

Sec. 3-9.010. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (a) "Act" shall mean the parking and business improvement Area Law of 1989, Streets and Highways Code § 36500 et seq.
- (b) "Activities" shall mean and include, without limitation: promotion of public events which benefit businesses in the District.
- (c) "Assessment" shall mean a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the businesses located and operating within the District.
- (d) "Associate member" shall mean a business owner located outside the BID boundaries that participates by paying an associate member assessment.
- (e) "Billing period" shall mean the time between January 1 of any year and December 31 of the same year.
- (f) "District" shall mean the parking and business improvement area established pursuant to Section 3-9-020 of this Code.
- (g) "Financial business" shall mean banks, savings and loan institutions, credit unions, and other related businesses.
- (h) "Fiscal year" shall mean January 1 to and including December 31 of the same year.
- (i) "Improvements" shall mean the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more, including, without limitation: parking facilities, benches, trash receptacles, street lighting, decorations, parks and fountains.
- (j) "Lodging business" shall mean and include, without limitation, hotels, motels, inns, recreational vehicle parks, bed and breakfast inns, and other similar businesses.
- (k) "Professional business" shall mean and include attorneys, architects, accountants, engineers, surveyors, physicians, dentists, optometrists, chiropractors and others in a medical/health service field, consultants, real estate brokers, financial advisors, laboratories (including dental and optical), hearing aid services, artists and designers, and similar businesses.
- (l) "Retail, restaurant and service business" shall mean and include businesses that buy and resell goods such as clothing stores, shoe stores, office supplies, businesses that sell prepared foods and drinks, general office, news and advertising media, printers, photographers, personal care facilities and outlets, contractors/builders, service stations, repairing and servicing businesses, renting and leasing businesses, utilities, vending machine businesses, household finance companies, theaters and entertainment-oriented businesses, and other similar businesses not otherwise defined in the other categories.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.020. Establishment of Business Improvement District and boundaries of District.

A Parking and Business Improvement Area is hereby established pursuant to the Parking and Business Improvement Area Law of 1989, Streets and Highways Code § 36500 et seq. This District shall be called the Downtown Yuba City Business Improvement District. There shall be two benefit zones within the District, based upon the degree of benefit to be derived from the improvements and activities to be provided within the benefit zones as provided in the Act. The boundaries of the District and the benefit zones within the District are shown on the attached map and described in the form of assessor's parcel numbers in Exhibit A.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.030. Establishment of Advisory Board; agreement; amendments to the Act.

The elected officers of the Downtown Yuba City Business Association shall serve as an Advisory Board to the City Council, and shall make recommendations to the City Council on the expenditure of revenues derived from the levy of assessments pursuant to this chapter, on the classification of businesses, and on the method and basis of levying the assessments. Persons owning businesses within the boundaries of the District shall be qualified to serve as members of the Advisory Board. The Board may appoint a director who is an associate member. Any and all voting within the District regarding election of persons to serve on the Advisory Board, matters concerning the conduct of the advisory board, or any actions of the advisory board shall be based on one vote per assessed dollar of the assessment made pursuant to this chapter. Only businesses which are current in the payment of their assessments shall be entitled to participate in any such vote.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.040. Establishment of assessment; exclusion from assessment.

- (a) Commencing January 1, 1999, all businesses, trades, and professions located within the District shall pay an annual assessment in the following amounts, depending on the benefit zone in which the business is located, the classification of the business, and number of employees the business employs:

Business Type	Business Size Number of Employees		Annual Assessment Zone	
			A	B
Retail, Restaurant and Service	Small	1—4	\$385	\$180
	Medium	5—9	\$560	\$285
	Large	10+	\$735	\$380
Professional Business			\$350	\$180
Lodging Business			\$560	\$285
Financial Institutions			\$875	\$725

Associate Members: Businesses outside the BID boundaries that would like to participate will be assessed \$175.

NOTE: Retail and restaurant businesses will be assessed on size which will be determined by number of employees, either full-time, or the equivalent made up of multiples of part-time employees.

- (b) Property within the District boundaries used for residential purposes are exempt from assessment within the District.

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- (c) The assessment for any new business established within the District shall be due and payable on the date of issuance of the business license or on the date the business first opens to the public, whichever first occurs. Said initial assessment shall be prorated on the basis of the remaining fiscal year. Thereafter, annual assessments will be due and payable on January 1 of each year.

(§ 1, Ord. 06-98, eff. August 19, 1998; § 1, Ord. 007-07, eff. May 31, 2007)

Sec. 3-9.050. Collection of assessment and refunds.

- (a) The City shall bill and collect from all businesses, trades, and professions within the District all ~~non-~~delinquent assessments authorized by this chapter. Should the business, trade, or profession not pay their assessment, the City will collect delinquent assessments from the property owner of which the business, trade, or profession is located.
- ~~(b) Except for the initial assessment for new businesses pursuant to Section 3-9.040(c) of this chapter, the businesses in the BID have the option to pay the annual BID assessment on a quarterly basis. The District shall be responsible for collecting all delinquent assessments. The District may impose late payment penalties on businesses that fail to timely pay their respective assessments at a rate of 10% per month. If the assessment remains unpaid 60 days after the date of delinquency, the District may commence any action it deems appropriate or necessary to recover the delinquent assessments and late payment penalties. Any business which is delinquent in payment of its assessment shall be liable for all costs of collection of the delinquent assessment.~~
- ~~(c)~~ The City shall pay any costs the City incurs for the process of billing and/or collecting the non-delinquent assessments for the Business Improvement District.
- ~~(d)~~ No refund upon termination of business within the business improvement district. The business assessments under the terms of this chapter are not refundable upon termination of a business or for any unused portion or term of the assessment year.
- ~~(d) Collection of delinquent assessments. For delinquent assessments, the City may impose late payment penalties on businesses that fail to timely pay their respective assessments at a rate of 10% per month. If the assessment remains unpaid 60 days after the date of delinquency, the City may commence any action it deems appropriate or necessary to recover the delinquent assessments and late payment penalties. Any business which is delinquent in payment of its assessment shall be liable for all costs of collection of the delinquent assessment.~~

All assessments which remain delinquent as of June 30 of each year may be collected in the same manner as the general taxes for the City for the forthcoming fiscal year, as follows:

- (1) The City's Finance Department shall prepare a written report, which shall be filed with the City Clerk. The report shall describe each parcel of real property for which there are any assessment delinquencies during the preceding year, and the amount of delinquency.
- (2) The City Clerk shall publish notice of the report's filing and of the time and place of hearing on the report, prior to the date set for the hearing. The notice shall be published once a week for two successive weeks prior to the hearing. The Finance Department shall also mail written notice of the report's filing to each property owner whose property or parcel is identified as being subject to delinquent assessment charges.
- (3) At the time stated in the notice for the prehearing, the Finance Director and/or designee shall hear and consider all objections or protests, if any, to the report concerning the delinquencies in a "prehearing." Thereafter, the City Finance Director may revise, change, reduce, or modify any delinquency, or overrule any or all objections thereto. The Finance Director shall then make his or her determination

on each delinquency identified in the report, and present the list to the City Council for final determination at the public hearing stated in the notice.

- (4) At the time stated in the notice, following the prehearing and prior to submission to the County of Sutter, the City Council shall hear and consider all objections or protests, if any, to the report concerning the delinquencies. Thereafter the City Council may adopt, revise, change, reduce or modify any delinquency or overrule any or all objections thereto. The City Council shall then make its determination on each delinquency identified in the report; the City Council's determination shall be final.
- (5) Following the hearing, on or before August 10 of each year, the City Clerk shall file with the City's Finance Director a copy of the signed report to submit to the County. The Finance Director will submit a request to the County of Sutter to include the amount of delinquencies on the bills for taxes levied against the properties identified in the report.

(§ 1, Ord. 06-98, eff. August 19, 1998; § 2, Ord. 007-07, eff. May 31, 2007)

Sec. 3-9.060. Purpose and use of assessment.

Revenue from the assessments levied in the District shall be used to fund improvements and activities to promote the District. Revenue from the assessments levied in the District shall not be used to provide improvements or activities which do not promote the District or for any purpose other than the purposes specified in the Act and the resolution of intention of the City Council concerning establishment of the District.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.070. Voluntary contributions to the District.

- (a) The City or Advisory Board may accept voluntary contributions to the District's account by any person, business, or entity. The boundary of the District shall not be modified as a result of any voluntary contribution. A business which contributes voluntarily to the District shall not be considered a part of the District.
- (b) Upon a specific finding by the Advisory Board that the District would derive a benefit from the participation of a business which has voluntarily contributed to the District's account may participate in specified programs of the District for the billing period in which the voluntary contribution is made.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.080. Annual report to the City Council; conduct of hearing; levy of assessment.

- (a) The Advisory Board shall prepare, on or before December 1, a report for each fiscal year for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The Advisory Board shall file the report with the City Clerk and shall specify the name of the District, the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following:
- (1) The improvements and activities to be provided for that fiscal year.
 - (2) An estimate of the cost of providing the improvements and the activities for that fiscal year.

-
- (3) The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
 - (4) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
 - (5) The amount of any contributions anticipated to be made from sources other than assessments levied pursuant to this part.
- (b) The Advisory Board's report may propose changes, including, but not limited to, the boundaries of the District of any benefit zones within the District, the basis and method of levying the assessments, and any changes in the classification of businesses. If such changes are proposed in the report, the report shall also include a detailed description of any such proposed changes.
 - (c) After the filing of the report, the City Council shall adopt a resolution of intention to levy an annual assessment for that fiscal year, and shall comply with the Act in preparing the resolution, setting the matter for a public hearing on the levy of the proposed assessment for that fiscal year, publishing notice of the public hearing, and conducting the public hearing.
 - (d) At the conclusion of the public hearing, the City Council may adopt a resolution confirming the report as originally filed, or as modified by the City Council. The adoption of the resolution shall constitute a levy of an assessment for the fiscal year referred to in the report.
- (§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.090. District revenues not to offset City services.

The City shall not use or require the Advisory Board to use District revenues to offset City expenditures for capital improvement projects in the District and maintenance of City property and public works, including, without limitation, public property, sidewalk, street and restroom cleaning and maintenance, and tree maintenance. The City shall not diminish the level or standard of maintenance or capital improvement projects in the District solely because of the existence of District revenues.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.100. Public parking.

The District's revenues, whether generated by assessment or voluntary contribution, shall not be used to acquire and/or construct public parking within the District, unless such use of the revenues is specifically approved by a majority vote of the business owners in the District as set forth in Section 3-9.030.

(§ 1, Ord. 06-98, eff. August 19, 1998)

Sec. 3-9.110. Modification or disestablishment of the District.

- (a) The City Council may modify the boundaries of the District, the boundaries of the benefit zones, the amount, basis or method of levy of the assessments, and any improvements or activities to be funded with revenues derived from the levy of assessments. Any modifications shall be made pursuant to the procedures set forth in the Act.
- (b) The City Council may disestablish the District as set forth in the Act. Any action to disestablish the District shall be taken pursuant to the procedures set forth in the Act.

-
- (c) Upon the disestablishment of the District, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be refunded to the owners of the businesses then located and operating within the District as required by the Act.

(§ 1, Ord. 06-98, eff. August 19, 1998)

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Public Works
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Small Wireless Telecommunication Facilities within the City's Right of Way

Recommendation: Adopt a Resolution that:

A. Amends the City's Fee Schedule to include new fees for the processing of Wireless Telecommunication Facility Permits in the City's Public Right-of-Way

B. Authorizes the City Manager to execute a Master License Agreement with New Cingular Wireless PCS, LLC (AT&T) for use of Municipal Facilities to install Small Wireless Facilities

Fiscal Impact: Minimal costs associated with staff time preparing documents. The proposed fee schedule is intended to recover the City's actual costs of staff's time to process small wireless facility permit applications and should therefore be cost-neutral. The proposed fee and trust deposit amounts are listed below:

Wireless Telecommunication Permit Fee - \$3,065.73
Wireless Telecommunication Trust Deposit - \$1,000.00

Purpose:

To regulate telecommunication infrastructure within the City's right of way and other municipal facilities and to establish fees for permitting the installation of wireless telecommunication facilities within the City's Public Right-of-Way.

Council's Strategic Goals:

The Fee Schedule addresses the City Council's Strategic Goals of being Business Friendly, while also maintaining Fiscal Responsibility.

Background:

In recent years, wireless telecommunication facilities have evolved into various types of facilities, two types of which are administrative wireless telecommunication facilities and major wireless telecommunication facilities. Major wireless telecommunication facilities are known as "macro-cells", while the administrative wireless telecommunication facilities are known as "small wireless facilities" (SWFs).

Wireless telecommunication carriers increasingly seek to place SWFs in the City's Public Right-of-Way on utility poles, streetlights, and new poles. The demand for such wireless installations, particularly SWFs, is expected to grow exponentially over the next several years given the expansion of home streaming video, social media, drones, self-driving cars, and the Internet of Things (IoT) serving homes and businesses. To accommodate this expansion, the telecommunications industry seeks to implement SWFs by installing them onto street light poles and other utility poles in the Public Right-of-Way that are well-suited for limited range SWFs.

The Federal Communications Commission (FCC) released a Declaratory Ruling and Third Report and Order (FCC Order) significantly limiting state and local management of SWFs in the Public Right-of-Way. In short, the FCC Order defines SWFs as follows:

- No more than 28 cubic feet in volume for all associated wireless equipment on one structure.
- Antennas for SWFs shall be no more than 3 cubic feet in volume.
- Total height cannot be greater than 50 feet or extend higher than 10% the height of adjacent structures, whichever is greater.

The FCC Order also has caps for all fees that local governments can charge to the actual and reasonable cost of providing service, imposed a review timeline known as a "shot clock" of 60 days for SWFs added to existing structures or 90 days for SWFs proposing a new structure, and the FCC preempts all aesthetic requirements for SWFs in the Public Right-of-Way, unless they are feasible, no more burdensome than those applied to other types of infrastructure deployments, and published in advanced.

Soon after the FCC Order was implemented New Cingular Wireless PCS, LLC (AT&T) has been in communication with the City and expressed interest in constructing Small Wireless Facilities in Yuba City. On July 19, 2022, Council adopted the Wireless Telecommunication Facilities in the City's Public Right of Way Ordinance, which provides the regulatory framework and standards for permitting the installation of SWFs within the City's Public Right-of-Way. The ordinance and corresponding design standards were developed in response to the FCC Order. The ordinance also addresses "eligible facilities requests"—a category of "by-right" installations that were established by the FCC several years ago, but never acknowledged in the City's previous version of the Municipal Code. The "eligible facilities request" means any request for modification to an existing eligible support structure that does not substantially change the physical dimensions of such structure.

Analysis:

City approval of macro and small wireless telecommunication facilities within the City's Public Right-of-Way or on City-owned property will require a new type of permit, titled a Wireless Telecommunication Facility Permit (WTFP). To address the difference between macro and small wireless telecommunication facilities, the WTFP will have a supplemental application to classify the facility. Both the Public Works and Development Services departments collectively estimate that it takes staff, on average, approximately 26 hours to review and process WTFP applications (not counting consultant time), including reviewing applications for completeness, noticing residents, reviewing proposed plans, responding to inquiries, and issuing the permit.

In accordance with the FCC Order and California Government Code Section 50030 the proposed Fee Schedule represents a reasonable approximation of the City's actual costs to process WTFP applications consistent with other types of encroachment and development permit fees.

Additionally, AT&T has shown interest in constructing SWFs in Yuba City and has been in contact with Public Works staff since 2019. As a result, staff consulted with the City's Attorney to develop a Master

License Agreement that positions the City to be able to create a new revenue stream to allow SWFs in the City while also minimizing impacts to the public by having requirements in the WTF permit application that help dictate the location and esthetics for a SWF.

Fiscal Impact:

The proposed Resolution will establish a new flat fee for the WTF permit application and Eligible Facility Requests (EFR) to recover the actual costs to the City for processing these permits. Fees will increase annually based on the Consumer Price Index. Along with the new flat fee, there will also be a Trust Deposit to cover the cost of services for additional staff or consultant time when reviewing a permit application. Any unused deposit will be returned to the applicant upon issuance or denial of the permit. A table with the proposed fee and trust deposit is shown below:

Wireless Telecommunication \$3,065.73
Permit Fee
Wireless Telecommunication \$1,000.00
Permit Trust Deposit

Alternatives:

Direct staff to modify the Master License Agreement language or do not move forward with authorizing a Master License Agreement at this time, resulting in the City of Yuba City restricting its rights to enforce standards and regulations for wireless telecommunication facilities and structures in the City's Public Right-of-Way.

Recommendation:

Adopt a Resolution that:

- A. Amends the City's Fee Schedule to include new fees for the processing of Wireless Telecommunication Facility Permits in the City's Public Right-of-Way
- B. Authorizes the City Manager to execute a Master License Agreement with New Cingular Wireless PCS, LLC (AT&T) for use of Municipal Facilities to install Small Wireless Facilities

Attachments:

- 1. Resolution - Amend Fee Schedule adding Wireless Telecommunication Facilities in PROW Permit Fees and Master License Agreement

Prepared By:
William Jow
Assistant Engineer

Submitted By:
Diana Langley
City Manager

RESOLUTION 2024-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AMENDING THE CITY'S FEE SCHEDULE TO INCLUDE NEW FEES FOR THE PROCESSING OF WIRELESS TELECOMMUNICATION FACILITY PERMITS IN THE PUBLIC RIGHT-OF-WAY.

WHEREAS, the California Government Code requires that fees for services charged by municipalities not exceed the cost of providing the service for which the fee is levied and that no fee or service charge or increase in an existing fee or charge may be levied without the public having an opportunity to make oral or written public comment at a regularly scheduled City Council meeting; and

WHEREAS, with respect to the costs of processing applications for wireless telecommunications facilities, California law has established the following additional limits upon those permit fees and charges for services that may be recovered by municipalities, as follows:

“Cal. Gov. Code § 50030. Any permit fee imposed by a city, including a chartered city, a county, or a city and county, for the placement, installation, repair, or upgrading of telecommunications facilities such as lines, poles, or antennas by a telephone corporation that has obtained all required authorizations to provide telecommunications services from the Public Utilities Commission and the Federal Communications Commission, shall not exceed the reasonable costs of providing the service for which the fee is charged and shall not be levied for general revenue purposes.”; and

WHEREAS, on September 27, 2018, the Federal Communications Commission (“FCC”) issued a new order and regulations (the “FCC Order”), which, in part, sets fee limits upon municipal service charges and permit fees for the processing of applications to deploy wireless telecommunications facilities. The FCC Order concluded that City fees, and fees for the use of government property in the public-right-of-way (“PROW”) violate Sections 253 or 332(c)(7) of the Federal Telecommunications Act unless these conditions are met: (1) the fees are a reasonable approximation of the local government’s costs, (2) only objectively reasonable costs are factored into those fees, and (3) the fees are no higher than the fees charged to similarly-situated competitors in similar situations; and

WHEREAS, at the City Council meeting of July 19, 2022, the City Council adopted an ordinance adding Chapter 8 to the Yuba City Municipal Code relating to the processing of Wireless Telecommunication Facilities (WTF) Permit applications in the Public Right-of-Way; and

WHEREAS, in order to ensure that permit fees for these WTF Permit applications will be reasonable and cost-based in accordance with both the FCC Order and Government Code § 50030, City staff has conducted an analysis of the City’s anticipated costs of providing the services and regulatory activities for such applications; and

WHEREAS, City staff has performed a cost analysis by estimating the time it takes and resources needed to process WTF Permit applications; and

WHEREAS, the estimated cost of the services of the Public Works and Development Services Departments were calculated based on the estimated time for all staff to perform the

necessary to process WTF Permit applications, to ensure that they are reasonable and legally defensible; and

WHEREAS, on 12/3/2024, a public notice announcing the City Council's public hearing and review of the proposed amendment to establish flat fees and associated trust deposits for WTF Permit applications were published in the Appeal Democrat Newspaper; and

WHEREAS, based upon oral and written presentations by City staff and members of the public, including but not limited to staff reports, exhibits, attachments, and the fee analysis, the City Council now desires to adopt certain permit fees for the processing of WTF's; and

WHEREAS, New Cingular Wireless PCS, LLC (AT&T) is interested in entering into a Master License Agreement with the City; and

WHEREAS, the City Council desires to designate its City Manager as the official authorized to commit the City to a Master License Agreement with AT&T Mobility Group

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct, and adopt the recitals as findings in support of the actions taken herein.

Section 2. That the City Council hereby establishes and adopts the new application processing, administration and implementation fees and deposits as provided in Exhibit A of this Resolution. The permit fee established in Exhibit B shall be for services provided by the City's staff for the processing of applications received.

Section 3. The deposit amount shall be used to cover additional costs incurred by the City including any consultant fees. Any unused deposit funds shall be refunded to the applicant at the completion of the WTFP processing.

Section 4. That the City Council approves a Master License Agreement with New Cingular Wireless PCS, LLC (AT&T) for use of Municipal Facilities to install Small Wireless Facilities subject to its material terms. The City Manager is authorized to execute and make non-material changes to the same, subject to approval as to legal form by the City Attorney.

Section 5. The project is exempt from the California Environmental Act (CEQA) under section 15061(b)(3) establishing a funding mechanism in and of itself will not have any significant effect on the environment.

Section 6. All exhibits to this Resolution are incorporated herein by reference and made a part hereto.

Section 7. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this resolution or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remainder of this ordinance. The City Council hereby declares that it would have adopted this resolution, and each and every section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,

subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

Section 8. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions. This Resolution shall be effective immediately upon passage and adoption.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 19th day of November, 2024.

AYES:

NOES:

ABSENT:

ATTEST

Dave Shaw, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

Exhibit A – Amendment to Master Schedule of Fees and Charges for City Services

Exhibit B – Staff Fully Burdened Rate Table

EXHIBIT "A"

**AMENDMENT TO MASTER SCHEDULE OF FEES AND CHARGES FOR CITY SERVICES
SHALL BE AS FOLLOWS:**

Permit Type	Description	Fee (\$)
Use Permit	Major (all projects other than minor use permits)	1,717.38
	Minor (related to single-family residence or duplex parking waiver, signs, temporary coaches)	700.30
	Minor Amendments	700.30
	Major Amendments	1,717.38
	Time Extensions: Minor	521.01
	Major	521.01
Wireless Telecommunication Facility Permit	Add	3,065.73
Wireless Telecommunication Facility Permit – Trust Deposit	Add	1,000.00

EXHIBIT "B"

STAFF FULLY BURDENED RATE TABLE

POSITION	TASK	FULLY BURDENED RATE	TIME(HRS)	TOTAL COST
Assistant Engineer	Review Application for Completeness	\$118.88	4	\$475.52
	Upload to City Permitting System and Process	\$118.88	2	\$237.76
Admin Analyst II	Create Send Out Notices to Residents	\$98.71	4	\$394.84
Assistant Engineer	Review Site Plans & Specifications	\$118.88	2	\$237.76
Chief Building Inspector		\$178.78	2	\$357.56
Assistant Engineer	Coordinate with Staff and Consultants for Processing	\$118.88	2	\$237.76
	Assist in Creating and Sending Notices	\$118.88	2	\$237.76
Admin. Analyst	Review, Upload, and Send Plans	\$98.71	1	\$98.71
CD Technician I	Log into City Permitting System and Process	\$66.84	1	\$66.84
Deputy Director of CD	QA/QC Review of Application Material and Analysis for Approval/Denial	\$181.65	1	\$181.65
Development Liaison	Review Application for Potential View Impacts, Appearance, Compatibility, etc.	\$127.13	1	\$127.13
Deputy Director of Public Works	Review Staff's Recommendations for Final Approval	\$206.22	0.5	\$103.11

Deputy Director of Public Works	Review Submitted Paperwork, Notices, Labels, Area Coverage for the Notice	\$206.22	1	\$206.22
	Cursory Review Staff's Comments/ Outside Entities' Comments/ Decision for Approval of Permit or Send to Public Hearing	\$206.22	0.5	\$103.11
			Total	\$3,065.73

EXHIBIT “C”
MASTER LICENSE AGREEMENT

**MASTER LICENSE AGREEMENT
BETWEEN THE CITY OF YUBA CITY AND _____ FOR USE OF
MUNICIPAL FACILITIES TO INSTALL
SMALL WIRELESS FACILITIES**

This MASTER LICENSE AGREEMENT BETWEEN THE CITY OF YUBA CITY AND _____ FOR USE OF MUNICIPAL FACILITIES TO INSTALL SMALL WIRELESS FACILITIES (the "Agreement") is made and entered into as of the latter of two signatures below ("Effective Date") by and between the City of Yuba City, a municipal corporation ("Licensor" or "City") and _____, a _____ ("Licensee"). Licensor and Licensee may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

This Agreement is made with reference to the following Recitals, each of which is deemed to be a material term and provision of this Agreement:

- A. Licensor is the owner of certain Municipal Facilities.
- B. Licensee is duly organized and existing under the laws of the State of _____, and is authorized to conduct business in the State of California. Further, Licensee is legally authorized to enter the PROW for the purposes of installing facilities for the provision of wireless service. Said authorization is detailed at Exhibit B.
- C. Licensee desires to use space on certain of Licensor's Municipal Facilities located in the public right-of-way and public utilities easements within the jurisdictional limits of the City to locate, place, attach, install, operate, control, and maintain Small Wireless Facilities on Licensor's Municipal Facilities.
- D. Licensee hereby acknowledges it must comply with Licensor's requirements as provided herein including but not limited to all applicable provisions of Laws including Federal, State and the City's Municipal Code and applicable City Council policies.
- E. Licensee is willing to compensate Licensor in exchange for a right to use and physically occupy portions of the Municipal Facilities as provided herein.

AGREEMENT

Definitions and Exhibits.

Definitions. For the purposes of this Agreement and all Exhibits attached hereto, the following terms, phrases, words and derivations shall have the meaning given herein.

Abandons or abandonment means Licensee's discontinuance of a Small Wireless Facility for the applicable continuous period provided under Laws.

Antenna Equipment means all equipment associated with a Small Wireless Facility, other than the Antenna including that equipment identified at 47 C.F.R. §1.6002(c). For ease, the

current definition in Section 1.6002(c) provides as follows: “*Antenna equipment*, consistent with § 1.1320(d), means equipment, switches, wiring, cabling, power sources, shelters or cabinets associated with an antenna, located at the same fixed location as the antenna, and, when collocated on a structure, is mounted or installed at the same time as such antenna.”

Antenna has the meaning set forth in 47 C.F.R. §1.6002(b), as may be amended. For ease, the current definition in Section 1.6002(b) provides as follows: “*Antenna*, consistent with § 1.1320(d), means an apparatus designed for the purpose of emitting radiofrequency (RF) radiation, to be operated or operating from a fixed location pursuant to Commission authorization, for the provision of personal wireless service and any commingled information services. For purposes of this definition, the term antenna does not include an unintentional radiator, mobile station, or device authorized under part 15 of this chapter.”

Antenna Facility has the meaning set forth in 47 C.F.R. §1.6002(d), as may be amended. For ease, the current definition in Section 1.6002(d) provides as follows: “*Antenna facility* means an antenna and associated antenna equipment.”

Carriers means a provider of wireless telecommunications services or Licensee’s third-party wireless carrier customers. As used herein, Carriers may refer to a Carrier not a party to this Agreement.

City means City of Yuba City.

Code means the City’s Municipal Code.

Commencement Date means the first day of the month following the mutual execution of this Agreement.

Emergency means (1) a situation in which there is an imminent threat of injury to person or property, or loss of life or (2) any outage or failure of a Small Wireless Facility.

FCC means the Federal Communications Commission

Hazardous Substance means any substance, chemical or waste that is identified as hazardous or toxic in any applicable federal, state or local law or regulation, including but not limited to petroleum products and asbestos.

Interfere or Interference means Physical Interference and Radio Frequency Interference.

Laws means any and all applicable federal, state or local statutes, constitutions, ordinances, resolutions including any applicable City Council policy (as long as any such policies are adopted and applied by the City Council in a reasonable manner and consistent with all applicable laws, including, but not limited to, the FCC’s Declaratory Ruling and Third Report and Order (FCC 18-133) in the rulemaking proceeding entitled *Accelerating Wireless Broadband by Removing Barriers to Infrastructure Investment*, WT Docket No. 17-79 (the “FCC Order”) and related case law), regulations, judicial decisions, judicial opinions, judicial orders, regulatory opinions, regulatory orders, rules, permits, approvals or other applicable requirements of Licensor

or other governmental entity or agency (including the FCC or any successor agency) having joint or several jurisdiction over Licensee's activities under this Agreement or having jurisdiction that is applicable to any aspect of this Agreement, including the Code (as defined above), that are in force on the Effective Date of this Agreement, and as they may be enacted, issued or amended during the Term of this Agreement.

Municipal Facilities means Licensor-owned structures located within the public right-of-way that are designated or approved by Licensor as being suitable for placement of one or more Small Wireless Facilities, including but not limited to Licensor-owned street lights and utility poles. "Municipal Facilities" includes "Replacement Poles" as defined in Section 6 of this Agreement.

Permit means any required permit issued under the Code, which may include any applicable zoning and land use planning permits such as conditional use permits, and those permits that monitor and control improvement, construction or excavation activities, or other work or activity, occurring upon or otherwise within the City.

Physical Interference means where equipment, vegetation or a structure interferes with or causes reduced use of another's prior installed equipment, or an obstruction in a necessary line-of-sight path.

PROW (or *public right-of-way*) means the space in, upon, above, along, across, and over the public streets, roads, lanes, courts, ways, alleys, boulevards, sidewalks, bicycle lanes, and places, including all public utility easements and public service easements as the same now or may hereafter exist, that are under the jurisdiction of the City. This term also includes any definition adopted in the City's Municipal Code including section 12.40.020. This term does not include county, state, or federal rights-of-way or any property owned by any person or entity other than the City, except as provided by applicable Laws or pursuant to an agreement between the City and any such person or entity.

Radio Frequency Interference means the disruption of radio signal transmission or reception caused by any source which generates radio waves at the same frequency and along the same path as the desired wave.

Replacement Pole means replacement pole as it is defined in Section 6 and approved by Licensor.

Site Supplement means each separate site license authorization granted by Licensor, pursuant to Section 2 below, and substantially in the form shown on Exhibit A, which shall be subject to the terms and conditions of this Agreement.

Site Supplement Commencement Date means the first day of the month following the date Licensee has commenced installation of the Small Wireless Facility as approved and identified in Exhibit 1 to the Site Supplement.

Small Wireless Facility or Small Wireless Facilities means a facility meeting the definition set forth in 47 C.F.R. §1.6002(l), as amended, and which is as specifically identified and described in Exhibit 1 attached to each approved Site Supplement (as defined above). For ease,

the current definition in Section 1.6002(1) provides as follows: “*Small wireless facilities*” consistent with C.F.R. § 1.1312(e)(2), are facilities that meet each of the following conditions:

- “(1) The facilities -
 - (i) Are mounted on structures 50 feet or less in height including their antennas as defined in § 1.1320(d); or
 - (ii) Are mounted on structures no more than 10 percent taller than other adjacent structures; or
 - (iii) Do not extend existing structures on which they are located to a height of more than 50 feet or by more than 10 percent, whichever is greater;
- (2) Each antenna associated with the deployment, excluding associated antenna equipment (as defined in the definition of “antenna” in § 1.1320(d)), is no more than three cubic feet in volume;
- (3) All other wireless equipment associated with the structure, including the wireless equipment associated with the antenna and any pre-existing associated equipment on the structure, is no more than 28 cubic feet in volume;
- (4) The facilities do not require antenna structure registration under part 17 of this chapter;
- (5) The facilities are not located on Tribal lands, as defined under 36 CFR 800.16(x); and
- (6) The facilities do not result in human exposure to radiofrequency radiation in excess of the applicable safety standards specified in § 1.1307(b).”

Term means the period that this Agreement is in effect as described in Section 3.1 of this Agreement. The Initial Term (as defined in Section 3.1) and all Renewal Terms (as defined in Section 3.1) shall be collectively referred to herein as the “Term.”

Exhibits. The following numbered documents, which are occasionally referred to in this Agreement, are incorporated herein by this reference and made part of this Agreement by this reference:

Exhibit A: Site Supplement

Exhibit 1: City Approved Site Plans and Documentation of Required City Approvals.

Exhibit B: State and Federal Authorizations

Exhibit C: Insurance Requirements.

In the event of any conflict or ambiguity between this Agreement and any approved Site Supplement, the approved Site Supplement (but only with respect to the subject matter or Small Wireless Facility addressed therein) shall govern and prevail.

License Grant and Terms.

Scope. Licensor, as the owner of Municipal Facilities in the PROW, does hereby grant to Licensee a license to use, modify, or replace the Municipal Facilities identified in Exhibit 1 to each approved Site Supplement and to attach, install, operate, maintain, remove, reattach, reinstall and replace, the Small Wireless Facilities identified therein. This grant is subject to the terms, conditions and other provisions set forth in this Agreement. Licensee's license to use the Municipal Facilities shall be non-exclusive as to access to and general use of the Municipal Facilities, but shall be exclusive as to the specific space/areas physically occupied by Licensee's Small Wireless Facilities.

Use of Municipal Facilities. An approved Site Supplement allows Licensee to access, occupy and use space on each of the Municipal Facilities as identified in Exhibit 1 to the corresponding Site Supplement to attach, install, operate, maintain, upgrade, remove, reattach, reinstall, relocate and replace the Small Wireless Facilities, as identified in Exhibit 1 and subject to Licensor's approval and/or permitting process. Further and except in the event of an Emergency, Licensee shall have access to the Municipal Facilities upon which Small Wireless Facilities are installed during the hours of 6:00 am to 9:00 pm seven days a week including State and Federal holidays. Licensee shall have Emergency access to the Municipal Facilities on a 24/7 basis. In the event of an Emergency, the Licensee shall notify Licensor as soon as practicably possible at the phone number listed at section 19.2 below. Licensee shall comply with all applicable permit requirements including but not limited to those applicable requirements, regulations, policies and ordinances adopted by Licensor including any encroachment permit or similar requirement.

Alterations; Unauthorized Equipment. Licensee represents that it will not install unauthorized or unpermitted Antenna Facilities, or other equipment. If Licensee proposes to install equipment which is different in any material way from the then-existing and approved Small Wireless Facilities, then Licensee shall first apply for and obtain the written approval, not to be unreasonably withheld, conditioned or delayed, for the use and installation of such unauthorized equipment from an authorized representative of Licensor via a new or amended Site Supplement. In addition to any other submittal requirements, and if requested by Licensor, Licensee shall provide "load" (structural) calculations for all Municipal Facilities upon which it intends to attach a Small Wireless Facility or modify an approved Small Wireless Facility in the PROW where Licensor reasonably determines that Licensee's proposed modifications will result in material additional loading on the applicable Municipal Facility. Subject to the City's regulatory requirements, Licensee may modify its Small Wireless Facilities with like-kind Antenna Facilities, without prior written approval of Licensor including, without limitation, substitution of internal components that does not result in (i) any change to the external appearance, (ii) increase in the dimensions, (iii) increase in weight of the Antenna Facility or (iv) that involves replacement with an attachment that is the same, or smaller in weight and dimensions as the approved Antenna Facility. If Licensee installs or modifies unauthorized Antenna Facilities or other equipment, then Licensor may declare Licensee in Default of the applicable Site Supplement pursuant to Section 16 below where such unauthorized installation or modification has occurred or if no Site

Supplement is applicable, then a Default under this Agreement. In addition to any other remedy available to Licensor pursuant to Section 17 below or applicable Laws, in the event that Licensee's Default remains uncured for a period of thirty (30) days following Licensee's receipt of Licensor's notice of Default for the applicable Site Supplement, Licensor may, without limiting other remedies available to Licensor, impose liquidated damages in an amount not to exceed Five Hundred Dollars (\$500) per month until the date that the unauthorized equipment is removed from the Municipal Facility, or the required approval is obtained. Additionally, Licensee shall from the date of such written notice be obligated to pay for such unauthorized equipment the applicable License Fee set forth in Section 4, until the noticed Default is cured by Licensee's removal of the unauthorized equipment or by Licensee applying for and obtaining a Site Supplement (or a modification to an existing Site Supplement if applicable) for such unauthorized equipment.

Term of Agreement; Cancellation; Termination; Removal or Abandonment at Expiration.

Agreement Term; Site Supplement Term. Except as otherwise stated in this Agreement (e.g., as to an extended Term to coincide with the term of a Site Supplement as described in the second paragraph of this Section), this Agreement shall be in effect for a period of ten (10) years commencing on the first day of the month following Effective Date of this Agreement ("Commencement Date"), and expiring on the day before the tenth (10th) anniversary of the Commencement Date, unless sooner cancelled or terminated as provided herein (the "Initial Term"). Provided that Licensee is not in Default (as defined in Section 16) of this Agreement, the Initial Term will be extended for up to two (2) successive five (5) year periods (each, a "Renewal Term") with the first Renewal Term commencing immediately upon the expiration of the Initial Term, and each additional Renewal Term commencing immediately upon the expiration of the preceding Renewal Term unless written notice of non-extension is provided by either Party to the other Party at least ninety (90) days prior to the commencement of the succeeding Renewal Term, as applicable. The Initial Term and all Renewal Terms shall be collectively referred to herein as the "Term." All of the provisions of this Agreement shall be in effect during the Term and any extension of the Term. Any holding over after the expiration of the Term or Site Supplement Term (as defined below) shall be on a month-to-month basis provided Licensee continues to timely pay all License Fees and charges due hereunder during such period, and until terminated by either Party with thirty (30) days' prior written notice to the other Party, provided, however, that any holding over after such termination without Licensor's consent shall constitute a Default by Licensee.

The term of any Site Supplement shall be for an initial ten (10) year term commencing on the Site Supplement Commencement Date. Provided Licensee is not in Default of the applicable Site Supplement, the Site Supplement shall be automatically extended for two (2) successive five (5) year periods unless Licensee notifies Licensor of Licensee's intent to terminate the Site Supplement at least ninety (90) days prior to the expiration of the then current term (as extended, the "Site Supplement Term"). Licensor may elect in its discretion to terminate the specific Site Supplement in the event Licensee fails to obtain and maintain valid City permits applicable to the Site Supplement, and such failure is not cured by Licensee within the applicable time period for cure by Licensee in Section 16 following Licensee's receipt of written notice from Licensor. In the event a Site Supplement Term extends beyond the Term of this Agreement, the provisions of this Agreement shall remain in effect solely for purposes of governing that Site Supplement. Nothing in any Site Supplement Term shall be construed as extending the Term of this Agreement.

Site Supplement Termination. Licensee may terminate any Site Supplement at any time by providing Licensor with ninety (90) days' express written notice of termination. Any prepaid License Fees shall be retained by Licensor. This Agreement and all Site Supplements may only be terminated as provided in this Agreement or any Site Supplement. Licensor shall be entitled to terminate any Site Supplement pursuant to Section 17 of this Agreement in the event that a Default of the Site Supplement has occurred. In the event of the termination of this Agreement pursuant to Section 17 below, all Site Supplements shall terminate on the effective date of the termination of this Agreement.

Abandonment. If after the initial installation of the Small Wireless Facility Licensee abandons the use of any Municipal Facility location for a continuous period of one hundred and eighty (180) days or more, or if Licensee's use of the Small Wireless Facility is inoperable for a continuous period of one hundred and eighty (180) days or more, or if the applicable Site Supplement terminates or expires, the Small Wireless Facility for such Municipal Facility shall be removed by Licensee at the expense of Licensee within ninety (90) days of receipt of written notice from Licensor. Notwithstanding the preceding sentence, abandonment of the use or inoperability of the Small Wireless Facility shall be extended day for day for each day that the abandonment or inoperability is due to circumstances beyond the reasonable control of Licensee. In the event Licensee is unable or refuses to remove such Small Wireless Facility in the manner provided in this Section 3.3, Licensor may take all actions necessary to remove the Small Wireless Facility and Licensee shall be responsible for all reasonable costs incurred for such removal within thirty (30) days after Licensee's receipt of an invoice with reasonable supporting documentation. Should Licensee fail to reimburse Licensor for such costs incurred pursuant to this Section 3.3, Licensor may recover such costs from the bond.

Performance and Removal Bond. Before any construction begins by Licensee, Licensee shall provide Licensor with a bond. The initial amount of the bond shall be Two Thousand Dollars (\$2,000) per Site Supplement. The bond shall be solely for the protection of Licensor, conditioned upon the faithful performance of the required construction, maintenance and removal work. Bonds shall be executed by an "admitted surety insurer", as defined in Code of Civil Procedure Section 995.120, authorized to do business in the State of California, as an AM Best Rating of A- VII and the bonds shall be kept in place for the duration of the Agreement. If Licensee expands the number of Site Supplements during the Term of this Agreement, Licensee shall adjust its bond in accordance with the amount identified above. The bond is conditioned upon the performance by Licensee of all the terms and conditions of this Agreement and upon the further condition that if Licensee fails to comply with any terms or conditions governing this Agreement, there shall be recoverable jointly and severally from the principal and surety of the bond, any damage or loss suffered by Licensor as a result, including the full amount of any compensation, or costs of removal or abandonment of Licensee's property, plus costs and reasonable attorneys' fees. Licensee shall keep the bond in place during the Term of this Agreement and during the Term of any Site Supplement. Should Licensor's actual and reasonable cost incurred exceed the amount of the bond, then Licensee shall reimburse Licensor for all costs incurred. Licensor in its sole discretion, may require the Licensee to increase the amount of the bond at any time to cover any anticipated costs.

Assessment of the Bond. Upon Licensee's failure to pay Licensor any amount owing under this Agreement or cure material breaches of this Agreement after Licensor provides written notice

and a reasonable opportunity to cure, the bond may be assessed by Licensor for purposes including, but not limited to:

Reimbursement of costs borne by Licensor to correct violations of the Agreement not corrected by Licensee.

To provide monetary remedies or to satisfy damages assessed against Licensee due to Defaults or material breaches of this Agreement.

To collect fees and charges that have not been paid by Licensee when owed.

Restoration of the Bond. Licensee must deposit a sum of money or a replacement instrument sufficient to restore the bond to its original amount within thirty (30) days after Licensee's receipt of written notice from Licensor that any amount has been recovered from the bond and the reason for such recovery. Failure to restore the bond to its full amount within said thirty (30) day period will allow Licensor thereafter to declare a Licensee in Default of this Agreement pursuant to Section 16. Licensee will be relieved of the foregoing requirement to replenish the bond during the pendency of an appeal from Licensor's decision to draw on the bond. Upon the expiration or early termination of this Agreement and all Site Supplements and completion of Licensee's removal obligations herein, Licensee may terminate the bond and Licensor agrees to reasonably cooperate with such termination.

Costs of Collection. If the bond is drawn upon, all of Licensor's reasonable costs of collection and enforcement of the provisions relating to the bond that are specified in this Section, including reasonable attorneys' fees and costs, will be paid by Licensee after receipt of invoice from Licensor identifying all costs incurred. In the event that Licensee fails to pay all costs incurred by Licensor, Licensor may recover all outstanding costs from the bond.

Required Endorsement. The bond is subject to the reasonable approval of Licensor's City Attorney and must contain the following endorsement:

"This bond may not be canceled until sixty (60) days after receipt by City of Yuba City, by registered mail, return receipt requested, of a written notice of intent to cancel or not to renew."

Reservation of Licensor Rights. The rights reserved by Licensor with respect to the performance bond are in addition to all other rights and remedies Licensor may have under this Agreement or any other law.

Fees and Charges. Licensee shall be solely responsible for the payment of all costs, fees and charges in connection with Licensee's performance under this Agreement, including those set forth as follows:

License Fee & Annual Increase To License Fee.

Licensee shall pay to Licensor an annual fee equal to Two Hundred and Seventy Dollars (\$270) for each Small Wireless Facility of Licensee authorized pursuant to a Site Supplement ("License Fee"). The License Fee shall be due to Licensor upon the Site Supplement Commencement Date; however, to allow Licensee to administratively process the initial

installment of the License Fee, Licensee shall have a “grace period” of ninety (90) days following each Site Supplement Commencement Date within which to deliver the License Fee to Licensor for the applicable Site Supplement.

b. On the first anniversary of each Site Supplement, and continuing annually thereafter during the Site Supplement Term, the License Fee for each Site Supplement shall be increased by Three Percent (3%). If either party discovers any error in the amount of compensation due, the Party discovering the error shall notify the other Party in writing and the Parties shall work together in good faith to adjust the amount due. Licensee shall pay Licensor within thirty (30) days after discovery of the error or determination of the correct amount. Upon agreement of the Parties, Licensee may pay the License Fee by electronic funds transfer and in such event, Licensor agrees to provide to Licensee bank routing information for such purpose upon request of Licensee. Before any License Fees are paid, Licensor shall provide Licensee a completed, current Internal Revenue Service Form W-9 and state and local withholding forms if required.

c. If during the Term of this Agreement or any Site Supplement Term, a new or amended Law occurs permitting a change in the License Fee, then either Party may invoke the process in Section 20.12 Change of Laws to address the change.

Permit. No payment collected under this Agreement shall be for any Permit issued in connection with the installation of a Small Wireless Facility at any Municipal Facility. Permit requirements, fees and charges are solely governed by the requirements imposed by the Code or Licensor’s adopted Fee Schedule provided the same are in compliance with all State and Federal requirements. All Permits shall be reviewed, acted on, and costs charged by Licensor in compliance with all Laws.

Taxes. Licensee shall pay all applicable City, county and state taxes levied, assessed, or imposed by reason of this Agreement or those related to any of Licensee’s Small Wireless Facilities and/or provided services.

Utilities; Electric Meters Prohibited. Except to the extent Licensor authorizes connection to electrical facilities on its Municipal Facilities in accordance with the rules, regulations, and policies of Pacific Gas and Electric Company, a California corporation (**PG&E**), which authorization Licensor shall not unreasonably withhold, condition or delay. Licensee shall be solely responsible for obtaining and maintaining the provision of electricity to Licensee’s Small Wireless Facilities directly from PG&E, including, but not limited to installation of separate electric meters, if necessary. The electric meters shall be the smallest and least aesthetically intrusive meters available to PG&E. Licensee shall be responsible for making payments to PG&E for the service attributable to Licensee’s Small Wireless Facilities. Licensee shall comply with all Laws and rules and regulations of PG&E relating to installation and connection of Licensee’s Small Wireless Facilities to the electricity supply. While Licensor is not obligated to make its utility infrastructure available to Licensee, nonetheless, Licensor shall make a good faith effort to make its utility infrastructure available in connection with each Municipal Facility identified by Licensee in a Site Supplement application, and Licensee and Licensor shall work cooperatively to allow Licensee to use Licensor’s utility infrastructure wherever possible.

Payments Made. All fees and/or additional payments shall be payable to Licensor at: City of Yuba City, Department of Finance, 1201 Civic Center Blvd Yuba City, CA 95993; or to such other persons or at such other places as Licensor may designate in writing.

Additional Licenses and Permits Required by Code. All of the Small Wireless Facilities will be installed, operated and maintained by or on behalf of Licensee in accordance with applicable Laws. Licensee or its designee is required to apply for and obtain all applicable Permits required by the Code for installation of Small Wireless Facilities and for work performed within the PROW, and the Small Wireless Facilities must be installed and the PROW used according to the plans approved by Licensor (see Exhibit 1 to the Site Supplement). Execution of this Agreement or any Site Supplement does not constitute the issuance of a Permit. Nothing in this Agreement shall limit in any way Licensee's obligation to obtain any applicable required regulatory approvals from any Licensor department, board or commission, or from any other governmental agency that has regulatory authority over Licensee's proposed activities involving use of the Municipal Facilities in the PROW and/or Licensee's obligation to obtain any required proprietary approvals or agreements, if any, to use Licensor property other than Municipal Facilities covered by this Agreement. Subject to Section 2.3 above, all work performed pursuant to the rights granted by this Agreement is subject to the prior review and approval of Licensor in accordance with its customary permitting procedures.

Basic Design and Installation Requirements for Using Municipal Facilities. All of Licensee's construction and installation work for its Small Wireless Facilities on the Municipal Facilities shall be performed at Licensee's sole cost and expense and in a good and workmanlike manner and promptly completed. When Licensee and Licensor have agreed on an existing Municipal Facility location as a suitable site for Licensee's Small Wireless Facility, but the existing Municipal Facility needs to be replaced to accommodate the Small Wireless Facility, then the Site Supplement shall so specify and Licensee shall pay all costs related to replacing the Municipal Facility, including but not limited to installation of the replacement pole (the "Replacement Pole"), transfer of the streetlight fixtures, and/or other items attached to the existing Municipal Facility to the Replacement Pole, and removal and salvage of the existing Municipal Facility to Licensor. Payment of the pole replacement costs does not provide Licensee with any ownership interest in the Replacement Pole. Licensor will be deemed to own the original Municipal Facility and the Replacement Pole. The installation or attachment of the Small Wireless Facility using the Replacement Pole shall be at Licensee's sole cost and expense.

Licensee shall be solely responsible for fully complying with any and all Laws and/or court orders regarding disabled access to the extent they are applicable to Licensee's use of the Municipal Facility or the installation, operation and maintenance of any Small Wireless Facility. If the foregoing are applicable to Licensee's Small Wireless Facilities, Licensee shall be solely responsible for any and all damages caused by, and/or penalties levied as a result of, Licensee's noncompliance. Further, Licensee agrees to reasonably cooperate with Licensor in Licensor's efforts to comply with the Americans with Disabilities Act of 1990 and any amendments thereto, or successor statutes (collectively the "ADA"). Notwithstanding the foregoing, in lieu of performing any ADA compliance obligation under Laws, Licensee shall have the absolute right to terminate the applicable Site Supplement upon written notice to Licensor, and Licensee shall be fully discharged from any obligation to perform the ADA compliance obligation for the Site Supplement that Licensee has elected to terminate.

Unless Licensee has elected pursuant to Section 6.1 to terminate a Site Supplement, should Licensee fail to comply with Subsection 6.1 following Licensee's receipt of written notice from Licensors and expiration of the applicable notice and cure periods in Section 16, if any, Licensors shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve compliance. Licensee will then be required to reimburse Licensors for the actual and reasonable cost of achieving compliance within sixty (60) days after Licensee's receipt of an invoice with reasonable supporting documentation.

Conditions and Requirements Applicable to Site Supplements.

Small Wireless Facility Locations. For each installation, Licensee or its designee shall submit a Site Supplement and any required Permit applications for Licensors review and approval which shall, at a minimum, identify the Municipal Facility that Licensee proposes to use and the plans and specifications of the Small Wireless Facility. Upon Licensors approval, the Licensors approved plans depicting all Small Wireless Facility shall be attached to the Site Supplement as part of Exhibit 1 and Licensors shall execute the Site Supplement, issue the required Permits, and deliver the Permits and Licensors executed Site Supplement to Licensee. Upon receipt of the Licensors executed Site Supplement, Licensee shall counter-sign the Site Supplement and promptly return the fully executed Site Supplement to Licensors. Full execution of the Site Supplement and Licensee's receipt of all required Permits shall be Licensee's notice to proceed with installation. If Licensee desires to change or add new locations, Licensee will submit a proposed Site Supplement indicating the additional Municipal Facilities that it wishes to use, which additions or changes or modifications may be subject to further Licensors approvals and permits subject to approval consistent with Licensors's ordinances and policies. Additions, modifications and colocations not shown in an approved Site Supplement may be subject to further Licensors approvals and/or permit requirements. If Licensors denies a Site Supplement, Licensors shall provide its denial in writing.

Damage to Licensors Property. If Licensee damages or disturbs the surface or subsurface of any PROW or adjoining property, Municipal Facility, pole, streetlight fixture, traffic signal, or other public improvement, in the exercise of the rights granted through this Agreement, Licensee will, within thirty (30) days after receipt of written notice therefor and at its own expense, and in a manner reasonably acceptable to Licensors, repair the damage or disturbance. If, in the Licensors's sole opinion, the Licensors believes said damage presents a threat to the public health, safety or welfare, Licensors may provide less than thirty (30) days' written notice. Said notice shall provide a reasonable time to repair the damage or disturbance based on the circumstances.

Public Emergency. In the event of an Emergency or to protect the public health or safety, Licensors may require Licensee to deactivate a Small Wireless Facility prior to Licensors accessing or performing any work on a Municipal Facility on which Licensee has installed a Small Wireless Facility, should any of Licensors's employees or agents must move closer to the Small Wireless Facility than the FCC recommended minimum distance. In such case, Licensors will contact Licensee at the number provided in Subsection 19.2 to request immediate deactivation. Further, Licensee shall install a disconnect device at each Municipal Facility on which it installs a Small Wireless Facility, so that in case of Emergency or to protect the public health or safety, where Licensee is not able to immediately deactivate the Small Wireless Facility, Licensors may de-energize such Small Wireless Facility from its power source and safely shut it down using the

disconnect switch provided Licensor notifies Licensee at the number provided in Subsection 19.2 as soon as is practical under the circumstances. Once the work has been completed and the worker(s) have departed the exposure area, the Licensor who accomplished the power-down shall restore power and inform the other Licensee as soon as possible that power has been restored.

Municipal Facility Replacement.

Subject to Subsection 7.4(d), if a Municipal Facility, in Licensor's sole discretion, requires replacement or repair, Licensor shall provide Licensee at least thirty (30) days prior written notice of such replacement or repair and the removal or re-arrangement to the Small Wireless Facility required by such replacement or repair (except in the case of Emergency threatening the public health, safety or welfare, in which case prior notice to Licensee shall be as soon as reasonably practical). Within the one hundred eighty (180) days following Licensee's receipt of the written notice from Licensor of a proposed replacement or repair to a Municipal Facility, or such shorter period in the case of an Emergency, Licensee shall complete the necessary removal or re-arrangement of the Small Wireless Facility, as the case may be. Thereafter, Licensor shall have the right to replace the Municipal Facility at Licensor's reasonable cost, unless the parties agree in writing to an alternative arrangement for which Party shall undertake the repair or replacement. However, Licensor shall under no circumstances have responsibility for, or bear the costs for, replacement of Licensee's Small Wireless Facility itself, except to the extent damage is caused to the Small Wireless Facility by Licensor or any party under the supervision or control of Licensor. In the event Licensor and Licensee agree that Licensee shall conduct the repair or replacement of the Municipal Facility, said agreement shall be in writing and, Licensee shall perform such repair or replacement within the time period provided herein. Should Licensee need additional time for the agreed upon repair or replacement, and extension may be granted by Licensor. In addition, Licensor shall reasonably cooperate with Licensee to temporarily relocate its Small Wireless Facility as a result of any replacement or repair of a Municipal Facility, if necessary.

During the process of replacement or repair of a Municipal Facility, should Licensor come into possession of the Small Wireless Facility, Licensor will contact Licensee to pick up the Small Wireless Facility and Licensee may reinstall its Small Wireless Facility once the replacement pole is installed and functioning as a Municipal Facility or once the repair of the existing Municipal Facility is completed. Licensor shall not be obligated to store the Small Wireless Facility in excess of thirty (30) days. Licensor may charge commercially reasonable fees for all storage space and time spent removing the Small Wireless Facility if Licensor properly notifies Licensee and Licensee fails to remove the Small Wireless Facility pursuant to Section 7.4(a) above.

Licensee shall have the right to temporarily use a Municipal Facility for its operation during the replacement or repair period at a location reasonably acceptable to both Licensor and Licensee.

In the event Licensor is responsible for replacing the Municipal Facility with a Replacement Pole, and the replacement of the Municipal Facility with the Replacement Pole is performed by Licensor to accommodate the installation of Licensee's Small Wireless Facility, then Licensor shall only be responsible for the cost of a standard pole, and Licensee shall be responsible

for the cost of the Replacement Pole in excess of the cost of a standard pole. Notwithstanding the foregoing, if Licensee caused the damage to the Municipal Facility which requires replacement by Licensor with a Replacement Pole, then Licensee shall be responsible for the entire cost of the Replacement Pole.

In the event, Licensor has to remove or store the Small Wireless Facility, Licensor cannot be held liable for any damage caused to the Small Wireless Facility by said activities except to the extent caused by Licensor's negligence or willful misconduct.

Removal and Relocation.

Licensee understands and acknowledges that Licensor may require Licensee to relocate one or more of its Small Wireless Facilities as provided in this Section 7.5(a). Licensee shall, at Licensor's direction and upon one hundred and eighty (180) days prior written notice to Licensee, relocate such Small Wireless Facility at Licensee's sole cost and expense whenever Licensor reasonably determines that the relocation is needed for any of the following public purpose or essential City services including but not limited to (i) if required for the construction, modification, completion, repair, relocation, or maintenance of a Licensor or other public agency project; (ii) because the Small Wireless Facility is Interfering with or adversely affecting proper operation of Licensor-owned Poles, traffic signals, communications, or other Municipal Facilities; (iii) in the event of an Emergency; or (iv) Licensor is abandoning or removing the Municipal Facility. In any such case, Licensor shall use reasonable efforts to Licensee an alternate location that reasonably serves Licensee's coverage objective. Licensee acknowledges that if Licensor is permanently removing the Municipal Facility due to an undergrounding project, Licensee may be required to seek an appropriate location outside the PROW or outside Licensor-owned infrastructure or structure. Nothing in this Agreement gives the Licensee the authorization to install a new pole in the PROW as a result of any relocation requirement. If Licensee shall fail to relocate any Small Wireless Facility as requested by Licensor in accordance with the foregoing provision, Licensor shall be entitled to remove the Small Wireless Facility at Licensee's sole cost and expense, without further notice to Licensee. Within sixty (60) days of the date of a written demand for this payment from Licensor accompanied by reasonable supporting documentation, Licensee shall pay to Licensor the actual and reasonable costs and expenses incurred by Licensor in performing any removal work and any storage of Licensee's property after removal.

In the event Licensee desires to relocate any Small Wireless Facility from one Municipal Facility to another, Licensee shall so advise Licensor. Licensor will use best efforts to accommodate Licensee by making another reasonably equivalent Municipal Facility available for use in accordance with and subject to the terms and conditions of this Agreement. In the event another Municipal Facility is not available, Licensor and Licensee shall be entitled to cancel the Site Supplement in accordance with Section 3.2.

In the case of removal of a Municipal Facility, as provided in Subsection 7.5(a), and in lieu of the relocation of Licensee's Small Wireless Facility unless the Municipal Facility is needed for a legitimate public purpose, Licensor may, in its sole discretion, transfer possession of the Municipal Facility to Licensee, and allow Licensee continue to use the same pursuant to the then existing Site Supplement, upon commercially reasonable terms. Licensee and Licensor shall document any such transfer of ownership via a bill of sale. In the event Licensor transfers

possession of a Municipal Facility to Licensee pursuant to this paragraph, Licensee shall operate and maintain the Municipal Facility in accordance with applicable Laws. In the event that Licensee acquires a Municipal Facility pursuant to this Subsection 7.5(c), no License Fee shall be due or payable with respect to such acquired site and said fee shall be prorated in accordance with Section 4.1 above.

Non-Interference. The following provisions shall apply to ensure and/or avoid Interference (both Physical Interference and Radio Frequency Interference) resulting from Licensee's installation, operation and/or maintenance of its Small Wireless Facility:

Radio Frequency Interference. Consistent with applicable Laws, Licensee shall ensure that the Small Wireless Facility will not cause Radio Frequency Interference with wireless communication facilities or devices, cable television, broadcast radio or television systems, or satellite broadcast systems existing at the time of installation of the Small Wireless Facility and otherwise installed and operating in compliance with Laws. Further, Licensee shall ensure that the Small Wireless Facility will not cause any Radio Frequency Interference, now or in the future with Licensor's traffic, public safety or other communications signal or equipment existing at the time of installation of the Small Wireless Facility.

Existing Uses. Licensee acknowledges and agrees that the primary purpose of the Municipal Facilities is to serve the public. Licensor is willing to permit the installation of Licensee's Small Wireless Facilities on Municipal Facilities only where such use will not Interfere with the existing public purposes (as of the installation date of Licensee's Small Wireless Facility) and future primary service requirements and facilities, or the primary service requirements of Licensor and others authorized to use the Municipal Facilities of Licensor existing as of the date of the applicable Site Supplement. Licensee shall not Interfere in any manner with the existing uses of the Municipal Facilities or other Licensor property including but not limited to the PROW, sanitary sewers, water mains, storm drains, gas mains, poles, aerial and underground electric and telephone wires, streetlight fixtures, cable television, and other telecommunications, utility, and municipal property without the express written approval of the owner(s) of the affected property or properties.

Licensor Interference. Licensor has the right, but not the obligation, to maintain and operate its Municipal Facilities in such reasonable manner as will best enable Licensor to serve the primary purpose acknowledged in Subsection 7.6(b) above. Notwithstanding the foregoing, Licensor shall use its best efforts to ensure that such new installations will not cause actual adverse Interference to Licensee's Equipment that is measurable in accordance with then existing industry and FCC standards. If Licensor desires to install equipment in the vicinity of a Small Wireless Facility, reasonable efforts shall be made by Licensor and Licensee to accommodate such equipment while maintaining Licensee's quiet enjoyment and continued operations of its Small Wireless Facility.

Remedies. Without limiting any other rights or remedies, if Interference occurs and continues for a period in excess of 24 hours following receipt of telephonic notice to the interfering party at the phone number identified in Subsection 19.2 below, the interfering party shall, or shall require any other user to, reduce power or cease operations of the interfering equipment until the Interference is cured. The Parties acknowledge that there will not be an adequate remedy at law

for noncompliance with the provisions of this Subsection 7.6, and therefore the Parties shall have the right to equitable remedies such as, without limitation, injunctive relief and specific performance.

Damage to Licensee's Small Wireless Facility. In the event of any damage to a Small Wireless Facility, Licenser shall have no liability or responsibility to repair the same unless such damage arose from the negligent or willful misconduct of Licenser, its employees, agents, or contractors; provided however, in such case, Licenser's liability shall be limited to the cost to repair or replace the same.

Title and Ownership.

Title to the Small Wireless Facilities. Title to the Small Wireless Facilities, exclusive of the Municipal Facility (original or replacement) used for support, shall remain with Licensee or its Carriers (as applicable) and shall constitute Licensee's personal property and equipment, and not fixtures or improvements attached to the land.

No Ownership in Licenser Property. Neither this Agreement, nor any license issued pursuant hereto, nor any Permit separately issued for installation of any Small Wireless Facility, regardless of the payment of any fees and charges, shall create or vest in Licensee any ownership or property rights in any portion or elements of Municipal Facilities, the underlying real property on which any Licenser-owned poles is located, or any portion of the PROW . Additionally, except as otherwise expressly provided herein, Licensee acknowledges that this Agreement does not constitute or create any property interest including but not limited to a leasehold interest or right to the benefit of any Licenser property or portion thereof.

"As Is" Condition. Licensee accepts the Municipal Facilities identified in any Site Supplement, or any Replacement Pole, in its "AS IS" condition, without representation or warranty of any kind by Licenser, or any Licenser officer, agent, or employee as to the present or future condition of or suitability of the Municipal Facilities for Licensee's intended use, and subject to all applicable Laws governing the use of the Municipal Facilities for Licensee's intended purpose. Licenser disclaims any and all warranties express or implied with respect to the physical, structural, or environmental condition of the Municipal Facilities and the merchantability or fitness for a particular purpose. Licensee is solely responsible for investigation and determination of the condition and suitability of any Municipal Facility for Licensee's intended use.

Maintenance. Licenser shall maintain and keep the Municipal Facility containing a Small Wireless Facility in good condition and in accordance with Licenser's standard maintenance requirements, at its sole cost and expense. Licensee shall keep the Small Wireless Facility and other improvements owned by Licensee on the Municipal Facility, if any, in good repair and in compliance with all Laws.

Hazardous Substances. Licensee agrees that Licensee, its contractors, subcontractors and agents, will not use, generate, store, produce, transport or dispose any Hazardous Substance on, under, about or within the PROW in which it is located, in violation of any applicable federal, state, county, or local law or regulation. Except in the event of negligence or intentional misconduct by Licenser, Licensee will pay, indemnify, defend and hold Licenser harmless against and to the

extent of any loss or liability incurred by reason of any Hazardous Substance produced, disposed of, or used by Licensee pursuant to this Agreement. Licensee will ensure that any on-site or off-site storage, treatment, transportation, disposal or other handling of any Hazardous Substance will be performed by persons who are properly trained, authorized, licensed and otherwise permitted to perform those services. Notwithstanding the foregoing, Licensee shall not be liable for or responsible for addressing environmental conditions that existed on Municipal Facilities or the PROW or any other City property before the execution of this Agreement, or that do not result from the activities of Licensee.

Indemnity. To the fullest extent permitted by Laws, Licensee shall indemnify, defend with counsel licensed and in good standing in the State of California with a minimum of seven (7) years of relevant experience in the defense of the subject matter of the Claims, and hold harmless Licensor, and its City Council, boards, commissions, officials, officers, employees, and agents (collectively, "Indemnitees"), from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, proceedings, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, reasonable attorneys' fees, disbursements and court costs) of every kind and nature whatsoever (collectively, "Claims") to the extent such Claims are the result of (i) approval of this Agreement and/or any Site Supplement(s) related hereto, or (ii) Licensee's, or its employees', contractors', agents' or Carriers', construction, operation, use, or related activity under this Agreement; provided, however, the foregoing indemnity shall not apply to the extent such Claims are the result of the negligence or willful misconduct of the Indemnitees. This indemnification shall include, but not be limited to, damages awarded against Indemnitees, if any, costs of suit and other expenses incurred in connection with such Claim, whether incurred by Licensee or Indemnitees. Notwithstanding the foregoing, Licensee shall not be required to reimburse Indemnitees or any of them for legal fees incurred by any of them unless after good faith consultation with Licensee, Licensee and the applicable Indemnitees reasonably determine that a genuine conflict of interest exists between Licensee and such Indemnitees such that the rights or obligations of such Indemnitees would be materially comprised unless such Indemnitees are represented by separate legal counsel. Only if such genuine conflict of interest is reasonably determined to exist, shall Licensee also be responsible for reimbursing Indemnitees for the reasonable attorney's fees. If any Indemnitee determines to select its own legal counsel to defend such Indemnitee in connection with the Claims, Licensee shall provide reasonable cooperation to such legal counsel. Licensee shall pay to Licensor within sixty (60) days after receipt of an invoice accompanied by reasonable supporting documentation for any amount owed by Licensee to Licensor pursuant to the indemnification requirements prescribed herein. The provisions of this Section shall survive the expiration or earlier termination of this Agreement or any Site Supplement.

Insurance Requirements.

Licensee's Insurance. Licensee shall carry and maintain insurance in the amounts and form specified in attached Exhibit C.

Certificates. Licensee shall submit to Licensor a Certificate of Insurance or Self-Insurance as verification of coverage, Licensor will reasonably rely upon the Certificate as evidence of coverage but this acceptance and reliance will not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the required policies expire during the life

of this Agreement, Licensee shall forward renewal or replacement Certificates to Licensor within fifteen (15) business days after the renewal date containing all the necessary insurance provisions.

Assignment/Subletting. Except as expressly provided herein, this Agreement and each site license granted pursuant to an individual Site Supplement is applicable only to Licensee and for Licensee's use only. Licensee shall not lease, sublicense, share with, convey or resell to others any such space or rights granted hereunder; provided, however, the Parties agree and acknowledge that, notwithstanding anything in this Agreement to the contrary, certain Small Wireless Facilities deployed by Licensee on any Municipal Facility or in any PROW pursuant to this Agreement may be owned and/or operated by Carriers and installed and maintained by Licensee pursuant to license agreements between Licensee and such Carriers. Such Small Wireless Facilities shall be treated as Licensee's Small Wireless Facilities for all purposes under this Agreement, Licensee agrees and acknowledges (i) Licensee remains responsible and liable for all performance obligations under the Agreement with respect to such Small Wireless Facilities; (ii) Licensor's sole point of contact regarding such Small Wireless Facilities shall be Licensee; and (iii) Licensee shall have the right to remove the Small Wireless Facilities. This Agreement and the related rights, duties, and privileges may not be assigned or otherwise transferred in whole or in part without the express written consent of Licensor; provided, however, Licensee shall have the right to assign this Agreement, without Licensor's consent, to (A) any parent, subsidiary, or affiliate of Licensee, or (B) any entity that shall control, be under the control of, or be under common control with Licensee, or (C) to any entity into which Licensee may be merged or consolidated or (D) to any entity which purchases all or substantially all of the assets of Licensee that are subject to this Agreement. If Licensor, pursuant to this Section, consents to assign or otherwise transfer this Agreement including any amendments, shall be binding on the assignee to the full extent that it was binding upon Licensee.

Any non-permitted transfer or assignment of the right to attach Small Wireless Facilities to a Municipal Facility shall be void and not merely voidable. Licensor may, in its sole discretion and in addition to all other lawful remedies available to Licensor under this Agreement, collect any fees owed from Licensee all without prejudicing any other right or remedy of Licensor under this Agreement.

Default. It is a "Default" if (i) either Party fails to comply with this Agreement or any Site Supplement and does not remedy the failure within thirty (30) days after receipt of the written notice by the other Party or, if the failure cannot reasonably be remedied in such time, if the failing Party does not commence a remedy within the allotted thirty (30) days and diligently pursue the cure to completion within ninety (90) days after the Party's receipt of the initial written notice, or (ii) Licensee fails to comply with this Agreement or any Site Supplement and the failure Interferes with Licensor's use of its Municipal Facility in a manner not covered by Section 7.6 and Licensee does not remedy the failure within twenty (20) days after written notice from Licensor or, if the failure cannot reasonably be remedied in such time, if Licensee does not commence a remedy within the allotted twenty (20) days and diligently pursue the cure to completion within thirty (30) days after the initial written notice. If either Party reasonably demonstrates to the other Party that a remedy to comply with this Agreement or any Site Supplement cannot be reasonably remedied by the Party seeking to cure the Default in this Subsection 16 within ninety (90) days after the Party's receipt of the initial written notice, then the ninety (90) day outside date for cure shall be extended until the cure is completed upon agreement of the Parties, which agreement shall not be

unreasonably withheld, provided that the Party seeking to cure commenced the cure within the thirty (30) day period and thereafter diligently prosecutes the cure to completion thereafter. Any failure to cure a Default in the time period provided herein, shall be deemed a breach of this Agreement.

Termination/Revocation. In the event of a Default, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such Default, the non-defaulting Party may terminate the applicable Site Supplement to which the Default has occurred, and/or pursue any remedy now or hereafter available to the non-defaulting Party under applicable Laws. Additionally, if (i) Defaults by Licensee occur on 5 (five) or more Site Supplements existing under this Agreement and such Defaults reflect a pattern of Licensee's failure (A) to make timely payments of License Fees to Licensor or (B) to obtain Permits for installations of Antenna Facilities or other equipment on Municipal Facilities, or (ii) Licensee's Default under this Agreement is of such a serious nature in Licensor's reasonable judgment that the Default threatens public health or safety on a Municipal Facility licensed to Licensee, and the Default or threatened danger to the public is likely to occur again in the future such that the Municipal Facilities are no longer appropriate support structures for the Small Wireless Facilities; and Licensee is unable to cure the Default or otherwise mitigate the conditions that pose a threat to the public, to the satisfaction of Licensor, within the cure periods specified in Section 16 above, then Licensor may terminate this Agreement or the affected Site Supplements. Examples of reasons for termination under this Section 17 may include, but are not limited to, malfunctions in several Licensor's streetlights licensed to Licensee hereunder caused by or attributable to the Small Wireless Facility and/or structural damage caused to several Municipal Facilities licensed to Licensee hereunder such that the Municipal Facilities would need to be replaced to be deemed safe. Termination of this Agreement in whole will terminate all Site Supplements issued under it automatically and without the need for any further action by Licensor unless Licensor notifies Licensee that Licensor is electing only to terminate the affected Site Supplements. Licensor will deliver written notice to Licensee providing 30 days' notice of termination of this Agreement and specify the reason or reasons for the termination and whether the termination affects the entire Agreement or only certain Site Supplements in the notice. Licensee shall remove its Small Wireless Facilities from any affected Municipal Facilities in compliance with Section 18 below, provided, however, if Licensor elects to terminate this Agreement, then Licensee's removal period under Section 18 for all of Licensee's Small Wireless Facilities from all of its licensed Municipal Facilities shall be extended to one hundred eighty (180) days from the effective date of termination of this Agreement.

Removal. Within ninety (90) days of the expiration or earlier termination of the applicable Site Supplement, Licensee shall remove the Small Wireless Facility authorized pursuant to said Site Supplement, at its sole expense, shall repair any damage to the Municipal Facilities or the PROW caused by such removal, and shall restore the Municipal Facility to the condition in which they existed prior to the installation of the Small Wireless Facility, reasonable wear and tear and casualty damage excepted.

Notices.

Written Notice. All written notice, request, demand, statement, or consent herein required or permitted to be given by either party to the other hereunder, shall be in writing signed by or on behalf of the party giving the notice and addressed to the other at the address as set forth below:

Licensee New Cingular Wireless PCS, LLC
Attn: Tower Asset Group – Lease Administration
Re: AT&T-City of Yuba City Small Cells MLA
1025 Lenox Park Blvd. NE, 3rd Floor
Atlanta, GA 30319

With a copy to: New Cingular Wireless PCS, LLC
Attn: Legal Department – Network Operations
Re: AT&T-City of Yuba City Small Cells MLA
208 S. Akard Street
Dallas, TX 75202

Licensor City of Yuba City
1201 Civic Center Blvd
Yuba City, CA 95993
Attn: Public Works Manager

With copy to: Aleshire & Wynder, LLP
Attention: City Attorney, City of Yuba City

2440 Tulare Street

Suite 140

Fresno, CA 93721

Each Party, may by written notice, change its address for the purpose of this Agreement, which address shall thereafter be used in place of the former address. All notices, requests and demands hereunder will be given by either (i) personal service; or (ii) by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Any communication made by e-mail shall not constitute notice pursuant to this Agreement unless Licensor agrees in writing and wherein Licensor designates the individual authorized to receive notice on behalf of Licensor. Any email communication with Licensor shall not constitute notice unless said communication is sent to Licensor's designated individual.

Telephonic Notice. In the event of an Emergency or otherwise permitted herein, telephonic notice shall be given as follows. To Licensee at _____ and to Licensor at _____. Should this information change, Parties shall promptly notify the other.

Miscellaneous.

Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding between the Parties, and supersedes all negotiations, understandings or agreements. Any amendment to this Agreement must be in writing and executed by both Parties.

Severability. If any provision of this Agreement is deemed, by a court of competent jurisdiction, to be invalid or unenforceable with respect to any Party, then the remainder of this Agreement, or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and shall remain in effect to the fullest extent permitted by law, and shall be construed so to effectuate the intent of the Parties.

Governing Law. This Agreement shall be interpreted, construed, and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Sutter. In the event of litigation in the United States District Court, venue shall lie exclusively in the Eastern District of California, in the City of Sacramento.

Authority to Execute. Any individual executing this Agreement on behalf of or as representative for a corporation or other person, partnership or entity, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of such Party, and this Agreement is binding upon such Party in accordance with its terms. Licensor hereby designates, and authorizes, the City Manager to execute all Site Supplements and amendments thereto entered into under this Agreement. This designation and authorization may be changed by Licensor upon written notice to Licensee.

Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

No Waiver. A Party shall not be excused from complying with any of the terms and conditions of this Agreement by any failure of a Party upon any one or more occasions to insist upon or to seek compliance with any such terms or conditions.

Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language and definitions used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

Force Majeure. With respect to any provisions of this Agreement, the violation or non-compliance of any term of this Agreement, including abandonment in Section 3.3 above, which could result in the imposition of a financial penalty, liquidated damages, forfeiture or other sanction upon a Party, such violation or non-compliance shall be excused where such violation or non-compliance is the result of acts of God, war, civil disturbance, pandemic, epidemic, strike, or other labor unrest, or other events, the occurrence of which was not reasonably foreseeable by such Party and is beyond such Party's reasonable control.

Limitation of Liability. Neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or

services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

Time is of the Essence. Time is of the essence with regard to the performance of all of Licensee's and Licensors obligations under this Agreement.

Amendments to Laws and Code. Subject to Section 6.1 above, each party shall comply with all Laws and, to the extent consistent with federal or state law, the Code. The obligation to comply with any Laws and the Code shall extend to any amendments which may be made to those Laws and Code during the Term of this Agreement or any Site Supplement, to the extent such application does not adversely affect any of Licensee's legally vested rights (including but not limited to Licensee's rights under any approved governmental permit), and only to the extent such amended Laws and Code are applicable. Notwithstanding the foregoing, an amendment to Laws governing the License Fee will apply and negotiations pursuant to Section 2012 below, shall be conducted.

Change of Law. If new or amended Laws sets forth a term or provision that is inconsistent with or different than this Agreement, then the Parties agree to reasonably cooperate in amending this Agreement. Either Party may, upon thirty (30) days' written notice, require that the terms of this Agreement which are affected by any new or amended Laws, be renegotiated to conform to such Laws on a going forward basis for all existing and new Site Supplements, unless such Laws require retroactive application. In the event that the Parties are unable to agree upon such new terms in an amendment to this Agreement despite their reasonable efforts to do so, then within ninety (90) days after such notice (or any mutually agreed upon extension), then any terms contained in such Laws shall apply as of the effective date of such Laws and going forward until such time as the negotiations are completed or a Party obtains a ruling regarding the appropriate conforming terms from the governing regulatory agency or court of competent jurisdiction. Except as provided in the preceding sentence, all terms in the existing Agreement shall remain in effect while the Parties are negotiating.

[Signatures Appear on Following Page]**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of Effective Date.

LICENSOR:

CITY OF YUBA CITY,
a municipal corporation

By: _____
Name: _____
Its: _____

LICENSEE:

NEW CINGULAR WIRELESS PCS, LLC,
a Delaware limited liability company

By: AT&T Mobility Corporation
Its: Manager

By: _____
Name: _____
Its: _____

Date: _____

Date: _____

ATTEST:

By: _____

Name: Jackie Sillman

Its: City Clerk

APPROVED AS TO FORM:

By: _____

Name: Shannon Chaffin

Its: City Attorney of Yuba City

EXHIBIT A

[Form of Site Supplement]

Site Supplement

Supplement. This is a Site Supplement as referenced in that certain MASTER LICENSE AGREEMENT BETWEEN THE CITY OF YUBA CITY AND _____ FOR USE OF MUNICIPAL FACILITIES TO INSTALL SMALL WIRELESS FACILITIES, between Licensors and Licensee dated _____, _____ ("Agreement"). Licensee has submitted an application for a Site Supplement pursuant to the Agreement, and Licensors have reviewed the application and grants approval subject to the terms of this Site Supplement. All of the terms and conditions of the Agreement are incorporated herein by reference and made a part hereof without the necessity of repeating or attaching the Agreement. In the event of a contradiction, modification or inconsistency between the terms of the Agreement and this Site Supplement, the terms of this Site Supplement shall govern. Capitalized terms used in this Site Supplement shall have the same meaning as provided in the Agreement unless otherwise indicated herein. From the Effective Date of this Site Supplement until the Site Supplement Commencement Date occurs, Licensee is granted non-exclusive access to the Municipal Facility in the applicable Site Supplement to conduct inspections and other due diligence investigations reasonably necessary for Licensee to prepare to construct the Small Wireless Facility. Said due diligence activities must occur during the hours permitted in the Agreement.

Project Description and Locations. Licensee shall have the right to attach a Small Wireless Facility to the designated space on the specific Municipal Facility as further described in Exhibit 1 attached hereto (the "Licensed Area").

Small Wireless Facility. The Small Wireless Facility to be installed at the Licensed Area, including the approved Antenna Facilities for the Small Wireless Facilities, is listed and depicted on plans included in Exhibit 1 attached hereto.

Replacement Pole. In accordance with Section 6 of the Agreement and if a Replacement Pole(s) is depicted in Exhibit 1 attached hereto, Licensee's Small Wireless Facility shall require the installation of a Replacement Pole as depicted in Exhibit 1 attached hereto.

Term. In accordance with Subsection 3.1 of the Agreement, the term of this Site Supplement shall be _____

Fees. The initial annual License Fee for the Site Supplement Term of this Site Supplement shall be _____, as determined in accordance with the Agreement, and as adjusted by Subsection 4.1 of the Agreement.

Performance and Removal Bond. Licensee shall submit a bond in the amount of \$2,000, determined in accordance with Subsection 3.4 of the Agreement.

Site Supplement Commencement Date. The Site Supplement Commencement Date shall be the first day of the month following the date Licensee has commenced installation of its Small Wireless Facility at the Licensed Area. If Licensee does not commence installation of the Small

Wireless Facility within one (1) year after Licensee receives all Permits and other approval required to proceed with the installation of the Small Wireless Facility, the Site Supplement shall automatically terminate unless Licensor agrees in writing to extend the time for commencing installation of the approved Small Wireless Facility. An extension may be granted to said deadline by Licensor, provided the extension is granted in writing.

Miscellaneous. _____

/SIGNATURES ON NEXT PAGE/

APPROVED as of the date shown below.

LICENSOR:

City of Yuba City,
a California municipal corporation

By: _____

Name: _____

Title: _____

Date: _____

ACCEPTED BY LICENSEE:

LICENSEE:

_____, a

By: _____

Its: _____

By: _____

Name: _____

Title: _____

Date: _____

Exhibits:

Exhibit 1 - City Approved Site Plans and Documentation of Required City Approvals

Exhibit 1 to Site Supplement

[City Approved Site Plans and Documentation of Required City Approvals]

EXHIBIT B

[State and Federal Authorization]

EXHIBIT C

Licensee's Minimum Insurance Requirements

General.

Prior to performing work under this Agreement, Licensee shall furnish Licensor a certificate of insurance on a standard insurance industry ACORD form. The insurance coverage required must be issued by an insurance company eligible to transact business in the State of California, possessing a current A.M. Best, Inc. rating of A-VII or better.

Licensee shall carry and maintain the insurance coverage set forth below, and shall require any of its contractors to procure and maintain substantially the same coverage as required of Licensee, until all of their obligations have been discharged. Licensee shall endeavor to ensure that Licensor is included as an additional insured as their interest may appear under this Agreement on insurance required from Licensee's contractors.

The insurance requirements set forth herein in no way limit the indemnity covenants contained in this Agreement.

Licensor in no way warrants that the insurance limits contained in this Agreement are sufficient to protect Licensee from liabilities that might arise out of the performance of this Agreement by Licensee and its contractors, and Licensee is free to purchase any additional insurance as it may deem necessary.

Failure to demand evidence of full compliance with the insurance requirements in this Agreement or failure to identify any insurance deficiency will not relieve Licensee from, nor will it be considered a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

Scope and Limits of Insurance. Licensee shall provide the required coverage with limits of liability of _____. The insurance requirements under this Agreement shall be the coverage and limits specified in this Agreement.

Licensee's insurance must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

For the insurance required by this Agreement Licensee hereby agrees to waive rights of subrogation which any insurer of Licensee may acquire from Licensee by virtue of the payment of any loss. Licensee agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

Additional Policy Provisions Required.

Commercial General Liability.

Commercial General Liability per ISO form CG 00 01 or its substantial equivalent with \$2,000,000 per occurrence and in the aggregate for Bodily Injury,

Personal and Advertising Injury and Property Damage including Contractual Liability, Products Liability, Completed Operations coverage.

Licensor, its officers, officials, employees and representatives to be included as additional insured as their interest may appear under this Agreement by endorsement as respects this Agreement.

Licensee shall provide Licensor with at least 30-day notice of intent to cancel or non-renew in coverage unless replaced.

Automobile Liability:

\$2,000,000 Combined Single Limit of Liability for Bodily Injury and Property Damage per accident.

Coverage to include "Owned, Non-Owned, and Hired" automobiles.

Licensor, its officers, officials, employees and representatives to be included as additional insured as their interest may appear under this Agreement by endorsement as respects this Agreement.

Licensee shall provide Licensor with at least 30-day notice of intent to cancel or non-renew in coverage unless replaced.

Workers' Compensation/Employer's Liability:

Certificate of Insurance indicating "statutory" limits.

Employer's Liability with limits of \$1,000,000 per accident for bodily injury or disease, policy limit.

Licensee shall provide the City with at least 30-day notice of intent to cancel or non-renew in coverage unless replaced.

Waiver of Subrogation with respect to City (by blanket endorsement)

Technology Errors and Omissions Liability.

Technology Errors and Omissions liability shall be maintained during the scope of the agreement for \$1,000,000 per occurrence or claim and \$2,000,000 aggregate. Coverage shall include the following risks:

liability arising from the theft, dissemination and/or use of confidential information, including but not limited to, personally identifiable information, protected health information, security codes, access codes, passwords or personal identification numbers (PINS);

Privacy notification costs, credit monitoring and regulatory fines where insurable by law, arising from such theft, dissemination and/or use of confidential information; and

Network security breaches, crisis management expense, and negligent acts, errors, mistakes, and omissions arising out of the work or services performed by Licensee, or any person employed or contracted by Licensee.

Coverage may be written on a **claims-made** form. If coverage is on a **claims-made** basis, the coverage must be maintained for a period of 3 years after all Services under this Agreement are completed, and additional claims-made coverage requirements apply as described below.

Licensee shall provide Licensor with at least 30-day notice of intent to cancel or non-renew unless replaced.

Primary & Non-contributory. The required Commercial General Liability and Automobile Liability coverage provided by Licensee shall be primary and any insurance or self-insurance procured or maintained by Agency shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Licensor before Licensor's own insurance or self-insurance shall be called upon to protect it as a named insured.

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Time extension for Development Plan 20-03, Richland Village Affordable Housing Development, and associated City funding commitment

Recommendation: Approve a two-year extension of time for Development Plan 20-03 and the associated City funding commitment, pursuant to City Municipal Code Section 8-5.7106, resulting in a new expiration date of January 19, 2027

Fiscal Impact: \$1,000,000 from the City's Low-Mod Housing Fund in financial assistance for the development as approved on May 18, 2021

Purpose:

To extend the approved development entitlement and City funding commitment for an additional two year period and to assist in the production of additional affordable housing in Yuba City.

Council's Strategic Goal:

This project addresses the City Council's goal of enhancing the quality of life by providing housing options to the community.

Background:

In October 2020, the City received a development plan application for a multi-phase, 176-unit apartment complex from the Regional Housing Authority (RHA) located in the Richland Housing area, adjacent to the airport. The project, titled "Richland Village," proposes the construction of a 176-unit affordable apartment complex on a 4.9-acre site at 470 Bernard Drive (APN 53-470-091) in Yuba City. The community will feature one-, two-, and three-bedroom units in eight residential buildings, a 2,795 square foot community center, and outdoor amenity spaces.

On January 19, 2021, the City Council approved Development Plan 22-03 and considered an initial funding request. Following that meeting, an Ad Hoc committee was established to further discuss the request. On May 18, 2021, the City Council approved a funding commitment of \$1,000,000 from the City's Low-Mod Housing Asset Fund towards the Richland Village development.

The developer, Sutter County Affordable Homes (SCAH), is a 501(c)(3) Public Non-Profit affiliate of the RHA. The project was recently awarded \$30 million in funding through the California Department of Housing and Community Development's (HCD) Affordable Housing and Sustainable Communities

(AHSC) program. Of the awarded amount, \$8.5 million is designated for Yuba-Sutter Transit to aid construction of the new transit facility.

In August 2022, the City Council approved a two-year time extension for Development Plan 20-03 and the associated funding commitment, resulting in a new expiration date of January 19, 2025.

In August 2024, the City received a letter from RHA proposing a reduction in the number of units from 176 to 133 due to financial constraints and urgent timelines for final tax-credit funding applications. Staff determined that the proposed modifications were consistent with the findings made when the project was approved by City Council on January 19, 2021 (Resolution No. 21-003).

Analysis:

The applicant submitted a written request for the extension in compliance with the conditions placed on the project at the time of approval, and City staff have determined that the conditions for approval remain valid.

The applicant's request states that the extension is needed due to the timing of applying for additional funding sources and the competitive nature of affordable housing financing. Based on the applicant's request and the above analysis.

For the project to remain valid and eligible for grant funding a time extension to the development plan entitlement is required. The funding is independent from the development plan time extension. The funding commitment was key to establishing local commitment when competing for alternative financing. Reducing the funding commitment will likely increase the difficulty for RHA to deliver the project.

Fiscal Impact:

The fiscal impact on the City will be the continuation of the approved commitment of \$1,000,000 towards the project if the extension request is approved.

The estimated total development cost for 133 units is approximately \$62.1 million, including relocation costs, financing terms/requirements, design, construction, fees, and other related expenses, placing the cost at approximately \$467,000 per unit. The Regional Housing Authority is actively working to finalize funding needs through a tax-credit and tax-exempt bond application. The timeline for these applications is as follows:

- Tax-exempt bond and tax-credit application due in late January 2025 (exact date pending based on the State's calendar).
- Awards are anticipated to be announced in late April or early May 2025.
- Construction loan financing closing is expected in October 2025.
- Construction is scheduled to begin in October 2025, with a 24-month construction period.

RHA has worked closely with City staff to provide a project design that balances cost-effective options while meeting both federal and City design standards, ensuring a product that is attractive, durable, and efficiently engineered.

Alternatives:

1. Do not approve the request at this time.
2. Modify funding commitment and/or provide staff with further direction.

Recommendation:

Approve a two-year extension of time for Development Plan 20-03 and the associated City funding commitment, pursuant to City Municipal Code Section 8-5.7106, resulting in a new expiration date of January 19, 2027.

Attachments:

1. Resolution
2. Extension Request letter, dated November 23, 2024
3. Funding Commitment Letter, dated May 24, 2021
4. Amended DP 20-03 Approval Letter, dated August 22, 2024
5. Exhibit A. Amended Site Plan (133 units)

Prepared By:

Ashley Potočník
Development Manager

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
TO APPROVE A TWO-YEAR EXTENSION OF TIME FOR DEVELOPMENT PLAN (DP) 20-03, RICHLAND VILLAGE AFFORDABLE HOUSING DEVELOPMENT, AND THE ASSOCIATED FUNDING COMMITMENT BETWEEN THE CITY OF YUBA CITY, THE REGIONAL HOUSING AUTHORITY, AND SUTTER COUNTY AFFORDABLE HOMES FOR RICHLAND VILLAGE AFFORDABLE HOUSING (APN 53-470-091)**

WHEREAS, in October 2020, the City received a development plan application for the entitlement of a multi-phase, 176-unit apartment complex from the Regional Housing Authority (RHA) located in the Richland Housing area, adjacent to the airport; and

WHEREAS, the development titled “Richland Village” proposes to construct a 176-unit affordable apartment home community on a 4.9-acre site at 470 Bernard Drive (APN 53-470-091) in Yuba City; and

WHEREAS, the City Council approved Development Plan 20-03 on January 19, 2021, which includes one-, two-, and three-bedroom units in eight residential buildings, a 2,795 square foot community center, and outdoor amenity spaces; and

WHEREAS, on May 18, 2021, the City Council approved a funding commitment of \$1,000,000 from the City’s Low-Mod Housing Asset Fund for the development of Richland Village; and

WHEREAS, the Developer, Sutter County Affordable Homes (SCAH), an affiliate 501(c)(3) public non-profit entity of RHA, was awarded \$30 million in funding through the California Department of Housing and Community Development’s (HCD) Affordable Housing and Sustainable Communities (AHSC) program, with \$8.5 million designated for Yuba-Sutter Transit to construct a new transit facility; and

WHEREAS, in August 2022, the City Council approved a two-year time extension for Development Plan 20-03 and the associated funding commitment, extending the expiration date to January 19, 2025; and

WHEREAS, in August 2024, the City received a letter from RHA proposing a reduction in the number of units from 176 to 133 due to financial constraints and urgent timelines for tax-credit funding applications; and

WHEREAS, City staff reviewed the proposal and determined that the modification to the number of residential units is consistent with the findings made when the project was approved by the City Council on January 19, 2021 (Resolution No. 21-003); and

WHEREAS, in November 2024, the applicant submitted a written request for the extension of Development Plan 20-03 and the associated funding commitment, in compliance with the conditions placed on the project at the time of approval; and

WHEREAS, the applicant’s request for a time extension is based on the timing of applying for additional funding sources and the competitive nature of affordable housing financing; and

WHEREAS, City staff have determined that there are no circumstances necessitating changes to the originally-approved findings or conditions of approval; and

WHEREAS, the City Council desires to approve the time extension request for Development Plan 20-03, Richland Village, and the associated funding commitment between the City of Yuba City, the Regional Housing Authority, and Sutter County Affordable Homes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Yuba City as follows:

Section 1. Recitals. The City Council finds that all of the facts set forth in the recitals above of this Resolution are true and correct and incorporated herein.

Section 2. CEQA Findings. The City Council finds that the project was previously analyzed environmentally pursuant to California Environment Quality Act (CEQA) and was determined to be Categorically Exempt pursuant to CEQA Section 15332, Infill Development Projects, and no further action is required under CEQA.

Section 3. Extension of Time. The City Council approves the two-year extension of time for approved Development Plan 20-03, and the associated funding commitment between the City of Yuba City, the Regional Housing Authority, and Sutter County Affordable Homes for Richland Village Affordable Housing

Section 4. Effective Date. This Resolution shall become effective immediately.

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on December 17, 2024 by the following vote:

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

SHANNON CHAFFIN, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2



REGIONAL HOUSING AUTHORITY

Serving the Cities of Live Oak, Yuba City and Colusa • Counties of Sutter, Nevada, Colusa and Yuba

1455 Butte House Road • Yuba City, CA 95993

Phone: (530) 671-0220 • Toll Free: (888) 671-0220 • TTY: (866) 735-2929 • Fax: (530) 673-0775

www.RegionalHA.org

November 23, 2024

Diana Langley, City Manager
City of Yuba City
1201 Civic Center Boulevard
Yuba City, CA 95993

**Re: Richland Village
470 Bernard Drive
Yuba City, CA 95991**

Dear Ms. Langley,

The Regional Housing Authority and Sutter Community Affordable Housing are requesting a two-year extension of Development Plan 20-03, along with the \$1,000,000 financial commitment the City has previously approved for the Richland Village project.

In January 2021, the City Council approved the development plan and the \$1,000,000 financial commitment towards the project, with an expiration date of January 2023. An extension of two years was granted in August 2022, with a new expiration of January 19, 2025. We respectfully request an additional extension through January 2027. Additionally, the City concurred in writing in August 2024 that the reduction of units from 176 to 133 "...is consistent with the Findings made and the project continues to be categorically exempt from environmental review pursuant to CEQA Guidelines Section 15332."

The reduction in units was needed to close a financial gap, as a result of removing an extremely competitive funding source, the low-income housing State tax-credits, thus only needing federal tax-credits and tax-exempt bonds in order to be fully financed. Nonetheless, the competitive climate for affordable housing financing has only become more difficult the last couple years, with resources and tax-credits dwindling, and now even more challenging when the California legislative body elected not to include a housing bond in the November 2024 election ballot.

I would be happy to meet and discuss. If you should need any additional information, I can be reached at (530) 671-0220, extension 113, or at g.becerra@regionalha.org.

Sincerely,

Gustavo Becerra
Executive Director – Regional Housing Authority
Secretary/Treasurer – Sutter Community Affordable Housing



REGIONAL HOUSING AUTHORITY

Serving the Cities of Live Oak, Yuba City and Colusa • Counties of Sutter, Nevada, Colusa and Yuba

1455 Butte House Road • Yuba City, CA 95993

Phone: (530) 671-0220 • Toll Free: (888) 671-0220 • TTY: (866) 735-2929 • Fax: (530) 673-0775
www.RegionalHA.org

Cc: Ben Moody, Development Services Director/Public Works Director

Enclosures:

City Resolution No. 21-003

City letter dated August 18, 2022

City letter dated August 22, 2024

ATTACHMENT 3

City Manager



May 24, 2021

Gustavo Becerra
Regional Housing Authority
1455 Butte House Road
Yuba City, CA 95993

**Re: Request for Financial Assistance (Capital Funds Grant)
Richland Village (176-units of new construction multi-family affordable housing)
470 Bernard Drive
Yuba City, CA 95991**

Dear Mr. Becerra:

We are pleased to inform you that the City of Yuba City has approved your request for \$1,000,000.00 in financial assistance, as a construction source of financing, through a capital funds grant. The proceeds of which are from the City's Low-Mod Housing Asset Fund for the new construction of a 176-unit multi-family affordable housing project at the above referenced address.

Please be advised that this grant commitment is expressly conditioned upon your successful application for State HCD-AHSC funding, and Low-Income Housing Tax Credits. The City will require proof of award from the State Department of Housing and Community Development, and from the California Tax Credit Allocation Committee prior to any further processing of your grant.

We wish you the best as you attempt to obtain the balance of your required financing. If you have any questions concerning this commitment of funds, please do not hesitate to call me.

Sincerely,

Dave Vaughn
City Manager

ATTACHMENT 4



Development Services Dept.
1201 Civic Center Blvd.
Yuba City, CA 95993
530.822.4700

August 22, 2024

Mr. Gustavo Becerra
Sutter Community Affordable Housing
1455 Butte House Road, CA 95993

Re: Richland Village
470 Bernard Drive
Yuba City, CA 95991

Dear Mr. Becerra:

Thank you for notifying us that the above referenced project has been modified to reduce the total number of residential units from 176 to 133. This letter confirms that Development Plan 20-03 approved by the City Council of the City of Yuba City on January 19, 2021, evidenced by Resolution 21-003 (enclosed) remains effective as to the reconfigured 133-unit project. This is due to the reduction of dwelling units is consistent with the Findings made and the project continues to be categorically exempt from environmental review pursuant to CEQA Guidelines Section 15332.

We look forward to seeing this project come to fruition.

Should you have further questions, please contact myself or Deputy Development Services Director, Doug Libby (dlibby@yubacity.net or 530.822.3231).

Sincerely,

Benjamin K. Moody, PE
Public Works and Development Services Director

RESOLUTION NO. 21-003

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVAL OF DEVELOPMENT PLAN (DP) 20-03, AND ASSOCIATED CEQA CATEGORICAL
EXEMPTION, FOR THE CONSTRUCTION OF A 176-UNIT AFFORDABLE HOUSING
APARTMENT COMPLEX: 470 BERNARD DRIVE (APN 53-470-091)**

WHEREAS, Development Plan (DP) 20-03 has been filed by Gustavo Becerra, Regional Housing Authority, (Applicant) to construct a 176-unit affordable housing apartment complex; and

WHEREAS, pursuant to California Environmental Quality Act Guidelines (CEQA), the project has been preliminarily assessed to be Categorically Exempt under Section 15332, In-fill Development Projects; and

WHEREAS, on December 17, 2020, the Planning Commission conducted a duly noticed public hearing to consider Development Plan 20-03; and

WHEREAS, Development Plan 20-03 supports production of affordable housing in an area that provides accessibility to shopping, public services and public transit; and

WHEREAS, the Planning Commission took action to recommend approval of the proposed Development Plan;

WHEREAS, the City Council of the City of Yuba City considered said recommendations of the Yuba City Planning Commission on the matter of a Development Plan for the said property and conducted a Public Hearing on the matter on January 19, 2021; and

WHEREAS, the City Council now desires to approve DP 20-03 and make the associated findings under CEQA.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as follows:

1. Environmental: Pursuant to California Environmental Quality Act Guidelines (CEQA), the City Council finds that this project is Categorically Exempt pursuant to CEQA Guidelines Section 15332 (In-fill Development Projects) as it is applicable with the general plan designation and all applicable general plan policies, as well as all applicable zoning designation(s) and regulations. The project site is on 4.9 acres within City limits, and has no value as habitat for endangered, rare or threatened species. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality, and the site can be adequately served by all required utilities and public services. Furthermore, there are no applicable exceptions to the Categorical Exemption as contemplated by CEQA Guidelines section 15300.2. As such, the City Council adopted a Class 32 Categorical Exemption (In-Fill Development Projects) for this project.

2. Development Plan 20-03: The City Council determines that all of the required findings of Section 8-5.7001(C) of the Municipal Code can be made for approval of Development Plan 20-03:

- i) *The site for the proposed use is adequate in size and shape to accommodate said use, public access, parking and loading, yards, landscaping, and other features required by this Chapter (Zoning Regulations).*

The approximately 4.9-acre site is adequate as proposed in the Development Plan to accommodate the proposed structures, yards, landscaping and all required features of the Zoning Code. Parking is reduced in compliance with the California State Density Bonus Law.

- ii) *The streets serving the site are adequate to carry the quantity of traffic generated by the proposed use.*

There will be no significant traffic impacts. The existing circulation system is adequate to accommodate the additional traffic from the proposed project.

- iii) *The site design, design of the building, and scale of the project will complement neighboring facilities.*

The development in the project area is a mix of multi-family housing and public severing facilities. The proposed project will integrate well with the existing uses surrounding it. The contemporary architectural design using concrete plaster and wood siding in earth tones, along with metal balcony and stair railings, will blend with the existing buildings in the area.

- iv) *The application satisfies at least one of the findings found in Title 6, Chapter 9, Article 6 of the Municipal Code.*

The project satisfies the following finding:

The facilities of the State plan of flood control or other flood management facilities protect the property to the urban level of flood protection in urban and urbanizing areas or the national Federal Emergency Management Agency standard of flood protection in nonurbanized areas

3. Approval of Development Plan 20-03: The City Council approved Development Plan 20-03 subject to the conditions of approval attached as Exhibit "A" hereto.
4. Effective Date: This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on January 19, 2021, by the following vote:

AYES: Councilmembers Espindola, Harris, Kirchner, Shaw, and Mayor Boomgaarden

NOES: None

ABSENT: None

ATTEST:


Ciara Wakefield, Deputy City Clerk




Marc Boomgaarden, Mayor

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY



Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment A: Conditions of Approval

EXHIBIT A

**CITY OF YUBA CITY
CONDITIONS OF APPROVAL
DEVELOPMENT PLAN 20-03
JANUARY 19, 2021**

**RICHLAND VILLAGE
APN: 53-470-091**

NOTICE TO PROJECT APPLICANT

In accordance with the provisions of Government Code Section 66020(d)(1), the imposition of fees, dedication, reservations or exactions for this project are subject to protest by the project applicant at the time of approval or conditional approval of the development or within ninety (90) calendar days after the date of imposition of fees, dedications, reservation, or exactions imposed on the development project. This notice does not apply to those fees, dedications, reservations, or exactions which were previously imposed and duly noticed; or, where no notice was previously required under the provisions of Government Code Section 66020(d)(1) in effect before January 1, 1997.

IMPORTANT: PLEASE READ CAREFULLY

Please note that this project is subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through the development plan review and environmental assessment essential to mitigate adverse effects on the environment including the health, safety, and welfare of the community, and recommended conditions for development that are not essential to health, safety, and welfare, but would on the whole enhance the project and its relationship to the neighborhood and environment.

Discretionary conditions of approval may be appealed. All code requirements, however, are mandatory and may only be modified by variance, provided the findings can be made.

All discretionary conditions of approval will ultimately be deemed mandatory unless appealed by the applicant to the City Council within 10 days after the decision by the Planning Commission. In the event you wish to appeal the Planning Commission's decision or discretionary conditions of approval, you may do so by filing a written appeal with the City Clerk. The appeal shall state the grounds for the appeal and wherein the Commission failed to conform to the requirements of the zoning ordinance. This should include identification of the decision or action appealed and specific reasons why you believe the decision or action appealed should not be upheld.

Approval of this development plan shall be considered null and void in the event of failure by the applicant and/or the authorized representative, architect, engineer, or designer to disclose and delineate all facts and information relating to the subject property and the proposed development.

Approval of this development plan may become null and void in the event that development is not completed in accordance with all the conditions and requirements imposed on this development plan, the zoning ordinance, and all City standards and specifications. This development plan is granted, and the conditions imposed, based upon the application submittal provided by the applicant, including any operational statement. The application is material to the issuance of this development plan. Unless the conditions of approval specifically require operation inconsistent with the application, a new or revised development plan is required if the operation of this establishment changes or becomes inconsistent with

the application. Failure to operate in accordance with the conditions and requirements imposed may result in revocation of the development plan or any other enforcement remedy available under the law. The City shall not assume responsibility for any deletions or omissions resulting from the development plan review process or for additions or alterations to any construction or building plans not specifically submitted and reviewed and approved pursuant to this development plan or subsequent amendments or revisions. These conditions are conditions imposed solely upon the development plan, and are not conditions imposed on the City or any third party. Likewise, imposition of conditions to ensure compliance with federal, state, or local laws and regulations does not preclude any other type of compliance enforcement.

These conditions are applicable to any person or entity making use of this development plan, and references to "developer" or "applicant" herein also include any applicant, property owner, owner, leasee, operator, or any other person or entity making use of this development plan.

CONDITIONS OF APPROVAL

1. Approval of Development Plan (DP) 20-03 shall be null and void without further action if: 1) the project has not been substantially commenced within two years of the approval date of DP 20-03; or 2) that a request for an extension of time, pursuant to Section 8-5.7106 of the Yuba City Municipal Code (YCMC) has not been submitted to the City.
2. The applicant/property owner agrees to defend, indemnify and hold harmless the City, its officers, agents and employees, from any and all claims, damages, liability or actions arising out of or connected with this Agreement, except to the extent such liabilities are caused by actions of the City.
3. The Regional Housing Authority acknowledges that the residential density for the Richland Village apartment development shall be calculated by recognizing multi-family residential unit counts on the entire 54.89 acres of Regional Housing Authority controlled land, including the Richland Village project site, as shown on the attached map provided by the Housing Authority. Residential densities for this and any future housing development on these 54.89 acres, shall comply with applicable General Plan residential density provisions considering the entirety of the adjacent 54.89 acres of controlled lands.
4. For each phase of construction, provide documentation to the City that shows the proposed height of the buildings comply with Federal Aviation Administration regulations for the Sutter County Airport.
5. Prior to approval of improvement plans, provide water consumption / fire suppression calculations to determine if the existing water service will be sufficient to meet the proposed additional development and irrigation demands, and coordinate any necessary improvements to meet those needs.
6. The applicant shall ensure air quality measures are utilized which reduce air quality emissions during the short-term construction phase, and which may include use of Best Management Practices (BMPs) as well as use of appropriate low-emission construction equipment.
7. All mitigation measures identified in the traffic study (dated 11-20-2020, by Fehr & Peers) shall be met.
8. The Developer shall include a photovoltaic system within the scope of the project, sufficient to generate all of the electricity needed to serve the tenants' and common area electricity needs,

including the capacity to charge the number of electric vehicles anticipated to be utilized by the residents and staff parking vehicles at the site, and to supply the electricity for common area loads for infrastructure and additional electric vehicles charging facilities to be installed in the vicinity of the project site, subject to the availability of financing for these facilities, or as determined by the Development Services Director, or appropriate designee.

9. To help contain fugitive dust, construction sites shall be watered down during the construction phase of the project or as directed by the Public Works Department.
10. Paved streets shall be swept frequently (water sweeper with reclaimed water recommended; wet broom) if soil material has been carried onto adjacent paved, public thoroughfares from the project site.
11. The Developer, at their expense, shall be solely responsible for all quality control associated with the project. The quality control shall include, but is not limited to, the following: survey work, potholing existing utilities, all geotechnical testing, soil reports, concrete testing, asphalt testing, and any other required special testing/inspections. The City will only perform necessary testing to insure compliance.
12. Storage of construction material is not allowed in the travel way.

PRIOR TO ISSUANCE OF A GRADING PERMIT

13. The improvement plans for the development of the subject property shall include all measures required to ensure that no drainage runoff resulting from the development of the property flow onto the adjacent lands or impede the drainage from those lands.
14. The development shall comply with Yuba City's stormwater requirements and Post-Construction Standards Plan. The Post Construction information can be found here:
https://www.yubacity.net/city_hall/departments/public_works/engineering/stormwater_management

PRIOR TO APPROVAL OF PUBLIC IMPROVEMENT PLANS

15. Where an excavation for a trench and/or structure is five (5) feet deep or more, the contractor shall conform to O.S.H.A. requirements. The contractor shall provide a copy of the approved O.S.H.A. permit, and shoring details and calculations prepared by California licensed structural engineer to the Public Works Department.
16. All development shall be designed to local, state, and federal flood standards.
17. Required Improvement Plan Notes:
 - a. "Any excess materials shall be considered the property of the contractor/owner and shall be disposed of away from the job site in accordance with applicable local, state and federal regulations."
 - b. "During construction, the Contractor shall be responsible for controlling noise, odors, dust and debris to minimize impacts on surrounding properties and roadways. The Contractor shall be responsible for all construction equipment to be equipped with manufacturers approved muffler baffles. Failure to do so may result in the issuance of an order to stop work."

- c. "If any hazardous waste is encountered during the construction of this project, all work shall be immediately stopped and the Sutter County Environmental Health Department, the Fire Department, the Police Department, and the City Inspector shall be notified immediately. Work shall not proceed until clearance has been issued by all of these agencies."
- d. "The Contractor(s) shall be required to maintain traffic flow on affected roadways during non-working hours, and to minimize traffic restriction during construction. The Contractor shall be required to follow traffic safety measures in accordance with the CalTrans "Manual of Traffic Safety Controls for Construction and Maintenance Work Zones." The City of Yuba City emergency service providers shall be notified, at least two working days in advance, of proposed construction scheduled by the contractor(s)."
- e. "Soil shall not be treated with lime or other cementitious material without prior express permission by the Public Works Department."

PRIOR TO ISSUANCE OF A BUILDING PERMIT

- 18. The Developer shall comply with all Sutter County requirements related to drainage, including submittal of a drainage plan for any drainage improvements that utilize County facilities for approval by Sutter County Public Works Director, paying all applicable Sutter County Water Agency connection fees and maintenance and operation fees, and entering into an agreement with Sutter County providing participation in a zone of benefit, drainage district, agency, service area or any other public entity for the financing of construction and maintenance of a drainage system, as determined applicable by Sutter County.

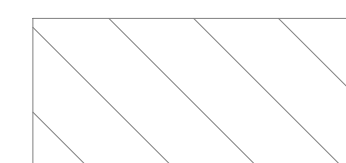
PRIOR TO THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY

- 19. All street lighting shall be constructed with improvement plans and energized prior to the issuance of any certificate of occupancy.
- 20. Prior to issuance of any certificate of occupancy, all underground utilities, public improvements, and site improvements, including rough grading, shall be completed in accordance with City requirements.

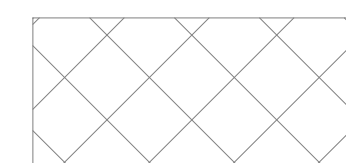
EXHIBIT A



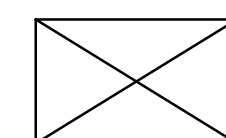
BUILDING LEGEND



2-STORY COMPONENT



1-STORY COMPONENT



TRANSFORMER

SITE INFORMATION

PARCEL: 214,632.230 square ft.
= 4.92 ACRES

BUILDING FOOTPRINT: 56,452 S.F.

OVERALL BUILDING SQUARE FOOTAGE: 147,519 S.F.

PLAY / RECREATION FACILITIES - REQUIRED AREAS

100 UNITS = 600 S.F.
76 UNITS = 380 S.F.

TOTAL - 980 S.F.

SMALL CHILD PLAY AREA 1 = 1600 S.F.

CHILD PLAY AREA 2 = 1325 S.F.

SCALE: 1" = 20'-0"



Richland Village

470 Bernard Drive
Yuba City, California

SITE PLAN



A1.2

JULY 15, 2024

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Jaspreet Kaur, Associate Planner

Summary

Subject: General Plan Amendment 24-02 and Rezone 24-04 for the Gary Smith project located at 2192 Live Oak Blvd.

Recommendation: A. Conduct a Public Hearing, and;

B. Adopt a Resolution of the City Council of the City of Yuba City approving Environmental Assessment 24-09 by adopting a Mitigated Negative Declaration, subject to the Mitigation Measures, and approve General Plan Amendment (GPA) 24-02 re-designating 0.43-acres from the Manufacturing, Processing, and Warehousing land use designation to the Community Commercial designation, and;

C. Introduce an Ordinance of the City Council of the City of Yuba City to adopt Rezone (RZ) 24-04 rezoning 0.43 acres Light Industrial District (M-1) Zone District to Community Commercial (C-2) Zone District, for the Smith project, located at 2192 Live Oak Blvd (APN 51-490-028), and waive the first reading.

Fiscal Impact: The cost for processing land use entitlements is partially funded by the project applicant through the payment of application fees.

Purpose:

To consider General Plan Amendment (GPA) 24-02 and Rezone (RZ) 24-04 for the Gary Smith project.

Council's Strategic Goal:

This item meets the City Council's strategic goal of business friendly.

Background:

The applicant, Gary Smith, filed for an application for GPA 24-02 and Rezone 24-04 to change the land use and zoning from Manufacturing, Processing, and Warehousing, Light Industrial District (M-1) to Community Commercial District (C-2).

On November 13, 2024, the Yuba City Planning Commission conducted a public hearing, and the Planning Commission unanimously voted to adopt Resolution PC 24-17 recommending approval to the City Council together with Environmental Assessment 24-09. There was no opposition expressed by

the public at the Planning Commission meeting.

Analysis

The project site is located on the southwest corner of Live Oak Blvd. and Northgate Drive, and currently has an existing building, paved parking and landscaping. Access to the site is provided from both Live Oak Blvd and Northgate Drive.

This project requests to amend the General Plan Land Use Designation and Zoning District to Community Commercial. The applicant is proposing to use the building for professional services, which currently isn't permitted in the M-1 District (industrial uses), therefore a General Plan Amendment and Rezoning is required.

Converting the building's use requires a building permit and the project will need to comply with the C-2 District development standards which include building height, setbacks, lighting, landscaping, parking, signage, and trash enclosures.

Traffic: Due to the property's small size, staff does not anticipate redevelopment of the site will result in significant traffic generation. The Public Works Department concluded that local street improvements will mitigate traffic concerns, and potential impacts on nearby streets due to this project will be less than significant.

Environmental Considerations

An environmental assessment was prepared for this project (EA 23-04) in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. This process included the distribution of requests for comment from other responsible or affected agencies and interested organizations.

Based upon the attached environmental assessment and the list of identified mitigation measures, staff has determined that there is no evidence in the record that the project may have a significant effect on the environment and recommends the Planning Commission recommend adoption of a mitigated negative declaration for this project. The finding of the mitigated negative declaration is that, with the proposed mitigations for Greenhouse Gas Emissions, Geology and Soils, and Tribal Cultural Resources, this GPA/RZ will not create any significant environmental impacts. As a result, the filing of a mitigated negative declaration is appropriate in accordance with the provisions of CEQA. The proposed mitigations are included in the attached Mitigation Monitoring Program.

Fiscal Impact:

The cost for processing land use entitlements is partially funded by the project applicant through the payment of application fees.

Alternatives:

1. Deny the application to approve General Plan Amendment 24-04 and Rezone 2.
2. Provide staff with alternate direction.

Recommendation:

- A. Conduct a Public Hearing, and;
- B. Adopt a Resolution of the City Council of the City of Yuba City approving Environmental

Assessment 24-09 by adopting a Mitigated Negative Declaration, subject to the Mitigation Measures, and approve General Plan Amendment (GPA) 24-02 re-designating 0.43-acres from the Manufacturing, Processing, and Warehousing land use designation to the Community Commercial designation, and;

C. Introduce an Ordinance of the City Council of the City of Yuba City to adopt Rezone (RZ) 24-04 rezoning 0.43 acres Light Industrial District (M-1) Zone District to Community Commercial (C-2) Zone District, for the Smith project, located at 2192 Live Oak Blvd (APN 51-490-028), and waive the first reading.

Attachments:

1. Attachment 1 - Resolution
2. Exhibit A - Land Use Map
3. Exhibit B - EA 24-09
4. Attachment 2 - Ordinance
5. Exhibit A - Zoning Map

Prepared By:

Jaspreet Kaur
Associate Planner

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING ENVIRONMENTAL ASSESSMENT 24-09 BY ADOPTING A MITIGATED NEGATIVE DECLARATION, SUBJECT TO THE MITIGATION MEASURES, AND APPROVING GENERAL PLAN AMENDMENT (GPA) 24-02 RE-DESIGNATING 0.43-ACRES FROM THE MANUFACTURING, PROCESSING, AND WAREHOUSING LAND USE DESIGNATION TO THE COMMUNITY COMMERCIAL DESIGNATION, LOCATED AT 2192 LIVE OAK BLVD (APN 51-490-028).

WHEREAS, the City received an application for a General Plan Amendment to amend the General Plan Land Use Map from Manufacturing, Processing, and Warehousing, (O) land use designation to a Community Commercial designation, and a Rezone for this same property, revising the zoning from a M-1 Zone District to an C-2 Zone District; and

WHEREAS, this property is within Yuba City's city limits and the property owner wished to develop their property to urban levels; and

WHEREAS, all development that may result from this action will be provided a full range of City services; and

WHEREAS, pursuant to the authority and criteria contained in the California Environmental Quality Act of 1970 ("CEQA"), the City, as the Lead Agency, has analyzed the proposed Project and has prepared an Initial Study proposing a Mitigated Negative Declaration (EA 24-09) for the Project; and

WHEREAS, a review of the General Plan and Zoning Regulations determined that the proposed GPA/RZ is consistent with the other elements of the General Plan and Zoning Regulations; and

WHEREAS, on November 13, 2024, the Planning Commission concurrently conducted a duly noticed public hearing on the applications, as well as Environmental Assessment, at which time it received input from City Staff, the applicant; public comment portion was opened, and public testimony and evidence, both written and oral, was considered by the Planning Commission, after which public testimony was closed; and

WHEREAS, the Planning Commission reviewed all associated documents prepared for the Project, including that related to the applications, and all of the evidence received by the Planning Commission; and

WHEREAS, after deliberation and consideration of all relevant items, the Planning Commission recommended the City Council of the City of Yuba City adopt a resolution approving EA 24-09 and GPA 24-02, and adopt an ordinance approving RZ 24-04;

WHEREAS, on December 17, 2024, the City Council conducted a Public Hearing to consider the GPA 24-02, RZ 24-04, and EA 24-09, and received both oral testimony and written information presented at the hearing regarding the same; and

WHEREAS, the City Council considered said recommendations of the Planning

Commission on the matter and after review and consideration of the Environmental Assessment, the City Council now desires to approve the project; and

WHEREAS, due to the limitations of State law that limit the number of General Plan amendments that can occur each year, and to comply with this requirement, individual projects proposing amendments to the General Plan may be contingently approved based on a final consolidated approval of all such project by the City Council; and

WHEREAS, the City Council now desires to adopt EA 24-09 and contingently approve GPA 24-02, with RZ 24-04 to be adopted by separate ordinance.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Yuba City resolves and orders as follows:

1. Recitals. The City Council hereby finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.

1. 2. CEQA Finding. The City Council finds and determines that there is no substantial evidence in the record that the Project may have a significant effect on the environment as identified by the mitigated negative declaration (MND) prepared for Environmental Assessment 24-09. Additionally, the City Council finds and determines as follows:

a. An environmental assessment/initial study was prepared for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines, and reflects the City Council's independent judgment and analysis. The process included the distribution of requests for comments from other responsible or affected agencies and interested organizations. Preparation of Environmental Assessment 24-09 necessitated a thorough review of the proposed Project and relevant environmental issues and considered previously prepared environmental and technical studies. While the proposed Project could have a potentially significant effect on the environment, based on its independent judgement and analysis the City Council finds that feasible mitigation measures or alternatives have been incorporated into the project in order to avoid the effects to a point where clearly no significant effect on the environment will occur, and there is no substantial evidence in the record that this Project may have any direct, indirect or cumulative effects on the environment that are potentially significant or adverse. The proposed Project will not result in any adverse effects which fall within the "Mandatory Findings of Significance" contained in Section 15065 of the State CEQA Guidelines. The project-specific mitigation measures included in the Project to avoid potentially significant effects are set forth in the attached Initial Study/Mitigated Negative Declaration and accompanying Mitigation Monitoring and Reporting Program. With the project-specific mitigations imposed, there is no substantial evidence in the record that this Project may have significant direct, indirect, or cumulative effects on the environment. As such, the City Council also finds and determines that in light of the entire administrative record and the substantial evidence before it, the Project has been adequately environmentally assessed as required by CEQA per Environmental Assessment 24-09.

3. Adoption of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program. Based on the foregoing, the Planning Commission recommends the City Council adopt the Mitigated Negative Declaration prepared for the project, including the associated Mitigation Monitoring and Reporting Program, as the project will not result in any significant, adverse environmental impacts with the mitigations proposed. The Yuba City Development Services Department is located at 1201 Civic Center Boulevard, Yuba City, CA 95993, and is

recommended to be designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the decision is based. The Planning Commission further recommends the City Council authorize the Director, or designee, to execute and file with the Sutter County Clerk, as appropriate, a Notice of Determination for approval of the project that complies with the CEQA Guidelines.

4. General Plan Findings. The City Council finds that the public necessity, general welfare, good planning practices, public interest, and convenience warrant approval of General Plan Amendment 24-02, including the following:
 - a. The Project will not generate significant amounts of new traffic that would cause a decrease in levels of service for nearby General Plan streets including Northgate Drive, and Live Oak Blvd, and any new development that result from this Project will pay their fair share of traffic development impact fees, making the project consistent with the Transportation Element.
 - b. The environmental document prepared for the Project (EA 22-04) found that the Project will not create significant environmental impacts on water quality, air quality, biological resources, agricultural lands, open space, and archaeological resources, making the Project consistent with the Environmental Conservation Element of the General Plan.
 - c. The Project will connect to all City services including water, wastewater, and stormwater drainage, making it consistent with the Public Utilities Element, and the Police and Fire Departments determined that the Project will not cause any safety or emergency response issues. As such the Project will be consistent with the Noise and Safety Element.
5. Approval of General Plan Amendment 23-02. Based on the information provided above, the City Council of Yuba City approves adoption of General Plan Amendment 24-02, per the attached Exhibit A.
6. Effective Date of Resolution. This Resolution shall become effective immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December, 2024.

Ayes:

Noes:

Absent:

Recused:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment:

Exhibit A: General Plan Map, GPA 24-04

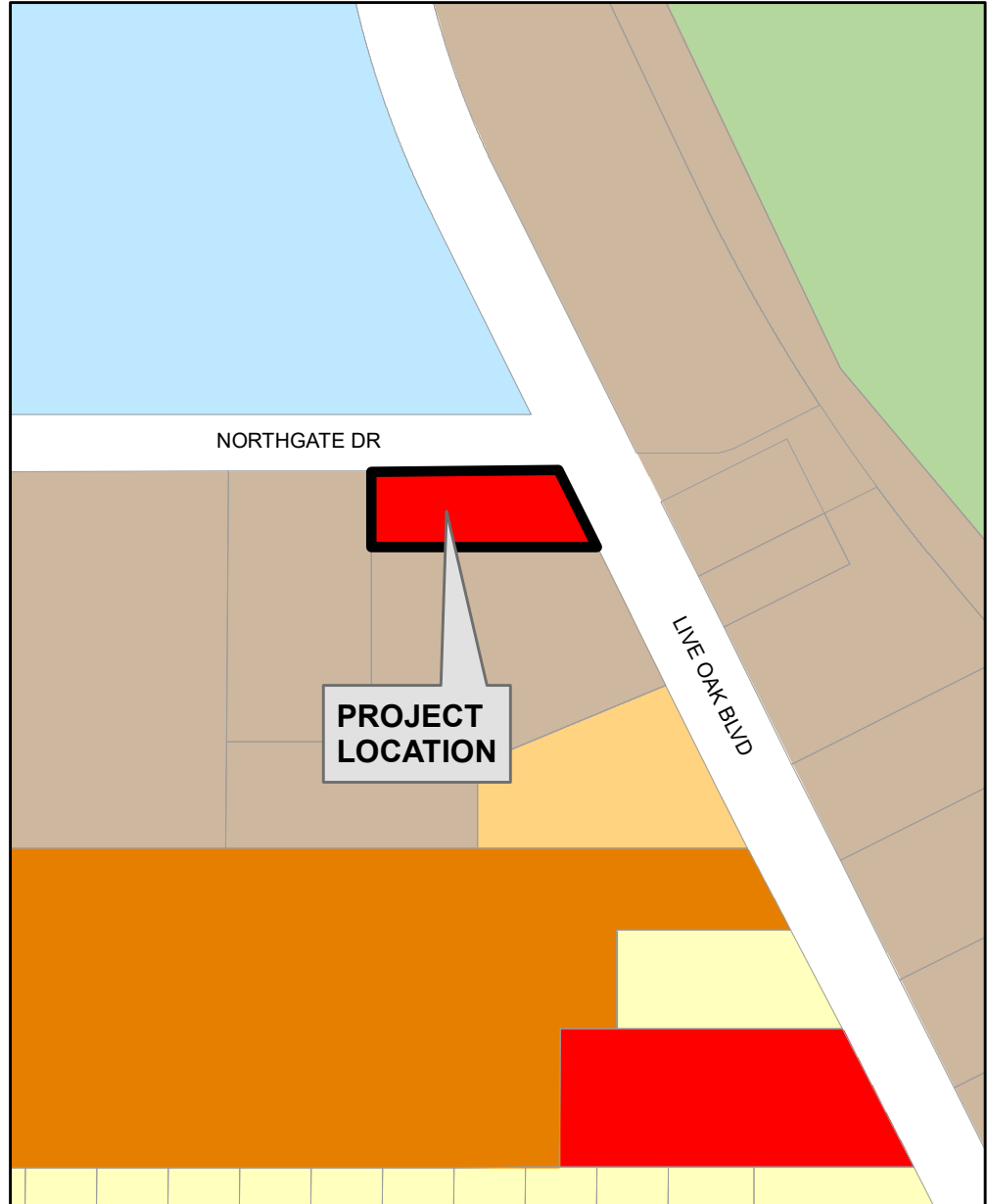
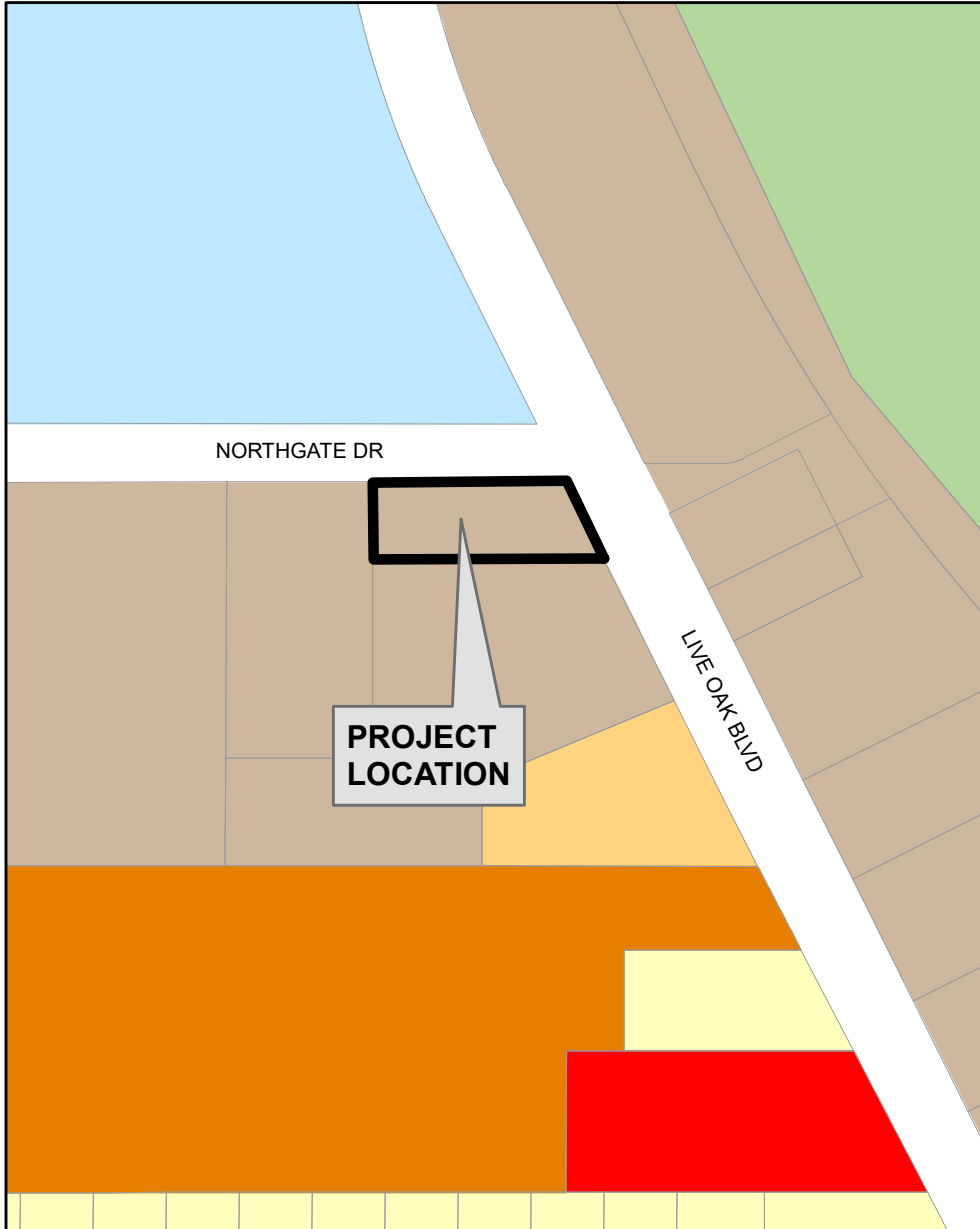
Exhibit B: Environmental Assessment 24-09

EXHIBIT A

SMITH GENERAL PLAN AMENDMENT, LAND USE MAP

EXISTING

PROPOSED



City of Yuba City

General Plan

Low Density Residential	Parks, Recreation & Open Space	Neighborhood Commercial
Medium/Low Density Residential	Agricultural/Rural	Office & Office Park
Medium/High Density Residential	HS-High School; EMS-Elementary/Middle School	Business, Technology & Light Industry
	Regional Commercial	Manufacturing, Processing & Warehousing
	Community Commercial	



EXHIBIT B



Environmental Assessment 24-09

Initial Study and Mitigated Negative Declaration for General Plan Amendment 24-02 and Rezoning 24-04, Gary Smith. The request is to amend the General Plan land use designation for a 0.43-acre property from a Manufacturing, Processing, and Warehousing land use designation to a Community Commercial designation. The requested rezoning to a compatible zoning is to amend the zoning from the Light Industrial Zone District to the Community Commercial Zone District.

Prepared for:

City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA 95993

Prepared By:

Denis Cook
Land Use Planning Consultant

and

City of Yuba City
Development Services Department
Planning Division

October 2024

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CITY OF YUBA CITY

Development Services Department
Planning Division

1201 Civic Center Blvd. Yuba City, CA 95993 Phone (530) 822-4700

1. Introduction

1.1. Introduction

This Initial Study/Mitigated Negative Declaration (IS/MND) has been prepared to identify any potential environmental impacts in the City of Yuba City, California (City) from proposed General Plan Amendment (GPA) 24-02 and Rezoning (RZ) 24-04 for Gary Smith (collectively “Project”): This request will:

GPA 24-02: redesignate the 0.43-acre (approximately 17,600 square feet) parcel from the Manufacturing, Processing and Warehousing (MPW) land use designation to the Community Commercial (CC) designation.

RZ 24-04: amend the zoning for the same 0.43 acres from the Light Manufacturing (M-1) Zone District to the Community Commercial (C-2) Zone District.

The 0.43-acre property is developed with existing structures and the applicant has indicated their desire to utilize the primary building as a beauty salon.

The GPA/RZ is considered a project under the California Environmental Quality Act (CEQA), as the City has discretionary authority over the Project. The Project requires discretionary review by the City of Yuba City Planning Commission for a recommendation to the City Council for a decision.

This IS/MND has been prepared in conformance with CEQA Guidelines Section 15070. The purpose of the IS/MND is to determine the potential significant impacts associated with the proposed GPA/RZ and provide an environmental assessment for consideration by the Planning Commission and City Council. In addition, this document is intended to provide the basis for input from public agencies, organizations, and interested members of the public.

1.2. Regulatory Information

An Initial Study (IS) is an environmental assessment document prepared by a lead agency to determine if a project may have a significant effect on the environment. In accordance with the California Code of Regulations Title 14 (Chapter 3, §15000 et seq.), commonly referred to as the CEQA Guidelines - Section 15064(a)(1) states an environmental impact report (EIR) must be prepared if there is substantial evidence in light of the whole record that the proposed project under review may have a significant effect on the environment and should be further analyzed to determine mitigation measures or project alternatives that might avoid or reduce project impacts to less than significant. A negative declaration may be prepared instead; if the lead agency finds that there is no substantial evidence, in light of the whole record that the project may have a significant effect on the environment. A negative declaration is a written statement describing the reasons why a proposed project, not exempt from CEQA pursuant to §15300 et seq. of Article 19 of the Guidelines, would not have a significant effect on the environment and, therefore, why it would not require the preparation of an EIR (CEQA Guidelines Section 15371). According to CEQA

Guidelines Section 15070, a negative declaration shall be prepared for a project subject to CEQA when either:

- a) The IS shows there is no substantial evidence, in light of the whole record before the agency, that the proposed project may have a significant effect on the environment, or
- b) The IS identified potentially significant effects, but:
 - a. Revisions in the project plans or proposals made by or agreed to by the applicant before the proposed negative declaration and initial study is released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur is prepared, and
 - b. There is no substantial evidence, in light of the whole record before the agency, that the proposed project as revised may have a significant effect on the environment. If revisions are adopted by the Lead Agency into the proposed project in accordance with the CEQA Guidelines Section 15070(b), a Mitigated Negative Declaration (MND) is prepared.

1.3. Document Format

This IS/MND contains four chapters. Chapter 1, Introduction, provides an overview of the proposed Project and the CEQA environmental documentation process. Chapter 2, Project Description, provides a detailed description of proposed Project objectives and components. Chapter 3, Impact Analysis, presents the CEQA checklist and environmental analysis for all impact areas, mandatory findings of significance, and feasible measures. If the proposed Project does not have the potential to significantly impact a given issue area, the relevant section provides a brief discussion of the reasons why no impacts are expected. If the proposed Project could have a potentially significant impact on a resource, the issue area discussion provides a description of potential impacts, and appropriate mitigation measures and/or permit requirements that would reduce those impacts to a less than significant level. Chapter 4, List of Preparers, provides a list of key personnel involved in the preparation of the IS/MND.

1.4. Purpose of Document

The proposed GPA/RZ will undergo a public review process by the Planning Commission that will result in a recommendation by the Planning Commission to the City Council followed by a public hearing and a decision by the City Council. This public review process is needed to assure that the Project will be compatible with existing or expected neighboring uses and that adequate public facilities are available to serve the project.

This document has been prepared to satisfy the California Environmental Quality Act (CEQA) (Pub. Res. Code, Section 21000 et seq.) and the State CEQA Guidelines (Title 14 CCR §15000 et seq.). CEQA requires that all state and local government agencies consider the environmental consequences of projects over which they have discretionary authority before acting on those projects.

The initial study is a public document used by the decision-making lead agency to determine whether the Project may have a significant effect on the environment. If the lead agency finds substantial evidence that any aspect of the Project, either individually or cumulatively, may have a significant effect on the environment, regardless of whether the overall effect of the Project is adverse or beneficial, the lead

agency is required to use a previously prepared EIR and supplement that EIR, or prepare a subsequent EIR to analyze at hand. If the agency finds no substantial evidence that the Project or any of its aspects may cause a significant effect on the environment, a negative declaration shall be prepared. If in the course of the analysis, it is recognized that the Project may have a significant impact on the environment, but that with specific recommended mitigation measures incorporated into the Project, these impacts shall be reduced to less than significant, a mitigated negative declaration shall be prepared.

In reviewing all of the available information for the Project, the City of Yuba City Planning Division has analyzed the potential environmental impacts created by this Project and a mitigated negative declaration has been prepared.

1.5. Intended Uses of this Document

In accordance with CEQA, a good-faith effort has been made during preparation of this IS/MND to contact affected public agencies, organizations, and persons who may have an interest in the proposed Project. In reviewing the Draft IS/MND, affected and interested parties should focus on the sufficiency of the document in identifying and analyzing the possible impacts on the environment and ways in which the effects of the proposed Project would be avoided or mitigated.

The Draft IS/ND and associated appendices will be available for review on the City of Yuba City website at <http://www.yubacity.net>. The Draft IS/MND and associated appendixes also will be available for review during regular business hours at the City of Yuba City Development Services Department (1201 Civic Center Boulevard, Yuba City, California 95993). The 20-day review period will commence on October 25, 2024 and end on November 13, 2024 at the conclusion of the Planning Commission hearing.

Written comments on the Draft IS/MND should be sent to the following address:

City of Yuba City
Development Services Department
1201 Civic Center Boulevard
Yuba City, CA 95993
e-mail: developmentservices@yubacity.net
Phone: 530.822.4700

2. Project Description

2.1. Project Title

General Plan Amendment (GPA) 24-02 and Rezoning (RZ) 24-04, Gary Smith.

2.2. Lead Agency Name and Address

City of Yuba City
Development Services Department, Planning Division
1201 Civic Center Blvd.
Yuba City, CA 95993

2.3. Contact Person and Phone Number

Doug Libby, AICP
Deputy Director of Development Services
(530) 822-3231
developmentservices@yubacity.net

2.4. Project Location

The 0.43 acre parcel is located on the southwest corner of Live Oak Boulevard and Northgate Drive. The address is 2192 Live Oak Boulevard. Assessor's Parcel Number (APN) 051-490-028.

2.5. Project Applicant

Gary Smith
P.O. Box 3607
Yuba City, CA 95992

2.6. Property owner

21 Ninety-Two LLC
P.O. Box 3607
Yuba City, CA 95992

2.7. General Plan Designation

Existing: Manufacturing, Processing and Warehousing (MPW) Land Use Designation.

Proposed: Community Commercial (CC) Land Use Designation.

2.8. Zoning

Existing: Light Industrial (M-1) Zone District.

Proposed: Community Commercial (C-2) Zone District.

2.9. Project Description

General Plan Amendment (GPA) 24-02 and Rezoning (RZ) 24-04 for Gary Smith (collectively "Project").

GPA 24-02 would redesignate the 0.43-acre (approximately 17,600 square feet) parcel from the Manufacturing, Processing and Warehousing (MPW) land use designation to the Community Commercial (CC) designation.

RZ 24-04 would rezone the same 0.43 acres from the Light Manufacturing (M-1) Zone District to the Community Commercial (C-2) Zone District.

In general, the proposal would allow a change in the usage, character, and appearance of the property from light industrial type uses to general retail and service commercial type uses. There is no actual development proposed as part of this application.

Figure 1: Location Map



Figure 2: General Plan Amendment 24-02 - Existing and proposed general plan land use maps

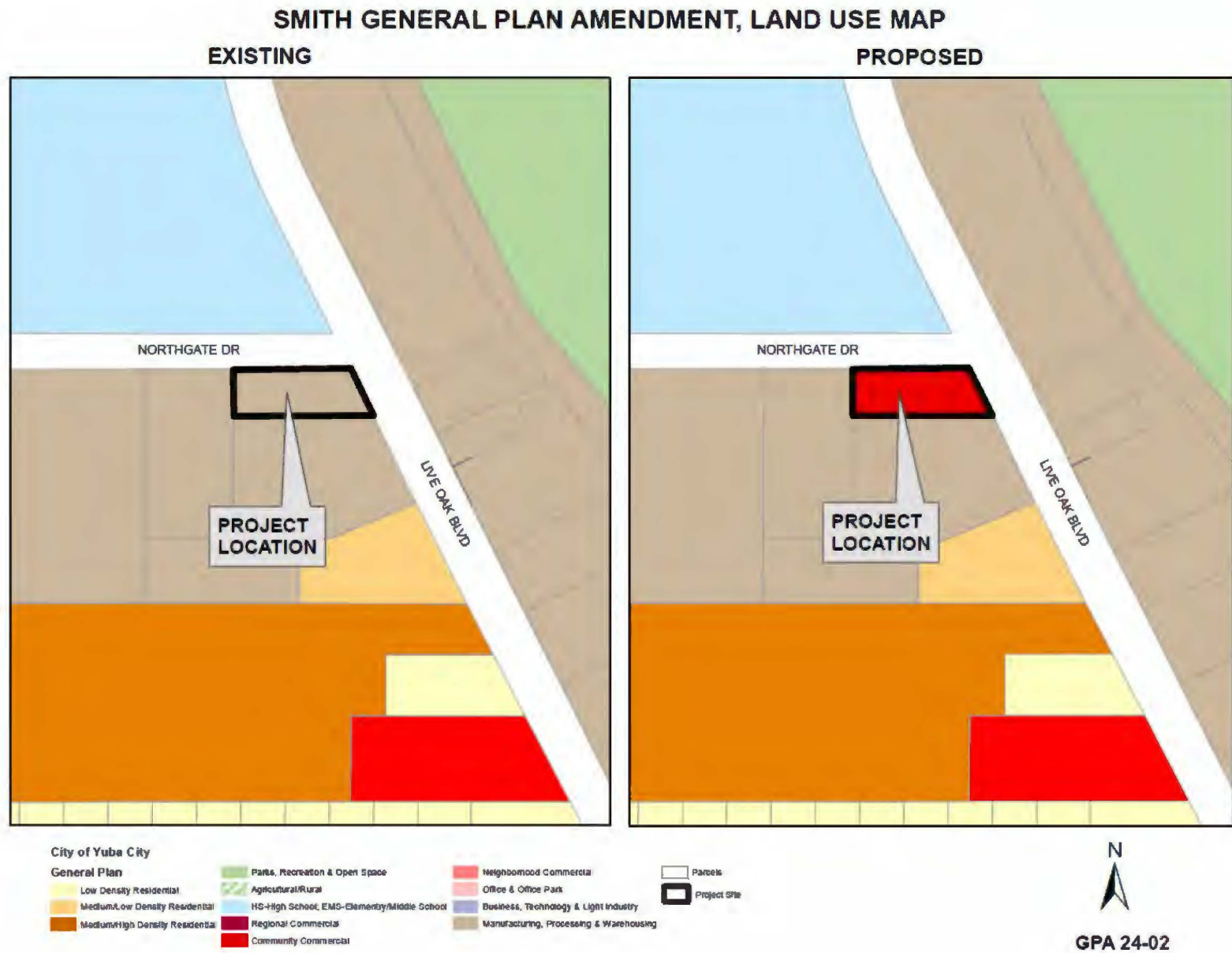
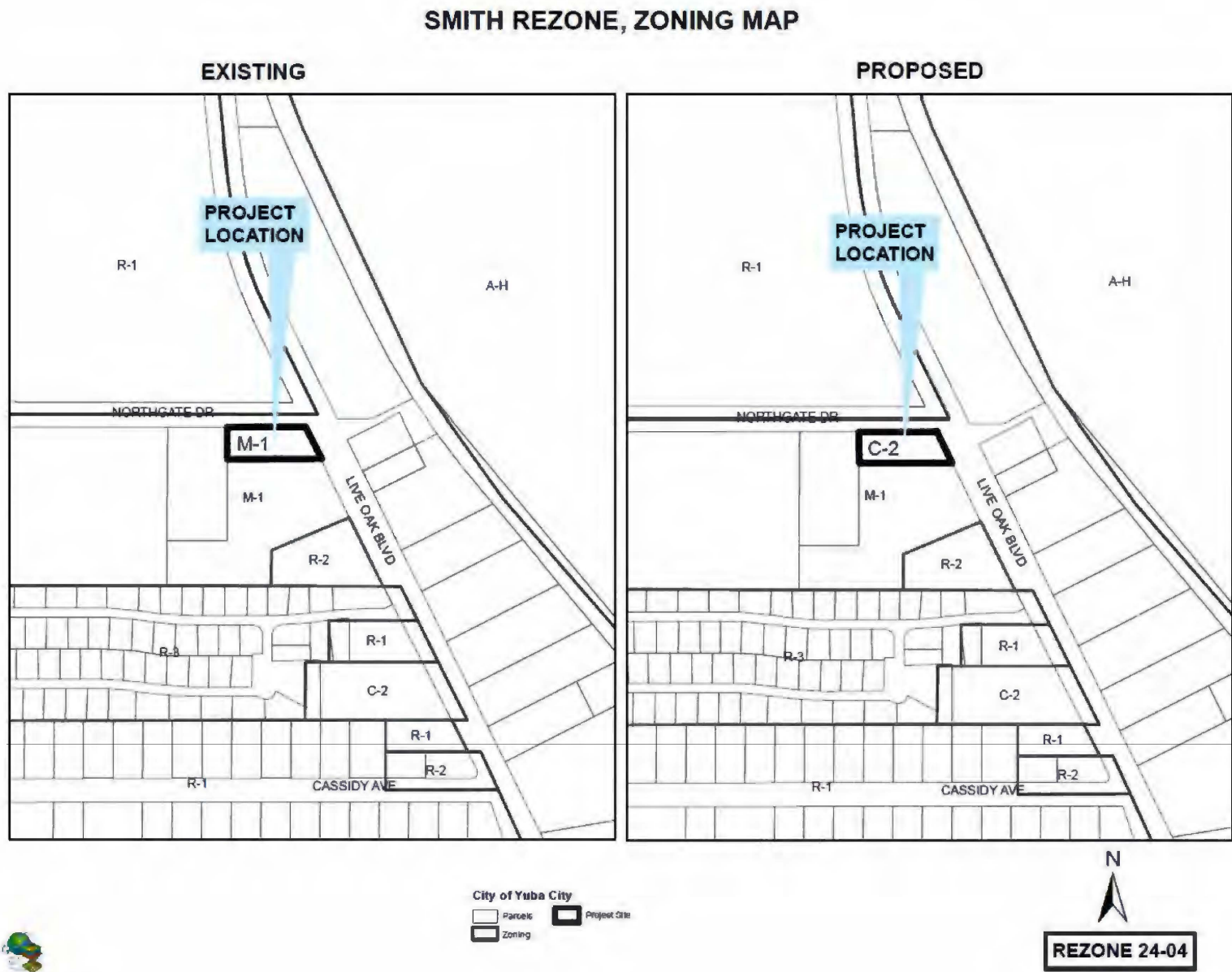


Figure 3: RZ 24-04: Existing and proposed zoning maps



2.10. Surrounding Land Uses and Setting

Setting: The 0.43-acre corner parcel currently has on it a light industrial building with an adjoining parking lot.

Table 1: Bordering Uses

North:	Northgate Drive with the City water treatment plant across the street.
South:	Light industrial building.
East:	Live Oak Boulevard.
West:	Sunsweet dryer facility.

2.11. Other Public Agencies Whose Approval May be Required

- Feather River Air Quality Management District, Dust Control Plan, Indirect Source Review.
- Central Valley Regional Water Quality Control Board.

2.12. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, is there a plan for consultation that includes, for example, the determination of significance of impacts to tribal cultural resources, procedures regarding confidentiality, etc.?

All geographically relevant Native American tribes were timely notified of the Project, and consultation was not requested.

2.13. Environmental Factors Potentially Affected:

The environmental factors checked below would be potentially affected by this project, as indicated by the checklist and subsequent discussion on the following pages.

	Aesthetics		Agriculture & Forestry Resources		Air Quality
	Biological Resources		Cultural Resources		Energy
X	Geology/Soils	X	Greenhouse Gas Emissions		Hazard & Hazardous Materials
	Hydrology/Water Quality		Land Use Planning		Mineral Resources
	Noise		Population/Housing		Public Services
	Recreation		Transportation	X	Tribal Cultural Resources
	Utilities/Service Systems		Wildfire		Mandatory Findings of Significance

Determination: On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that, although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on the attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that, although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Doug Libby
Signature

October 25, 2024
Date

Doug Libby, AICP, Deputy Director of Development Services
Printed Name/Position

2.14. Evaluation of Environmental Impacts:

A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.

“Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures and briefly explain how they reduce the effect to a less than significant level (mitigation measures from “Earlier Analysis,” as described below, may be cross referenced). A Mitigated Negative Declaration also requires preparation and adoption of a Mitigation Monitoring and Reporting Program (MMRP)

Earlier analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. In this case, a brief discussion should identify the following:

Earlier Analysis Used. Identify and state where they are available for review.

Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures that were incorporated or refined from the earlier document and the extent to which they addressed site-specific conditions for the project.

Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts. Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

Supporting Information Sources: A source list should be attached, and other sources used, or individuals contacted should be cited in the discussion.

3. Environmental Checklist and Impact Evaluation

The following section presents the initial study checklist recommended by the California Environmental Quality Act (CEQA; Appendix G) to determine potential impacts of the Project. Explanations of all answers are provided following each question, as necessary.

3.1. Aesthetics

Table 3-1: Aesthetics				
Except as provided in Public Resources Code Section 21099, would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) In non-urbanized areas substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality.				X
d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?				X

3.1.1. Environmental Setting/Affected Environment

Background views are generally considered to be long-range views in excess of 3 to 5 miles from a vantage point. Background views surrounding the Project site are limited due to the flat nature of the site and the surrounding urban landscape. Overall, the vast majority of Sutter County is relatively flat, with the Sutter Buttes being the exception. The Sutter Buttes, comprise the long-range views. They are located several miles northwest of the Project site, visible from the much of the City, except in areas where trees or intervening structures block views of the mountain range.

The City's General Plan, more specifically the Community Design Element "establishes policies to ensure the creation of public and private improvements that will maintain and enhance the image, livability, and aesthetics of Yuba City in the years to come."

The following principles and policies are applicable:

- Maintain the identity of Yuba City as a small-town community, commercial hub, and residential community, surrounded by agricultural land and convey, through land uses and design amenities, Yuba City's character and place in the Sacramento Valley.

- Recognizing the livability and beauty of peer communities with highly designed visual landscapes, commit to a focus on the visual landscape of Yuba City.
- Maintain, develop, and enhance connections between existing and planned neighborhoods.
- Create and build upon a structured open space and parks network, centered on two large urban parks and the Feather River Corridor.
- Strive for lush, landscaped public areas marked by extensive tree plantings.
- Design commercial and industrial centers to be visually appealing, to serve both pedestrians and automobiles, and to integrate into the adjacent urban fabric.

In addition to the City's General Plan, the City provides Design Guidelines. The goal of the City's design guidelines is to ensure the highest quality of building design: designs that are aesthetically pleasing; designs that are compatible with the surroundings in terms of scale, mass, detailing, and building patterns; designs that accommodate the pedestrian, automobile, bicycle, and transit circulation; and designs that consider public safety, public interaction, and historic resources. As there is no actual development proposed the design guidelines do not apply to this proposal. They will be applied when a development is proposed.

3.1.2. Federal Regulatory Setting

Federal regulations relating to aesthetics include Organic Administration Act (1897), Multiple Use – Sustained Yield Act (1960), Wilderness Act (1964), Federal Lands Policy and Management Act (1976), Wild and Scenic Rivers Act. The proposed Project is not subject to these regulations since there are no federally designated lands or rivers in the vicinity.

3.1.3. State Regulatory Setting

The California State Scenic Highway Program was created by the California Legislature in 1963 to preserve and protect scenic highway corridors from change which would diminish the aesthetic value of lands adjacent to highways. The state laws governing the Scenic Highway Program are found in the Streets and Highways Code, Section 260 et seq. The State Scenic Highway System includes a list of highways that are either eligible for designation as scenic highways or have been so designated. These highways are identified in Section 263 of the Streets and Highways Code.

A highway may be designated scenic depending upon how much of the natural landscape can be seen by travelers, the scenic quality of the landscape, and the extent to which development intrudes upon the traveler's enjoyment of the view. When a city or county nominates an eligible scenic highway for official designation, it must identify and define the scenic corridor of the highway. A scenic corridor is the land generally adjacent to and visible from the highway. A scenic corridor is identified using a motorist's line of vision. A reasonable boundary is selected when the view extends to the distant horizon. The corridor protection program does not preclude development but seeks to encourage quality development that does not degrade the scenic value of the corridor. Jurisdictional boundaries of the nominating agency are also considered. The agency must also adopt ordinances to preserve the scenic quality of the corridor or document such regulations that already exist in various portions of local codes. These ordinances make up the scenic corridor protection program. County roads can also become part of the Scenic Highway System. To receive official designation, the county must follow the same process required for official designation of state scenic highways. There are no designated state scenic highways in the vicinity of the Project site.

California Building Code Title 24 Outdoor Lighting Standards: The requirements vary according to which "Lighting Zone" the equipment is in. The Standards contain lighting power allowances for newly installed equipment and specific alterations that are dependent on which Lighting Zone the project is located in. Existing outdoor lighting systems are not required to meet these lighting power allowances. However, alterations that increase the connected load, or replace more than 50 percent of the existing luminaires, for each outdoor lighting application that is regulated by the Standards, must meet the lighting power allowances for newly installed equipment.

An important part of the Standards is to base the lighting power that is allowed on how bright the surrounding conditions are. The eyes adapt to darker surrounding conditions, and less light is needed to properly see; when the surrounding conditions get brighter, more light is needed to see. The least power is allowed in Lighting Zone 1 and increasingly more power is allowed in Lighting Zones 2, 3, and 4. By default, government designated parks, recreation areas and wildlife preserves are Lighting Zone 1; rural areas are Lighting Zone 2; and urban areas are Lighting Zone 3. Lighting Zone 4 is a special use district that may be adopted by a local government. The proposed Project is located in an urban area; thereby, it is in Lighting Zone 3.

3.1.4. Impact Assessment/Environmental Consequences:

a) Have a substantial adverse effect on a scenic vista?

There are no designated scenic areas in the vicinity, so there will be no impacts on a designated scenic vista. Further, as there is no new development proposed since the site has an existing building constructed, there will be no impacts on scenic resources. Therefore, this GPA/RZ will not create any significant impacts on the scenic views from this area. If this GPA/RZ results in a development or redevelopment project, it will be evaluated at that time based on its own merits.

b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway.

This property currently developed with an existing building and paved parking area. It is unremarkable in that the site is flat with no topographic features, rock outcroppings, or large heritage type trees. Also, there is no new development proposed so there will be no impact on scenic resources. If and when a development project is proposed it will be evaluated at that time on its own merits.

c) In nonurbanized areas substantially degrade the existing visual character of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality.

The site is within the urban area. Since no actual development is proposed, there will be no impacts on public views. If and when a development project is proposed it will be evaluated based on its own merits for conformance with City adopted development and design standards.

d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area.

The site is within the urban area where street lighting and exterior lighting is prevalent, including lighting on this property. As there is no new development proposed there will be no impact on scenic resources

due to lighting changes. If and when a development project is proposed, it will be evaluated based on all adopted City development standards and design guidelines.

3.2. Agricultural and Forestry Resources

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model prepared (1997) by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland.

Table 3-2: Agricultural and Forestry Resources				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forestland (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

3.2.1. Environmental Setting/Affected Environment

Sutter County is located within the northern portion of California's Central Valley in the area known as the Sacramento Valley. It contains some of the richest soils in the State. These soils, combined with abundant surface and subsurface water supplies and a long, warm growing season, make Sutter County's agricultural resources very productive. Sutter County is one of California's leading agricultural counties, with 83 percent of the County's total land acreage currently being used for agricultural purposes. However, while Sutter County provides rich agricultural opportunities, the subject site is within an urban area and has been designated for urban uses for many years.

3.3.2 Federal Regulatory Setting

Farmland Protection Policy Act: The Natural Resources Conservation Service (NRCS), a federal agency within the U.S. Department of Agriculture (USDA), is the agency primarily responsible for implementation of the Farmland Protection Policy Act (FPPA). The FPPA was enacted after the 1981 Congressional report, *Compact Cities: Energy-Saving Strategies for the Eighties* indicated that a great deal of urban sprawl was the result of programs funded by the federal government. The purpose of the FPPA is to minimize federal programs' contribution to the conversion of farmland to non-agricultural uses by ensuring that federal programs are administered in a manner that is compatible with state, local, and private programs designed to protect farmland. Federal agencies are required to develop and review their policies and procure to implement the FPPA every two years (USDA-NRCS, 2011).

2014 Farm Bill: The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on Feb. 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

The Farm Bill builds on historic economic gains in rural America over the past five years, while achieving meaningful reform and billions of dollars in savings for the taxpayer. It allows USDA to continue record accomplishments on behalf of the American people, while providing new opportunity and creating jobs across rural America. Additionally, it enables the USDA to further expand markets for agricultural products at home and abroad, strengthen conservation efforts, create new opportunities for local and regional food systems and grow the bio-based economy. It provides a dependable safety net for America's farmers, ranchers and growers and maintains important agricultural research, and ensure access to safe and nutritious food for all Americans.

Forestry Resources: Federal regulations regarding forestry resources are not relevant to the proposed Project because no forestry resources exist on the project site or in the vicinity.

3.2.3 State Regulatory Setting

California Environmental Quality Act (CEQA) Definition of Agricultural Lands: Public Resources Code Section 21060.1 defines "agricultural land" for the purposes of assessing environmental impacts using the Farmland Mapping & Monitoring Program (FMMP). The FMMP was established in 1982 to assess the location, quality, and quantity of agricultural lands and the conversion of these lands. The FMMP provides analysis of agricultural land use and land use changes throughout California.

California Department of Conservation, Division of Land Resource Protection: The California Department of Conservation (DOC) applies the NRCS soil classifications to identify agricultural lands, and these agricultural designations are used in planning for the present and future of California's agricultural land resources. Pursuant to the DOC's FMMP, these designated agricultural lands are included in the Important Farmland Maps (IFM) used in planning for the present and future of California's agricultural land resources. The FMMP was established in 1982 to assess the location, quality, and quantity of agricultural lands and the conversion of these lands. The FMMP provides analysis of agricultural land use and land use changes throughout California. The DOC has a minimum mapping unit of 10 acres, with parcels that are smaller than 10 acres being absorbed into the surrounding classifications.

The list below provides a comprehensive description of all the categories mapped by the DOC. Collectively, lands classified as Prime Farmland, Farmland of Statewide Importance, and Unique Farmland is referred to as Farmland.

- *Prime Farmland.* Farmland that has the best combination of physical and chemical features able to sustain long-term agricultural production. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yields. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date.
- *Farmland of Statewide Importance.* Farmland similar to Prime Farmland but with minor shortcomings, such as greater slopes or less ability to store soil moisture. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date.
- *Unique Farmland.* Farmland of lesser quality soils used for the production of the State's leading agricultural crops. This land is usually irrigated but may include non-irrigated orchards or vineyards as found in some climatic zones in California. Land must have been cropped at some time during the four years prior to the mapping date.
- *Farmland of Local Importance.* Land of importance to the local agricultural economy as determined by each county's board of supervisors and a local advisory committee.
- *Grazing Land.* Land on which the existing vegetation is suited to the grazing of livestock. This category was developed in cooperation with the California Cattlemen's Association, University of California Cooperative Extension, and other groups interested in the extent of grazing activities. The minimum mapping unit for Grazing Land is 40 acres.
- *Urban and Built-up Land.* Land occupied by structures with a building density of at least 1 unit to 1.5 acres, or approximately 6 structures to a 10-acre parcel. This land is used for residential, industrial, commercial, institutional, public administrative purposes, railroad and other transportation yards, cemeteries, airports, golf courses, sanitary landfills, sewage treatment, water control structures, and other developed purposes.
- *Other Land.* Land not included in any other mapping category. Common examples include low density rural developments; brush, timber, wetland, and riparian areas not suitable for livestock grazing; confined livestock, poultry, or aquaculture facilities; strip mines and borrow pits; and water bodies smaller than 40 acres. Vacant and nonagricultural land surrounded on all sides by urban development and greater than 40 acres is mapped as Other Land.

California Land Conservation Act (Williamson Act): The California Land Conservation Act of 1965, commonly referred to as the Williamson Act, is promulgated in California Government Code Section 51200-51297.4, and therefore is applicable only to specific land parcels within the State of California. The Williamson Act enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space uses in return for reduced property tax assessments. Private land within locally designated agricultural preserve areas is eligible for enrollment under Williamson Act contracts. However, an agricultural preserve must consist of no less than 100 acres. In order to meet this requirement two or more parcels may be combined if they are contiguous, or if they are in common ownership.

The Williamson Act program is administered by the Department of Conservation (DOC), in conjunction with local governments, which administer the individual contract arrangements with landowners. The landowner commits the parcel to a 10-year period, or a 20-year period for property restricted by a Farmland Security Zone Contract, wherein no conversion out of agricultural use is permitted. Each year the contract automatically renews unless a notice of non-renewal or cancellation is filed. In return, the land is taxed at a rate based on the actual use of the land for agricultural purposes, as opposed to its unrestricted market value. An application for immediate cancellation can also be requested by the

landowner, provided that the proposed immediate cancellation application is consistent with the cancellation criteria stated in the California Land Conservation Act and those adopted by the affected county or city. Non-renewal or immediate cancellation does not change the zoning of the property. Participation in the Williamson Act program is dependent on county adoption and implementation of the program and is voluntary for landowners.

Farmland Security Zone Act: The Farmland Security Zone Act is similar to the Williamson Act and was passed by the California State Legislature in 1999 to ensure that long-term farmland preservation is part of public policy. Farmland Security Zone Act contracts are sometimes referred to as “Super Williamson Act Contracts.” Under the provisions of this act, a landowner already under a Williamson Act contract can apply for Farmland Security Zone status by entering into a contract with the county. Farmland Security Zone classification automatically renews each year for an additional 20 years. In return for a further 35% reduction in the taxable value of land and growing improvements (in addition to Williamson Act tax benefits), the owner of the property promises not to develop the property into nonagricultural uses.

Forestry Resources: State regulations regarding forestry resources are not relevant to the proposed Project because no forestry resources exist on the project site or in the vicinity.

3.2.4 Impact Assessment/Environmental Consequences:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

The approximately 0.43-acre site is located on land that the 2018 Department of Conservation Important Farmland Map for Sutter County identifies as “Urban and Built-Up Land.” As such the Project site is not considered to consist of Prime Farmland, Farmland of Statewide Importance or Unique Farmland. The developed, urban sized property, is within the boundaries of the Yuba City urban area, surrounded by urban uses. All of these factors make it unviable for agricultural use. Therefore, there will be no loss of agricultural land.

b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

The proposed Project site is currently zoned for urban type uses and is not under a Williamson Act contract. There will be no impact related to a Williamson Act contract. See discussion above under item 3.2.4.a.

c) Conflict with existing zoning for, or cause rezoning of, forestland (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4256), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?

The proposed Project is located in the Sacramento Valley in a relatively flat area that may have at one time been utilized for agriculture but was subdivided into urban sized parcels and developed for urban uses many years ago. There is no timberland located on the Project site or within the vicinity of the Project. There will be no impact on existing zoning of forestland and the proposed Project will not cause the rezoning of any forestlands.

d) Result in the loss of forestland or conversion of forest land to non-forest use?

There is no forested land on the Project site or within the vicinity of the Project. Therefore, there will be no impact on forest land.

e) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

The proposed Project is within an area already served by City services and developed with light industrial type uses. There are no forestlands on the Project site or in the vicinity. No properties within the area are under a Williamson Act contract. Therefore, there will be no impacts on agricultural lands or timberlands from this proposal.

3.3. Air Quality

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Table 3-3: Air Quality				
Would the project?	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?				X
c) Expose sensitive receptors to substantial pollutant concentrations?				X
d) Result in other emissions (such as those leading to odors adversely affecting a substantial number of people?				X

3.3.1. Environmental Setting/Affected Environment

Yuba City is located within the Sacramento Valley Air Basin (SVAB), which consists of the northern half of the Central Valley and approximates the drainage basin for the Sacramento River and its tributaries. The SVAB is bounded on the west by the Coast Range, on the north by the Cascade Range, on the east by the Sierra Nevada, and on the south by the San Joaquin Valley Air Basin. The intervening terrain is flat, and approximately 70 feet above sea level. The SVAB consists of the counties of Butte, Colusa, Glenn, Sacramento, Shasta, Sutter, Tehama, Yolo, and Yuba and portions of Placer and Solano Counties.

Hot dry summers and mild rainy winters characterize the Mediterranean climate of the Sacramento Valley. The climate of the SVAB is dominated by the strength and position of the semi-permanent high-pressure cell over the Pacific Ocean north of Hawaii. In summer, when the high-pressure cell is strongest and farthest north, temperatures are high and humidity is low, although the incursion of the sea breeze into the Central Valley helps moderate the summer heat. In winter, when the high-pressure cell is weakest and farthest south, conditions are characterized by occasional rainstorms interspersed with stagnant and

sometimes foggy weather. Throughout the year, daily temperatures may range from summer highs often exceeding 100 degrees Fahrenheit and winter lows occasionally below freezing. Average annual rainfall is about 20 inches with snowfall being very rare. The prevailing winds are moderate in strength and vary from moist clean breezes from the south to dry land flows from the north.

In addition to prevailing wind patterns that control the rate of dispersion of local pollutant emissions, the region experiences two types of inversions that affect the vertical depth of the atmosphere through which pollutants can be mixed. In the warmer months in the SVAB (May through October), sinking air forms a "lid" over the region. These subsidence inversions contribute to summer photochemical smog problems by confining pollution to a shallow layer near the ground. These warmer months are characterized by stagnant morning air or light winds with the delta sea breeze arriving in the afternoon out of the southwest. Usually, the evening breeze transports the airborne pollutants to the north and out of the SVAB. During about half of the day from July to September, however, a phenomenon called the "Schultz Eddy" prevents this from occurring. Instead of allowing the prevailing wind patterns to move north carrying the pollutants out of the valley, the Schultz Eddy causes the wind pattern to circle back south. This phenomenon exacerbates the pollution levels in the area and increases the likelihood of violating federal or State standards. The Schultz Eddy normally dissipates around noon when the Delta sea breeze begins. In the second type of inversion, the mountains surrounding the SVAB create a barrier to airflow, which can trap air pollutants in the valley. The highest frequency of air stagnation occurs in the autumn and early winter when large high-pressure cells lie over the valley. The air near the ground cools by radiative processes, while the air aloft remains warm. The lack of surface wind during these periods and the reduced vertical flow caused by less surface heating reduces the influx of outside air and allows air pollutants to become concentrated in a stable volume of air. These inversions typically occur during winter nights and can cause localized air pollution "hot spots" near emission sources because of poor dispersion. The surface concentrations of pollutants are highest when these conditions are combined with smoke from agricultural burning or when temperature inversions trap cool air and pollutants near the ground. Although these subsidence and radiative inversions are present throughout much of the year, they are much less dominant during spring and fall, and the air quality during these seasons is generally good."

Local Climate: The climate of Sutter County is subject to hot dry summers and mild rainy winters, which characterize the Mediterranean climate of the SVAB. Summer temperatures average approximately 90 degrees Fahrenheit during the day and 50 degrees Fahrenheit at night. Winter daytime temperatures average in the low 50s and nighttime temperatures are mainly in the upper 30s. During summer, prevailing winds are from the south. This is primarily because of the north-south orientation of the valley and the location of the Carquinez Straits, a sea-level gap in the coast range that is southwest of Sutter County.

Criteria Air Pollutants: Criteria air pollutants are a group of pollutants for which federal or State regulatory agencies have adopted ambient air quality standards. Criteria air pollutants are classified in each air basin, county, or in some cases, within a specific urbanized area. The classification is determined by comparing actual monitoring data with State and federal standards. If a pollutant concentration is lower than the standard, the area is classified as "attainment" for that pollutant. If an area exceeds the standard, the area is classified as "non-attainment" for that pollutant. If there is not enough data available to determine whether the standard is exceeded in an area, the area is designated "unclassified."

Ambient Air Quality Standards: Both the federal and state government have established ambient air quality standards for outdoor concentrations of various pollutants in order to protect public health. The federal and state ambient air quality standards have been set at levels whose concentrations could be generally harmful to human health and welfare and to protect the most sensitive persons from

experiencing health impacts with a margin of safety. Applicable ambient air quality standards are identified later in this section. The air pollutants for which federal and State standards have been promulgated and which are most relevant to air quality planning and regulation in the air basins include ozone, carbon monoxide, nitrogen oxides, suspended particulate matter, sulfur dioxide, and lead. In addition, toxic air contaminants are of concern in Sutter County. Each of these pollutants is briefly described below.

Ozone (O₃): is a gas that is formed when reactive organic gases (ROGs) and nitrogen oxides (NOX), both byproducts of internal combustion engine exhaust and other processes undergo slow photochemical reactions in the presence of sunlight. Ozone concentrations are generally highest during the summer months when direct sunlight, light wind, and warm temperature conditions are favorable to the formation of this pollutant.

Carbon Monoxide (CO): is a colorless, odorless gas produced by the incomplete combustion of fuels. CO concentrations tend to be the highest during the winter morning, with little to no wind, when surface-based inversions trap the pollutant at ground levels. Because CO is emitted directly from internal combustion engines, unlike ozone, motor vehicles operating at slow speeds are the primary source of CO in the SVAB. The highest ambient CO concentrations are generally found near congested transportation corridors and intersections.

Nitrogen Oxides (NOX): is the generic term for a group of highly reactive gases, all of which contain nitrogen and oxygen in varying amounts. Many of the nitrogen oxides are colorless and odorless. However, one common pollutant, nitrogen dioxide (NO₂) along with particles in the air can often be seen as a reddish-brown layer over many urban areas. Nitrogen oxides form when fuel is burned at high temperatures, as in a combustion process. The primary manmade sources of NOX are motor vehicles, electric utilities, and other industrial, commercial, and residential sources that burn fuels.

Nitrogen oxides can also be formed naturally.

Respirable Particulate Matter (PM₁₀) and Fine Particulate Matter (PM_{2.5}): consist of extremely small, suspended particles or droplets 10 microns and 2.5 microns or smaller in diameter. Some sources of suspended particulate matter, like pollen and windstorms, occur naturally. However, in populated areas, most fine suspended particulate matter is caused by road dust, diesel soot, and combustion products, abrasion of tires and brakes, and construction activities.

Sulfur Dioxide (SO₂) is a colorless, extremely irritating gas or liquid. It enters the atmosphere as a pollutant mainly as a result of the burning of high sulfur-content fuel oils and coal, and from chemical processes occurring at chemical plants and refineries.

Lead: occurs in the atmosphere as particulate matter. The combustion of leaded gasoline is the primary source of airborne lead. Since the use of leaded gasoline is no longer permitted for on-road motor vehicles, lead is not a pollutant of concern in the SVAB.

Toxic Air Contaminants (TACs): are known to be highly hazardous to health, even in small quantities. TACs are airborne substances capable of causing short-term (acute) and/or long-term (chronic or carcinogenic) adverse human health effects (i.e., injury or illness). TACs can be emitted from a variety of common sources, including gasoline stations, automobiles, dry cleaners, industrial operations, and painting operations.

TAC impacts are assessed using a maximum individual cancer risk (MICR) that estimates the probability of a potential maximally exposed individual (MEI) contracting cancer as a result of sustained exposure to toxic air contaminants over a constant period of 24 hours per day for 70 years for residential receptor locations. The CARB and local air districts have determined that any stationary source posing an

incremental cancer risk to the general population (above background risk levels) equal to or greater than 10 people out of 1 million to be excessive. For stationary sources, if the incremental risk of exposure to project-related TAC emissions meets or exceeds the threshold of 10 excess cancer cases per 1 million people, the CARB and local air district require the installation of best available control technology (BACT) or maximum available control technology (MACT) to reduce the risk threshold. To assess risk from ambient air concentrations, the CARB has conducted studies to determine the total cancer inhalation risk to individuals due to outdoor toxic pollutant levels. The CARB has conducted studies to determine the total cancer inhalation risk to individuals due to outdoor toxic pollutant levels. According to the map prepared by the CARB showing the estimated inhalation cancer risk for TACs in the State of California, Sutter County has an existing estimated risk that is between 50 and 500 cancer cases per 1 million people. A significant portion of Sutter County is within the 100 to 250 cancer cases per 1 million people range. There is a higher risk around Yuba City where the cancer risk is as high as 500 cases per 1 million people. There are only very small portions of the County where the cancer risk is between 50 and 100 cases. This represents the lifetime risk that between 50 and 500 people in 1 million may contract cancer from inhalation of toxic compounds at current ambient concentrations under an MEI scenario.

3.3.2. Federal Regulatory Setting

Clean Air Act: The federal Clean Air Act of 1970 (as amended in 1990) required the U.S. Environmental Protection Agency (EPA) to develop standards for pollutants considered harmful to public health or the environment. Two types of National Ambient Air Quality Standards (NAAQS) were established. Primary standards protect public health, while secondary standards protect public welfare, by including protection against decreased visibility, and damage to animals, crops, landscaping and vegetation, or buildings. NAAQS have been established for six “criteria” pollutants: carbon monoxide (CO), nitrogen dioxide (NO₂), sulfur dioxide (SO₂), ozone (O₃), particulate matter (PM₁₀ and PM_{2.5}), and lead (Pb).

3.3.3. State Regulatory Setting

California Air Resources Board: The California Air Resources Board (CARB) is the state agency responsible for implementing the federal and state Clean Air Acts. CARB has established California Ambient Air Quality Standards (CAAQS), which include all criteria pollutants established by the NAAQS, but with additional regulations for Visibility Reducing Particles, sulfates, hydrogen sulfide (H₂S), and vinyl chloride. The proposed Project is located within the Sacramento Valley Air Basin, which includes Butte, Colusa, Glenn, Tehama, Shasta, Yolo, Sacramento, Yuba Sutter and portions of Placer, El Dorado and Solano counties. Air basins are classified as attainment, nonattainment, or unclassified. The FRAQMD is comprised Sutter and Yuba Counties. Attainment is achieved when monitored ambient air quality data is in compliance with the standards for a specified pollutant. Non-compliance with an established standard will result in a nonattainment designation and an unclassified designation indicates insufficient data is available to determine compliance for that pollutant.

California Clean Air Act: The CCAA requires that all air districts in the state endeavor to achieve and maintain CAAQS for Ozone, CO, SO₂, and NO₂ by the earliest practical date. The CCAA specifies that districts focus particular attention on reducing the emissions from transportation and area-wide emission sources, and the act provides districts with authority to regulate indirect sources. Each district plan is required to either (1) achieve a five percent annual reduction, averaged over consecutive 3-year periods, in district-wide emissions of each non-attainment pollutant or its precursors, or (2) to provide for implementation of all feasible measures to reduce emissions. Any planning effort for air quality attainment would thus need to consider both state and federal planning requirements.

CARB Portable Equipment Registration Program: This program was designed to allow owners and operators of portable engines and other common construction or farming equipment to register their equipment under a statewide program so they may operate it statewide without the need to obtain a permit from the local air district.

U.S. EPA/CARB Off-Road Mobile Sources Emission Reduction Program: The California Clean Air Act (CCAA) requires CARB to achieve a maximum degree of emissions reductions from off-road mobile sources to attain State Ambient Air Quality Standards (SAAQS); off-road mobile sources include most construction equipment. Tier 1 standards for large compression-ignition engines used in off-road mobile sources went into effect in California in 1996. These standards, along with ongoing rulemaking, address emissions of nitrogen oxides (NOX) and toxic particulate matter from diesel engines. CARB is currently developing a control measure to reduce diesel PM and NOX emissions from existing off-road diesel equipment throughout the state.

California Global Warming Solutions Act: Established in 2006, Assembly Bill 32 (AB 32) requires that California's GHG emissions be reduced to 1990 levels by the year 2020. This will be implemented through a statewide cap on GHG emissions, which will be phased in beginning in 2012. AB 32 requires CARB to develop regulations and a mandatory reporting system to monitor global warming emissions level.

3.3.4. Regional Regulatory Setting

Feather River Air Quality Management District (FRAQMD): The FRAQMD is a bi-county district formed in 1991 to administer local, state, and federal air quality management programs for Yuba and Sutter Counties within the Sacramento Valley Air Basin. The goal of the FRAQMD is to improve air quality in the region through monitoring, evaluation, education and implementing control measures to reduce emissions from stationary sources, permitting and inspection of pollution sources, enforcement of air quality regulations and by supporting and implementing measures to reduce emissions from motor vehicles.

The FRAQMD adopted its Indirect Source Review guidelines document for assessment and mitigation of air quality impacts under CEQA in 1998. The guide contains criteria and thresholds for determining whether a project may have a significant adverse impact on air quality, and methods available to mitigate impacts on air quality. FRAQMD updated its Indirect Source Review Guidelines to reflect the most recent methods recommended to evaluate air quality impacts and mitigation measures for land use development projects in June 2010. This analysis uses guidance and thresholds of significance from the 2010 FRAQMD Indirect Source Review Guidelines to evaluate the proposed project's air quality impacts.

According to FRAQMD's 2010 Indirect Source Review Guidelines, a project would be considered to have a significant impact on air quality if it would:

- Generate daily construction or operational emissions that would exceed 25 pounds per day for reactive organic gases (ROG), 25 pounds per day for oxides of nitrogen (NOX), or 80 pounds per day for PM10; or generate annual construction or operational emissions of ROG or NOX that exceed 4.5 tons per year.

Northern Sacramento Valley Planning Area 2015 Air Quality Attainment Plan: As specified in the California Clean Air Act of 1988 (CCAA), Chapters 1568-1588, it is the responsibility of each air district in California to attain and maintain the state's ambient air quality standards. The CCAA requires that an Attainment Plan be developed by all nonattainment districts for O3, CO, SOx, and NOx that are either receptors or contributors of transported air pollutants. The purpose of the Northern Sacramento Valley Planning Area 2015 Triennial Air Quality Attainment Plan (TAQAP) is to comply with the requirements of the CCAA as

implemented through the California Health and Safety Code. Districts in the NSVPA are required to update the Plan every three years. The TAQAP is formatted to reflect the 1990 baseline emissions year with a planning horizon of 2020. The Health and Safety Code, sections 40910 and 40913, require the Districts to achieve state standards by the earliest practicable date to protect the public health, particularly that of children, the elderly, and people with respiratory illness.

Health and Safety Code Section 41503(b): Requires that control measures for the same emission sources are uniform throughout the planning area to the extent that is feasible. To meet this requirement, the NSVPA has coordinated the development of an Attainment Plan and has set up a specific rule adoption protocol. The protocol was established by the Technical Advisory Committee of the Sacramento Valley Basin-wide Air Pollution Control Council and the Sacramento Valley Air Quality Engineering and Enforcement Professionals, which allow the Districts in the Basin to act and work as a united group with the CARB as well as with industry in the rule adoption process. Section 40912 of the Health and Safety Code states that each District responsible for, or affected by, air pollutant transport shall provide for attainment and maintenance of the state and federal standards in both upwind and downwind Districts. This section also states that each downwind District's Plan shall contain sufficient measures to reduce emissions originating in each District to below levels which violate state ambient air quality standards, assuming the absence of transport contribution

Construction Generated Emissions of Criteria Air Pollutants: The District recommends the following best management practices:

- Implement the Fugitive Dust Control Plan.
- Construction equipment exhaust emissions shall not exceed FRAQMD Regulation III, Rule 3.0,
- Visible Emissions limitations (40 percent opacity or Ringelmann 2.0).
- The contractor shall be responsible to ensure that all construction equipment is properly tuned and maintained prior to and for the duration of onsite operation.
- Limiting idling time to 5 minutes – saves fuel and reduces emissions.
- Utilize existing power sources or clean fuel generators rather than temporary power generators.
- Develop a traffic plan to minimize traffic flow interference from construction activities. The plan may include advance public notice of routing, use of public transportation, and satellite parking areas with a shuttle service. Schedule operations affecting traffic for off-peak hours. Minimize obstruction of through-traffic lanes. Provide a flag person to guide traffic properly and ensure safety at construction sites.
- Portable engines and portable engine-driven equipment units used at the project work site, with the exception of on-road and off-road motor vehicles, may require California Air Resources Board (ARB) Portable Equipment Registration with the State or a local district permit. The owner/operator shall be responsible for arranging appropriate consultations with the ARB or the District to determine registration and permitting requirements prior to equipment operation at the site.

3.3.5. Impact Assessment/Environmental Consequences:

a) Conflict with or obstruct implementation of the applicable air quality plan?

There is no new development proposed so there are no direct air quality impacts from this GPA/RZ as there is an existing building already existing.

As there is a light industrial type building and a paved parking lot, this GPA/RZ could trigger the redevelopment of this property. However, it is unlikely that the property is large enough for which a redevelopment project converting the use from light industrial to commercial use for which its operations would exceed the FRAQMD established criteria for “thresholds of significance.” If the property is redeveloped as a result of this action, it is unlikely that the air quality impacts would be considered significant. However, any future proposal will be evaluated on its own merits at that time.

b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

As there is no new development proposed, there will be no air quality impacts.

If, as a result of this action, a redevelopment of the property is proposed, there will likely be site and building modifications which would likely result in limited generation of criteria pollutants during its construction and on an ongoing basis from additional vehicle traffic (commercial uses typically generate higher levels of traffic than industrial uses). But due to the small size of the property, any resulting ongoing operations would not be expected to exceed the FRAQMD established criteria for “thresholds of significance.” However, if and when property modifications are proposed and operation impacts are evaluated, FRAQMD mitigation measures will be determined.

c) Expose sensitive receptors to substantial pollutant concentrations?

The FRAQMD defines sensitive receptors as: facilities that house or attract children, the elderly, and people with illnesses, or others who are especially sensitive to the effects of air pollutants. FRAQMD states that if a project is located within 1,000 feet of a sensitive receptor location, the impact of diesel particulate matter shall be evaluated. According to the FRAQMD’s Indirect Source Review Guidelines, “Construction activity can result in emissions of particulate matter from the diesel exhaust (diesel PM) of construction equipment.

As there are no sensitive receptors within 1,000 feet of the Project, the potential impacts on sensitive receptors from this proposal and any redevelopment that may result from this action would be less than significant.

d) Result in other emissions such as those leading to odors adversely affecting a substantial number of people?

As there is no new development proposed, there will be no air quality impacts.

Any site grading and construction that would modify the site or building that could result from this action would typically not generate objectionable odors. However, any future proposal will be evaluated on its own merits at that time.

3.4. Biological Resources

Table 3.4: Biological Resources				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
c) Have a substantial adverse effect on states or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

3.4.1. Environmental Setting/Affected Environment

The approximately 0.43 acre site is already fully developed and within the Yuba City urbanized area. The small property is surrounded by other urban development. There are no riparian areas or known critical habitat areas on-site or in the vicinity.

3.4.2. Federal & State Regulatory Setting

Threatened and Endangered Species: State and federal “endangered species” legislation has provided California Department of Fish & Wildlife (CDFW) and United States Fish and Wildlife Service (USFWS) with a mechanism for conserving and protecting plant and animal species of limited distribution and/or low or declining populations. Species listed as threatened or endangered under provisions of the state and federal endangered species acts, candidate species for such listing, state species of special concern, and some plants listed as endangered by the California Native Plant Society are collectively referred to as

“species of special status.” Permits may be required from both the CDFW and USFWS if activities associated with a proposed project will result in the “take” of a listed species. “Take” is defined by the state of California as “to hunt, pursue, catch, capture, or kill, or attempt to hunt, pursue, catch, capture or kill” (California Fish and Game Code, Section 86). “Take” is more broadly defined by the federal Endangered Species Act to include “harm” (16 USC, Section 1532(19), 50 CFR, Section 17.3). Furthermore, the CDFW and the USFWS are responding agencies under CEQA. Both agencies review CEQA documents in order to determine the adequacy of their treatment of endangered species issues and to make project-specific recommendations for their conservation.

Migratory Birds: State and federal laws also protect most birds. The Federal Migratory Bird Treaty Act (16U.S.C., sec. 703, Supp. I, 1989) prohibits killing, possessing, or trading in migratory birds, except in accordance with regulations prescribed by the Secretary of the Interior. This act encompasses whole birds, parts of birds, and bird nests and eggs.

Birds of Prey: Birds of prey are also protected in California under provisions of the California Fish and Game Code, Section 3503.5, which states that it is “unlawful to take, possess, or destroy any birds in the order Falconiformes or Strigiformes (birds of prey) or to take, possess, or destroy the nest or eggs of any such bird except as otherwise provided by this code or any regulation adopted pursuant thereto.” Construction disturbance during the breeding season could result in the incidental loss of fertile eggs or nestlings, or otherwise lead to nest abandonment. Disturbance that causes nest abandonment and/or loss of reproductive effort is considered “taking” by the CDFW.

Wetlands and Other Jurisdictional Waters: Natural drainage channels and adjacent wetlands may be considered “Waters of the United States” subject to the jurisdiction of the USACE. The extent of jurisdiction has been defined in the Code of Federal Regulations but has also been subject to interpretation of the federal courts.

Waters of the U.S. generally include:

- All waters which are currently used, or were used in the past, or may be susceptible to use in interstate or foreign commerce, including all waters, which are subject to the ebb and flow of the tide.
- All interstate waters including interstate wetlands.
- All other waters such as intrastate lakes, rivers, streams (including intermittent streams), mudflats, sandflats, wetlands, sloughs, prairie potholes, wet meadows, playa lakes, or natural ponds, the use, degradation, or destruction of which could affect interstate or foreign commerce.
- All impoundments of waters otherwise defined as waters of the United States under the definition.
- Tributaries of waters identified in the bulleted items above.

As determined by the United States Supreme Court in its 2001 Solid Waste Agency of Northern Cook County v. U.S. Army Corps of Engineers (SWANCC) decision, channels and wetlands isolated from other jurisdictional waters cannot be considered jurisdictional on the basis of their use, hypothetical or observed, by migratory birds. Similarly, in its 2006 consolidated Carabell/Rapanos decision, the U.S. Supreme Court ruled that a significant nexus between a wetland and other navigable waters must exist for the wetland itself to be considered a navigable, and therefore, jurisdictional water.

The USACE regulates the filling or grading of Waters of the U.S. under the authority of Section 404 of the Clean Water Act. The extent of jurisdiction within drainage channels is defined by “ordinary high-water marks” on opposing channel banks. All activities that involve the discharge of dredge or fill material into

Waters of the U.S. are subject to the permit requirements of the USACE. Such permits are typically issued on the condition that the applicant agrees to provide mitigation that result in no net loss of wetland functions or values. No permit can be issued until the Regional Water Quality Control Board (RWQCB) issues a Section 401 Water Quality Certification (or waiver of such certification) verifying that the proposed activity will meet state water quality standards.

CEQA Guidelines Section 15380: Although threatened and endangered species are protected by specific federal and state statutes, CEQA Guidelines section 15380(d) provides that a species not listed on the federal or state list of protected species may be considered rare or endangered if the species can be shown to meet certain specific criteria that define “endangered” and “rare” as specified in CEQA Guidelines section 15380(b).

3.4.3. Local Regulatory Setting

The General Plan provides the following policies for the protection of biological resources within the project area:

- 8.4-G-1 Protect special status species, in accordance with State regulatory requirements.
- 8.4-G-2 Protect and enhance the natural habitat features of the Feather River and new open space corridors within and around the urban growth area.
- 8.4-G-3 Preserve and enhance heritage oaks in the Planning Area.
- 8.4-G-4 Where appropriate, incorporate natural wildlife habitat features into public landscapes, parks, and other public facilities
- 8.4-I-1 Require protection of sensitive habitat area and special status species in new development site designs in the following order: 1) avoidance; 2) onsite mitigation; 3) offsite mitigation. Require assessments of biological resources prior to approval of any development within 300 feet of any creeks, sensitive habitat areas, or areas of potential sensitive status species.
- 8.4-I-2 Require preservation of oak trees and other native trees that are of a significant size, by requiring site designs to incorporate these trees to the maximum extent feasible.
- 8.4-I-3 Require to the extent feasible, use of drought tolerant plants in landscaping for new development, including private and public projects.

3.4.4. Impact Assessment/Environmental Consequences:

- a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service.*
- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?*

The site is fully developed with a light industrial building, an outdoor storage area, and parking. There have been no special status species identified on the Project site or within the immediate vicinity. According to the Yuba City General Plan EIR, the only designated special status vegetation species within Yuba City and its Sphere of Influence is the Golden Sunburst, a flowering plant that occurs primarily in the

non-native grasslands and is threatened mostly by the conversion of habitat to urban uses. The habitat area for this species occurs at the extreme eastern boundary of the Planning Area at the confluence of the Feather and Yuba Rivers. As this property does not fall within this area, the impacts to special status species from any development that may result from this Project will be less than significant.

c) Have a substantial adverse effect on states or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No wetlands or federal jurisdictional waters of the U.S. are present within the proposed Project area or general vicinity. There would be no impact on any wetland areas or waterways.

d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

Redevelopment of the property that could occur because of the proposed Project would not disturb any waterways, as the nearest waterway is the Feather River that is east of this site. Therefore, migratory fish would not be affected. Nor are there any significant native trees proposed to be removed that could be potential nesting habitat for raptors and migratory birds that may choose to nest in the vicinity of the Project. As such the impacts on fish or wildlife habitats will be less than significant.

e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

Because the property is fully developed, no trees or other known biological resources that would be protected by local policies or ordinances remain on the proposed Project site. Therefore, there would be no significant impacts on biological resources caused by development that could result from this Project.

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

There are no adopted Habitat Conservation Plans, Natural Community Conservation Plans, or any other approved local, regional, or state habitat conservation plans in the vicinity of this Project.

3.5. Cultural Resources

Table 3.5: Cultural Resources				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5.				X
b) Cause a substantial adverse change in the significance of an archeological resource pursuant to § 15064.5.		X		
c) Disturb any human remains, including those interred outside of formal cemeteries?		X		

3.5.1. Federal Regulatory Setting

National Historic Preservation Act of 1966 (as amended), Section 106: The significance of cultural resources is evaluated under the criteria for inclusion in the National Register of Historic Places (NRHP), authorized under the National Historic Preservation Act of 1966, as amended. The criteria defined in 36 CFR 60.4 are as follows:

The quality of significance in American history, architecture, archaeology, and culture is present in districts, sites, buildings, structures, and objects of state and local importance that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

- That are associated with events that have made a significant contribution to the broad patterns of our history; or
- That are associated with the lives of persons significant in our past; or
- That embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- That have yielded, or may be likely to yield, information important to prehistory or history.

Sites listed or eligible for listing on the NRHP are considered to be historic properties. Sites younger than 50 years, unless of exceptional importance, are not eligible for listing in the NRHP.

3.5.2. State Regulatory Setting

CEQA requires consideration of project impacts on archaeological or historical sites deemed to be "historical resources." Under CEQA, a substantial adverse change in the significant qualities of a historical resource is considered a significant effect on the environment. For the purposes of CEQA, a "historical resource" is a resource listed in, or determined to be eligible for listing in, the California Register of Historical Resources (Title 14 CCR §15064.5[a][1]-[3]). Historical resources may include, but are not limited to, "any object, building, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California" (PRC §5020.1[j]).

The eligibility criteria for the California Register are the definitive criteria for assessing the significance of historical resources for the purposes of CEQA (Office of Historic Preservation). Generally, a resource is considered "historically significant" if it meets one or more of the following criteria for listing on the California Register:

- Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
- Is associated with the lives of persons important in our past.
- Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
- Has yielded, or may be likely to yield, information important in prehistory or history. (PRC §5024.1[c])

In addition, the resource must retain integrity. Integrity is evaluated with regard to the retention of location, design, setting, materials, workmanship, feeling, and association (CCR Title 14, § 4852(c)).

Historical resources may include, but are not limited to, "any object, building, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California" (PRC §5020.1[j]).

California Health and Safety Code Section 7050.5: Health and Safety Code states that in the event of discovery or recognition of any human remains in any location other than a dedicated cemetery, there shall be no further excavation or disturbance of the site, or any nearby area reasonably suspected to overlie adjacent remains until the coroner of the county in which the remains are discovered has determined whether or not the remains are subject to the coroner's authority. If the human remains are of Native American origin, the coroner must notify the Native American Heritage Commission within 24 hours of this identification. The Native American Heritage Commission will identify a Native American Most Likely Descendant (MLD) to inspect the site and provide recommendations for the proper treatment of the remains and associated grave goods.

3.5.3. Native American Consultation

In September of 2014, the California Legislature passed Assembly Bill (AB) 52, which added provisions to the PRC regarding the evaluation of impacts on tribal cultural resources under CEQA, and consultation requirements with California Native American tribes. In particular, AB 52 now requires lead agencies to analyze project impacts on "tribal cultural resources" separately from archaeological resources (PRC § 21074; 21083.09). AB 52 also requires lead agencies to engage in additional consultation procedures with respect to California Native American tribes (PRC § 21080.3.1, 21080.3.2, 21082.3).

Senate Bill 18 requires city and county governments to consult with California Native American tribes early in the planning process with the intent of protecting traditional tribal cultural places. The purpose of involving the tribes at the early stage of planning efforts is to allow consideration of tribal cultural places in context of broad local land use policy before project-level land use decisions are made by a local government. As such, SB 18 applies to the adoption or substantial amendment of general or specific plans. As the later adopted AB 52 provides for a similar review process for all discretionary reviews including general plan amendments and specific plan amendments, the provisions of SB 18 fall within the SB 52 review process for purposes of this document.

In response to AB 52, and SB 18 the City supplied the following Native American tribes with a Project description and map of the proposed Project area and a request for comments:

- United Auburn Indian Community of the Auburn Rancheria
- Yocha Dehe Wintun Nation
- Estom Yomeka Maidu Tribe of the Enterprise Rancheria
- Mechoopda Indian Tribe
- Pakan'yani Maidu of Strawberry Valley
- Mooretown Rancheria of Maidu Indians
- Lone Band of Miwok Indians

Additional details on tribal comments are provided in Section 3.18, Tribal Cultural Resources.

3.5.4. Impact Assessment/Environmental Consequences:

a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5.

There is a building on the property that is likely less than 50 years old. A commercial development project that could result from this action would likely cause the building to be removed or modified. As the building is likely less than 50 years old and is not inventoried in the General Plan as having historical significance, the potential impacts on any historical resources, directly or indirectly, are likely less than significant. However, if a proposal to modify or demolish the building is proposed as a result of this GPA/RZ, the review will be based on the proposal's merits at that time.

b) Cause a substantial adverse change in the significance of an archeological resource pursuant to § 15064.5.

See c) below.

c) Disturb any human remains, including those interred outside of formal cemeteries?

The 0.43-acre property is fully developed. No formal cemeteries or other places of human internment are known to exist on the site. However, there still remains the potential for previously unknown sub-surface resources to be present. In order to avoid potential impacts to unknown remains, mitigation measures provided in Section 3.18 are provided to ensure impacts are less than significant.

3.6. Energy

Table 3-6: Energy				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in potentially significant environmental impacts due to wasteful, inefficient, or unnecessary consumption of energy resources during project construction or operation?			X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?			X	

3.6.1 State Regulatory Setting

California has implemented numerous energy efficiency and conservation programs that have resulted in substantial energy savings. The State has adopted comprehensive energy efficiency standards as part of its Building Standards Code, California Codes of Regulations, Title 24. In 2009, the California Building Standards Commission adopted a voluntary Green Building Standards Code, also known as CALGreen, which became mandatory in 2011. Both Title 24 and CALGreen are implemented by the City of Yuba City in conjunction with its processing of building permits.

CALGreen sets forth mandatory measures, applicable to new residential and nonresidential structures as well as additions and alterations, on water efficiency and conservation, building material conservation, interior environmental quality, and energy efficiency. California has adopted a Renewables Portfolio Standard, which requires electricity retailers in the state to generate 33% of electricity they sell from renewable energy sources (i.e., solar, wind, geothermal, hydroelectric from small generators, etc.) by the end of 2020. In 2018, SB 100 was signed into law, which increases the electricity generation requirement from renewable sources to 60% by 2030 and requires all the state's electricity to come from carbon-free resources by 2045.

3.6.2. Impact Assessment/Environmental Consequences

a) Result in potentially significant environmental impacts due to wasteful, inefficient, or unnecessary consumption of energy resources during project construction or operation?

Redevelopment of this site or building that could result from this GPA/RZ would involve fuel consumption and use of other non-renewable resources. Construction equipment used for such improvements typically run on diesel fuel or gasoline. The same fuels typically are used for vehicles that transport equipment and workers to and from a construction site. However, construction-related fuel consumption would be finite, short-term, and consistent with construction activities of a similar character. This energy use would not be considered wasteful, inefficient, or unnecessary.

Electricity may be used for equipment operation during construction activities. It is expected that more electrical construction equipment would be used in the future, as it would generate fewer air pollutant

and GHG emissions. This electrical consumption would be consistent with construction activities of a similar character; therefore, the use of electricity in construction activities would not be considered wasteful, inefficient, or unnecessary, especially since fossil fuel consumption would be reduced. Moreover, under California's Renewables Portfolio Standard, a greater share of electricity would be provided from renewable energy sources over time, so less fossil fuel consumption to generate electricity would occur.

New construction is required to comply with CALGreen and with the building energy efficiency standards of California Code of Regulations Title 24, Part 6 in effect at the time of Project approval. Compliance with these standards would reduce energy consumption associated with Project operations, although reductions from compliance cannot be readily quantified. Overall, Project construction would typically not consume energy resources in a manner considered wasteful, inefficient, or unnecessary.

Project impacts related to energy consumption are considered to be less than significant.

b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

New construction that could result from this GPA/RZ will be required to be consistent with all applicable state and local plans to increase energy efficiency. Thus, the Project's impacts on energy usage will be less than significant.

3.7. Geology and Soils

Table 3.7: Geology and Soils				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Directly or indirectly create potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area, or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geological unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?				X
d) Be located on expansive soil, as defined in the California Building Code creating substantial direct or indirect risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
f) Directly or indirectly destroy a unique paleontological resources or site or unique geologic feature?		X		

3.7.1 Environmental Setting/Affected Environment

Topography and Geology: According to the Sutter County General Plan, Sutter County is located in the flat surface of the Great Valley geomorphic province of California. The Great Valley is an alluvial plain approximately 50 miles wide and 400 miles long in the central portion of California. The Great Valley's northern portion is the Sacramento Valley, drained by the Sacramento River, and its southern portion is the San Joaquin Valley, drained by the San Joaquin River. The geology of the Great Valley is typified by thick sequences of alluvial sediments derived primarily from erosion of the mountains of the Sierra Nevada to the east, and to a lesser extent, erosion of the Klamath Mountains and Cascade Range to the

north. These sediments were transported downstream and subsequently laid down as a river channel, floodplain deposits, and alluvial fans.

Seismic Hazards: Earthquakes are due to a sudden slip of plates along a fault. Seismic shaking is typically the greatest cause of losses to structures during earthquakes. Earthquakes can cause structural damage, injury, and loss of life, as well as damage to infrastructure networks such as water, power, gas, communication, and transportation lines. Other damage-causing effects of earthquakes include surface rupture, fissuring, settlement, and permanent horizontal and vertical shifting of the ground. Secondary impacts can include landslides, seiches, liquefaction, and dam failure.

Seismicity: Although all of California is typically regarded as seismically active, the Central Valley region does not commonly experience strong ground shaking resulting from earthquakes along known and previously unknown active faults. Though no active earthquake faults are known to exist in Yuba City, active faults in the region could generate ground motion felt within the County. Numerous earthquakes of magnitude 5.0 or greater on the Richter scale have occurred on regional faults, primarily those within the San Andreas Fault System in the region. There are several potentially active faults underlying the Sutter Buttes, which are associated with deep-seated volcanism.

The faults identified in Sutter County include the Quaternary Faults, located in the northern section of the County within the Sutter Buttes, and the Pre-Quaternary Fault, located in the southeast of the City, just east of where Highway 70 enters into the County. Both Faults are listed as non-active faults but have the potential for seismic activity.

Ground Shaking: As stated in the Sutter County Multi-Hazard Mitigation Plan, although the County has felt ground shaking from earthquakes with epicenters located elsewhere, no major earthquakes or earthquake related damage has been recorded within the County. Based on historic data and known active or potentially active faults in the region, parts of Sutter County have the potential to experience low to moderate ground shaking. The intensity of ground shaking at any specific site depends on the characteristics of the earthquake, the distance from the earthquake fault, and on the local geologic and soils conditions. Fault zone maps are used to identify where such hazards are more likely to occur based on analyses of faults, soils, topography, groundwater, and the potential for earthquake shaking sufficiently strong to trigger landslide and liquefaction.

Liquefaction: Liquefaction, which can occur in earthquakes with strong ground shaking, is mostly found in areas with sandy soil or fill and a high-water table located 50 feet or less below the ground surface. Liquefaction can cause damage to property with the ground below structures liquefying making the structure unstable causing sinking or other major structural damage. Evidence of liquefaction may be observed in "sand boils," which are expulsions of sand and water from below the surface due to increased pressure below the surface.

Liquefaction during an earthquake requires strong shaking and is not likely to occur in the city due to the relatively low occurrence of seismic activity in the area; however, the clean sandy layers paralleling the Sacramento River, Feather River, and Bear River have lower soil densities and high overall water table are potentially a higher risk area if major seismic activity were to occur. Areas of bedrock, including the Sutter Buttes have high density compacted soils and contain no liquefaction potential, although localized areas of valley fill alluvium can have moderate to high liquefaction potential.

Landslides: Landslides are downward and outward movements of slope forming materials which may be rock, soil, artificial fill, or combinations of such materials. The size of landslides varies from those containing less than a cubic yard of material to massive ones containing millions of cubic yards. Large landslides may move down slope for hundreds of yards or even several miles. A landslide may move rapidly or so slow that a change of position can be noted only over a period of weeks or years. A similar,

but much slower movement is called creep. The susceptibility of a given area to landslides depends on a great many variables. With the exception of the Sutter Buttes, Yuba City is located in a landslide-free zone due to the flat topography. The Sutter Buttes are considered to be in a low landslide hazard zone as shown in Bulletin 198 by the California Division of Mines and Geology.

Soil Erosion: Erosion is a two-step process by which soils and rocks are broken down or fragmented and then transported. The breakdown processes include mechanical abrasion, dissolution, and weathering. Erosion occurs naturally in most systems but is often accelerated by human activities that disturb soil and vegetation. The rate at which erosion occurs is largely a function of climate, soil cover, slope conditions, and inherent soil properties such as texture and structure. Water is the dominant agent of erosion and is responsible for most of the breakdown processes as well as most of the transport processes that result in erosion. Wind may also be an important erosion agent. The rate of erosion depends on many variables including the soil or rock texture and composition, soil permeability, slope, extent of vegetative cover, and precipitation amounts and patterns. Erosion increases with increasing slope, increasing precipitation, and decreasing vegetative cover. Erosion can be extremely high in areas where vegetation has been removed by fire, construction, or cultivation. High rates of erosion may have several negative impacts including degradation and loss of agricultural land, degradation of streams and other water habitats, and rapid silting of reservoirs.

Subsidence: Subsidence is the sinking of a large area of ground surface in which the material is displaced vertically downward, with little or no horizontal movement. Subsidence is usually a direct result of groundwater, oil, or gas withdrawal. These activities are common in several areas of California, including parts of the Sacramento Valley and in large areas of the San Joaquin Valley. Subsidence is a greater hazard in areas where subsurface geology includes compressible layers of silt and clay. Subsidence due to groundwater withdrawal generally affects larger areas and presents a more serious hazard than does subsidence due to oil and gas withdrawal. In portions of the San Joaquin Valley, subsidence has exceeded 20 feet over the past 50 years. In the Sacramento Valley, preliminary studies suggest that much smaller levels of subsidence, up to two feet may have occurred. In most of the valley, elevation data are inadequate to determine positively if subsidence has occurred. However, groundwater withdrawal in the Sacramento Valley has been increasing and groundwater levels have declined in some areas. The amount of subsidence caused by groundwater withdrawal depends on several factors, including: (1) the extent of water level decline, (2) the thickness and depth of the water bearing strata tapped, (3) the thickness and compressibility of silt-clay layers within the vertical sections where groundwater withdrawal is occurring, (4) the duration of maintained groundwater level decline, (5) the number and magnitude of water withdrawals in a given area, and (6) the general geology and geologic structure of the groundwater basin. The damaging effects of subsidence include gradient changes in roads, streams, canals, drains, sewers, and dikes. Many such systems are constructed with slight gradients and may be significantly damaged by even small elevation changes. Other effects include damage to water wells resulting from sediment compaction and increased likelihood of flooding of low-lying areas.

Expansive Soils: Expansive soils are prone to change in volume due to the presence of moisture. Soft clay soils have the tendency to increase in volume when moisture is present and shrink when it is dry (shrink/swell). Swelling soils contain high percentages of certain kinds of clay particles that are capable of absorbing large quantities of water, expanding up to 10 percent or more as the clay becomes wet. The force of expansion is capable of exerting pressure on foundations, slabs, and other confining structures.

Soils: The Natural Resources Conservation Service (NRCS, formerly the Soil Conservation Service) has mapped over 40 individual soil units in the county. The predominant soil series in the county are the Capay, Clear Lake, Conejo, Oswald, and Olanes soils, which account for over 60 percent of the total land area. The remaining soil units each account for smaller percentages of the total land area. The Capay and

Clear Lake soils are generally present in the western and southern parts of the county. The Conejo soils occur in the eastern part closer to the incorporated areas of the county. Oswald and Olashes soils are located in the central portion of the county extending north to south, with scattered areas along the southeastern edge of the county. Soil descriptions for the principal soil units in the county are provided below. These descriptions, which were developed by the NRCS, are for native, undisturbed soils and are primarily associated with agricultural suitability. Soil characteristics may vary considerably from the mapped locations and descriptions due to development and other uses. Geotechnical studies are required to identify actual engineering properties of soils at specific locations to determine whether there are specific soil characteristics that could affect foundations, drainage, infrastructure, or other structural features.

3.7.2 Federal Regulatory Setting

Historic Sites Act of 1935: This Act became law on August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467) and has been amended eight times. This Act establishes as a national policy to preserve for public use historic sites, buildings, and objects, including geologic formations.

National Earthquake Hazards Reduction Program: The National Earthquake Hazards Reduction Program (NEHRP), which was first authorized by Congress in 1977, coordinates the earthquake-related activities of the Federal Government. The goal of NEHRP is to mitigate earthquake losses in the United States through basic and directed research and implementation activities in the fields of earthquake science and engineering. Under NEHRP, FEMA is responsible for developing effective earthquake risk reduction tools and promoting their implementation, as well as supporting the development of disaster-resistant building codes and standards. FEMA's NEHRP activities are led by the FEMA Headquarters (HQ), Federal Insurance and Mitigation Administration, Risk Reduction Division, Building Science Branch, in strong partnership with other FEMA HQ Directorates, and in coordination with the FEMA Regions, the States, the earthquake consortia, and other public and private partners.

3.7.3 State Regulatory Setting

California Alquist-Priolo Earthquake Fault Zoning Act: The Alquist-Priolo Earthquake Fault Zoning Act (originally enacted in 1972 and renamed in 1994) is intended to reduce the risk to life and property from surface fault rupture during earthquakes. The statute prohibits the location of most types of structures intended for human occupancy across the traces of active faults and regulates construction in the corridors along active faults.

California Seismic Hazards Mapping Act: The Seismic Hazards Mapping Act is intended to reduce damage resulting from earthquakes. While the Alquist-Priolo Earthquake Fault Zoning Act addresses surface fault rupture, the Seismic Hazards Mapping Act addresses other earthquake-related hazards, including ground shaking, liquefaction, and seismically induced landslides. The state is charged with identifying and mapping areas at risk of strong ground shaking, liquefaction, landslides, and other hazards, and cities and counties are required to regulate development within mapped Seismic Hazard Zones.

Uniform Building Code: The California Code of Regulations (CCR) Title 24 is assigned to the California Building Standards Commission, which, by law, is responsible for coordinating all building standards. The California Building Code incorporates by reference the Uniform Building Code with necessary California amendments. The Uniform Building Code is a widely adopted model building code in the United States published by the International Conference of Building Officials. About one-third of the text within the California Building Code has been tailored for California earthquake conditions.

Paleontological Resources: Paleontological resources are the fossilized remains of plants and animals and associated deposits. The Society of Vertebrate Paleontology has identified vertebrate fossils, their taphonomic and associated environmental indicators, and fossiliferous deposits as significant nonrenewable paleontological resources. Botanical and invertebrate fossils and assemblages may also be considered significant resources. CEQA requires that a determination be made as to whether a project would directly or indirectly destroy a unique paleontological resource or site or unique geological feature (CEQA Appendix G(v)(c)). If an impact is significant, CEQA requires feasible measures to minimize the impact (CCR Title 14(3) Section 15126.4 (a)(1)). California Public Resources Code Section 5097.5 (see above) also applies to paleontological resources.

3.7.4 Impact Assessment/Environmental Consequences:

- a. *Directly or indirectly create potential substantial adverse effects, including the risk of loss, injury, or death involving:*
 - i. *Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area, or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.*

According to the Yuba City General Plan, no active earthquake faults are known to exist in Sutter County, although active faults in the region could produce ground motion in Yuba City (Dyett & Bhatia, 2004). The closest known fault zone is the Bear Mountain Fault Zone, located approximately 20 miles northeast of Yuba City (California Geological Survey [CGS], 2015). Potentially active faults do exist in the Sutter Buttes, but those faults are considered small and have not exhibited activity in recent history. Because the distance from the City to the closest known active fault zone is large, the potential for exposure of people or structures to substantial adverse effects from fault rupture is low. Considering that the Building Code incorporates construction standards for minimizing earthquake damage to buildings, and the low potential for a significant earthquake activity in the vicinity, the potential for adverse impacts from an earthquake is less than significant.

- ii. *Strong seismic ground shaking?*

In the event of a major regional earthquake, fault rupture or seismic ground shaking could potentially injure people and cause collapse or structural damage to existing and proposed structures. Ground shaking could potentially expose people and property to seismic-related hazards, including localized liquefaction and ground failure. However, all new structures are required to adhere to current California Building Code standards. These standards require adequate design, construction, and maintenance of structures to prevent exposure of people and structures to major geologic hazards. General Plan Implementing Policies 9.2-I-1 through 9.2-I-8 and the building codes reduce the potential impacts to less than significant.

- iii. *Seismic-related ground failure, including liquefaction?*

The proposed Project is not located within a liquefaction zone according to the California Department of Conservation's California Geologic Survey regulatory maps. Regardless, all new structures are required to adhere to current California Building Code standards. These standards require adequate design, construction, and maintenance of structures to prevent exposure of people and structures to major geologic hazards. Therefore, the potential impact from ground failure is less than significant.

iv. Landslides?

According to the Environmental Impact Report prepared for the General Plan, due to the flat topography, erosion, landslides, and mudflows are not considered to be a risk in the City limits or within the City's Sphere of Influence.

b) Result in substantial soil erosion or the loss of topsoil?

As a result of this GPA/RZ, future redevelopment of the property could result in up to approximately 0.43 acres of ground being disturbed during site grading. Even though the area is relatively flat, during site grading a large storm could result in the loss of topsoil into the City/Gilsizer drainage system. However, as part of any grading and construction within the Project area, the applicant will be required to follow Best Management Practices (BMP's) and provide erosion control measures to minimize soil runoff during the construction process. Therefore, impacts from soil erosion will be less than significant.

c) Be located on a geological unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?

d) Be located on expansive soil, as defined in the California Building Code creating substantial direct or indirect risks to life or property?

The extreme southwest corner of the Yuba City Sphere of Influence is the only known area with expansive soils. The Project area is not located within that area and therefore will not be impacted by the presence of expansive soils.

e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

The property is connected to the City's wastewater collection and treatment system. No new septic systems will be utilized. As such, there will be no new impacts from septic systems.

f) Directly or indirectly destroy a unique paleontological resources or site or unique geologic feature?

Due to prior ground disturbances, it is unlikely that any paleontological resources exist on the site. However, the following mitigation measure shall apply if any paleontological resources are discovered from a development that could result from this GPA/RZ:

3.7.5 Paleontological Mitigation Measures

Paleontological Mitigation Measure 1: Mitigation Measure #1 shall be placed as a note on the Demolition and Grading Plans. If paleontological resources are found, the construction manager shall halt all activity and immediately contact the Development Services Department at 530-822-4700.

Mitigation shall be conducted as follows:

1. Identify and evaluate paleontological resources by intense field survey in the vicinity that potential paleontological resource was found, as determined by the paleontologist;

2. Assess effects on identified sites;
3. Consult with the institutional/academic paleontologists conducting research investigations within the geological formations that are slated to be impacted;
4. Obtain comments from the researchers;
5. Comply with researchers' recommendations to address any significant adverse effects were determined by the City to be feasible.

In considering any suggested mitigation proposed by a consulting paleontologist, the City's Community Development Department Staff shall determine whether avoidance is necessary and feasible in light of factors such as the nature of the find, project design, costs, General Plan policies and land use assumptions, and other considerations. If avoidance is unnecessary or infeasible, other appropriate measures (e.g., data recovery) shall be instituted. Work may proceed on other parts of the Project site while mitigation for paleontological resources is carried out.

With application of this mitigation measure any impacts on paleontological resources will be less than significant.

3.8. Greenhouse Gas Emissions

Table 3.8: Greenhouse Gas Emissions				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?		X		

3.8.1 Federal Regulatory Setting

The United States Environmental Protection Agency (USEPA) Mandatory Reporting Rule (40 CFR Part 98), which became effective December 29, 2009, requires that all facilities that emit more than 25,000 metric tons CO₂-equivalent per year beginning in 2010, report their emissions on an annual basis. On May 13, 2010, the USEPA issued a final rule that established an approach to addressing GHG emissions from stationary sources under the Clean Air Act (CAA) permitting programs. The final rule set thresholds for GHG emissions that define when permits under the New Source Review Prevention of Significant Deterioration and title V Operating Permit programs are required for new and existing industrial facilities.

In addition, the Supreme Court decision in *Massachusetts v. EPA* (Supreme Court Case 05-1120) found that the USEPA has the authority to list GHGs as pollutants and to regulate emissions of greenhouse gases (GHG) under the CAA. On April 17, 2009, the USEPA found that CO₂, CH₄, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride may contribute to air pollution and may endanger public health and welfare. This finding may result in the USEPA regulating GHG emissions; however, to date the USEPA has not proposed regulations based on this finding.

3.8.2 State & Local Regulatory Setting

The City's Resource Efficiency Plan as designed under the premise that the City, and the community it represents, is uniquely capable of addressing emissions associated with sources under the City's jurisdiction and that the City's emission reduction efforts should coordinate with the state strategies of reducing emissions in order to accomplish these reductions in an efficient and cost-effective manner. The City developed this document with the following purposes in mind:

- **Local Control:** The Yuba City Efficiency Plan allows the City to identify strategies to reduce resource consumption, costs, and GHG emissions in all economic sectors in a way that maintains local control over the issues and fits the character of the community. It also may position the City for funding to implement programs tied to climate goals.
- **Energy and Resource Efficiency:** The Efficiency Plan identifies opportunities for the City to increase energy efficiency and lower GHG emissions in a manner that is most feasible within the community. Reducing energy consumption through increasing the efficiency of energy technologies, reducing energy use, and using renewable sources of energy are effective ways to reduce GHG emissions. Energy efficiency also provides opportunities for cost-savings.
- **Improved Public Health:** Many of the GHG reduction strategies identified in the Efficiency Plan also have local public health benefits. Benefits include local air quality improvements; creating a more active community through implementing resource-efficient living practices; and reducing health risks, such as heat stroke, that would be otherwise elevated by climate change impacts such as increased extreme heat days.

Demonstrating Consistency with State GHG Reduction Goals—A GHG reduction plan may be used as GHG mitigation in a General Plan to demonstrate that the City is aligned with State goals for reducing GHG emissions to a level considered less than cumulatively considerable.

3.8.3 Impact Assessment/Environmental Consequences:

a) Would the project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

See b) below.

b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Gases that trap heat in the atmosphere are referred to as greenhouse gases (GHGs) because they capture heat radiated from the sun as it is reflected back into the atmosphere, similar to a greenhouse. The accumulation of GHGs has been implicated as a driving force for Global Climate Change. Definitions of climate change vary between and across regulatory authorities and the scientific community, but in general can be described as the changing of the climate caused by natural fluctuations and the impact of human activities that alter the composition of the global atmosphere. Both natural processes and human activities emit GHGs. Global Climate Change is a change in the average weather on earth that can be measured by wind patterns, storms, precipitation, and temperature. Although there is disagreement as to the speed of global warming and the extent of the impacts attributable to human activities, the vast majority of the scientific community now agrees that there is a direct link between increased emission of GHGs and long-term global temperature. Potential global warming impacts in California may include, but

are not limited to, loss in snowpack, sea level rise, more extreme heat days per year, more high ozone days, more large forest fires, and more drought years. Secondary effects are likely to include a global rise in sea level, impacts to agriculture, changes in disease vectors, and changes in habitat and biodiversity. GHG impacts are considered to be exclusively cumulative impacts; there are no non-cumulative GHG emission impacts from a climate change perspective (CAPCOA).

The redevelopment of the property that could result from this action will create GHG emissions due to the use of motorized construction equipment. Once completed, vehicle traffic generated will contribute GHG gases. Due to the small size of the Project (less than an acre), it is not expected to create significant greenhouse gas emissions. However, on a cumulative scale, possible reasonable reductions could be applied to the project in order to further minimize those impacts. Specifically addressing this proposal, the City's Resource Efficiency Plan addresses greenhouse gas concerns and provides a description of greenhouse gas reduction measures. A mitigation measure is included that requires any development or redevelopment resulting from this GPA/RZ to incorporate the relevant greenhouse gas reduction measures. With this mitigation the impacts from greenhouse gases will be less than significant.

3.8.4 Greenhouse Mitigation Measure

Greenhouse Gas Mitigation Measure 1: The site grading process shall comply with the GHG Reduction Measures provided in the adopted Yuba City Resource Efficiency Plan.

3.9. Hazards and Hazardous Materials

Table 3.9: Hazards and Hazardous Materials				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site, which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires.			X	

3.9.1 Federal Regulatory Setting

U.S. Environmental Protection Agency (USEPA): The USEPA was established in 1970 to consolidate in one agency a variety of federal research, monitoring, standard setting, and enforcement activities to ensure environmental protection. USEPA's mission is to protect human health and to safeguard the natural environment — air, water, and land — upon which life depends. USEPA works to develop and enforce regulations that implement environmental laws enacted by Congress, is responsible for researching and setting national standards for a variety of environmental programs, and delegates to states and tribes the responsibility for issuing permits and for monitoring and enforcing compliance. Where national standards are not met, USEPA can issue sanctions and take other steps to assist the states and tribes in reaching the desired levels of environmental quality.

Federal Toxic Substances Control Act/Resource Conservation and Recovery Act/Hazardous and Solid Waste Act: The Federal Toxic Substances Control Act (1976) and the Resource Conservation and Recovery

Act of 1976 (RCRA) established a program administered by the USEPA for the regulation of the generation, transportation, treatment, storage, and disposal of hazardous waste. RCRA was amended in 1984 by the Hazardous and Solid Waste Act (HSWA), which affirmed and extended the “cradle to grave” system of regulating hazardous wastes.

Comprehensive Environmental Response, Compensation, and Liability Act/Superfund Amendments and Reauthorization Act: The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as Superfund, was enacted by Congress on December 11, 1980. This law (U.S. Code Title 42, Chapter 103) provides broad federal authority to respond directly to releases or threatened releases of hazardous substances that may endanger public health or the environment. CERCLA establishes requirements concerning closed and abandoned hazardous waste sites; provides for liability of persons responsible for releases of hazardous waste at these sites; and establishes a trust fund to provide for cleanup when no responsible party can be identified. CERCLA also enables the revision of the National Contingency Plan (NCP). The NCP (Title 40, Code of Federal Regulation [CFR], Part 300) provides the guidelines and procedures needed to respond to releases and threatened releases of hazardous substances, pollutants, and/or contaminants. The NCP also established the National Priorities List (NPL). CERCLA was amended by the Superfund Amendments and Reauthorization Act (SARA) on October 17, 1986.

Clean Water Act/SPCC Rule: The Clean Water Act (CWA) (33 U.S.C. Section 1251 et seq., formerly the Federal Water Pollution Control Act of 1972), was enacted with the intent of restoring and maintaining the chemical, physical, and biological integrity of the waters of the United States. As part of the Clean Water Act, the U.S. EPA oversees and enforces the Oil Pollution Prevention regulation contained in Title 40 of the CFR, Part 112 (Title 40 CFR, Part 112) which is often referred to as the “SPCC rule” because the regulations describe the requirements for facilities to prepare, amend and implement Spill Prevention, Control, and

Countermeasure (SPCC) Plans: A facility is subject to SPCC regulations if a single oil storage tank has a capacity greater than 660 gallons, or the total above ground oil storage capacity exceeds 1,320 gallons, or the underground oil storage capacity exceeds 42,000 gallons, and if, due to its location, the facility could reasonably be expected to discharge oil into or upon the “Navigable Waters” of the United States.

Other federal regulations overseen by the U.S. EPA relevant to hazardous materials and environmental contamination include Title 40, CFR, Chapter 1, Subchapter D – Water Programs and Subchapter I – Solid Wastes. Title 40, CFR, Chapter 1, Subchapter D, Parts 116 and 117 designate hazardous substances under the Federal Water Pollution Control Act: Title 40, CFR, Part 116 sets forth a determination of the reportable quantity for each substance that is designated as hazardous. Title 40, CFR, Part 117 applies to quantities of designated substances equal to or greater than the reportable quantities that may be discharged into waters of the United States.

The NFPA 70®: National Electrical Code® is adopted in all 50 states. Any electrical work associated with the proposed Project is required to comply with the standards set forth in this code. Several federal regulations govern hazards as they are related to transportation issues. They include:

Title 49, CFR, Sections 171-177 (49 CFR 171-177), governs the transportation of hazardous materials, the types of materials defined as hazardous, and the marking of the transportation vehicles.

49 CFR 350-399, and Appendices A-G, Federal Motor Carrier Safety Regulations, address safety considerations for the transport of goods, materials, and substances over public highways.

49 CFR 397.9, the Hazardous Materials Transportation Act of 1974, directs the U.S. Department of Transportation to establish criteria and regulations for the safe transportation of hazardous materials.

3.9.2 State Regulatory Setting

California Environmental Protection Agency (CalEPA): The California Environmental Protection Agency (CalEPA) was created in 1991 by Governor's Executive Order. The six boards, departments, and office were placed under the CalEPA umbrella to create a cabinet-level voice for the protection of human health and the environment and to assure the coordinated deployment of State resources. The mission of CalEPA is to restore, protect, and enhance the environment to ensure public health, environmental quality, and economic vitality under Title 22 of the California Code of Regulations (CCR).

Department of Toxic Substances Control (DTSC): DTSC is a department of Cal/EPA and is the primary agency in California that regulates hazardous waste, cleans-up existing contamination, and looks for ways to reduce the hazardous waste produced in California. DTSC regulates hazardous waste in California primarily under the authority of RCRA and the California Health and Safety Code. Other laws that affect hazardous waste are specific to handling, storage, transportation, disposal, treatment, reduction, cleanup, and emergency planning. Government Code Section 65962.5 (commonly referred to as the Cortese List) includes DTSC listed hazardous waste facilities and sites, DHS lists of contaminated drinking water wells, sites listed by the SWRCB as having UST leaks and which have had a discharge of hazardous wastes or materials into the water or groundwater and lists from local regulatory agencies of sites that have had a known migration of hazardous waste/material.

Unified Program: The Unified Program (codified CCR Title 27, Division 1, Subdivision 4, Chapter 1, Sections 15100- 15620) consolidates, coordinates, and makes consistent the administrative requirements, permits, inspections, and enforcement activities of the following six environmental and emergency response programs:

- Hazardous Waste Generator (HWG) program and Hazardous Waste On-site Treatment activities;
- Aboveground Storage Tank (AST) program Spill Prevention Control and Countermeasure Plan requirements;
- Underground Storage Tank (UST) program;
- Hazardous Materials Release Response Plans and Inventory (HMRRP) program;
- California Accidental Release Prevention (CalARP) program;
- Hazardous Materials Management Plans and Hazardous Materials Inventory Statement (HMMP/HMIS) requirements.

The Secretary of CalEPA is directly responsible for coordinating the administration of the Unified Program. The Unified Program requires all counties to apply to the CalEPA Secretary for the certification of a local unified program agency. Qualified cities are also permitted to apply for certification. The local Certified Unified Program Agency (CUPA) is required to consolidate, coordinate, and make consistent the administrative requirements, permits, fee structures, and inspection and enforcement activities for these six program elements in the county. Most CUPAs have been established as a function of a local environmental health or fire department.

Hazardous Waste Management Program: The Hazardous Waste Management Program (HWMP) regulates hazardous waste through its permitting, enforcement, and Unified Program activities in accordance with California Health and Safety Code Section 25135 et seq. The main focus of HWMP is to ensure the safe storage, treatment, transportation, and disposal of hazardous wastes.

State Water Resources Control Board (SWRCB): The State Water Resources Control Board (SWRCB) was created by the California legislature in 1967. The mission of SWRCB is to ensure the highest reasonable

quality for waters of the State, while allocating those waters to achieve the optimum balance of beneficial uses. The joint authority of water allocation and water quality protection enables SWRCB to provide comprehensive protection for California's waters.

California Department of Industrial Relations – Division of Occupational Safety and Health (Cal OSHA): In California, every employer has a legal obligation to provide and maintain a safe and healthful workplace for employees, according to the California Occupational Safety and Health Act of 1973 (per Title 8 of the CCR). The Division of Occupational Safety and Health (Cal/OSHA) program is responsible for enforcing California laws and regulations pertaining to workplace safety and health and for providing assistance to employers and workers about workplace safety and health issues. Cal/OSHA regulations are administered through Title 8 of the CCR. The regulations require all manufacturers or importers to assess the hazards of substances that they produce or import and all employers to provide information to their employees about the hazardous substances to which they may be exposed.

California Fire Code: The California Fire Code is Part 9 of the California Code of Regulations, Title 24, also referred to as the California Building Standards Code. The California Fire Code incorporates the Uniform Fire Code with necessary California amendments. This Code prescribes regulations consistent with nationally recognized good practice for the safeguarding to a reasonable degree of life and property from the hazards of fire explosion, and dangerous conditions arising from the storage, handling and use of hazardous materials and devices, and from conditions hazardous to life or property in the use or occupancy of buildings or premises and provisions to assist emergency response personnel.

3.9.3 Local Regulatory Setting

Sutter County Airport Comprehensive Land Use Plan: The SCACLUP was adopted in April 1994 by the Sacramento Area Council of Governments (SACOG). SACOG is the designated Airport Land Use Commission (ALUC) for Sacramento, Sutter, Yolo, and Yuba Counties under the provisions of the California Public Utilities Code, Chapter 4, Article 3.5, Section 21670.1 Airport Land Use Commission Law. The purpose of the ALUC law is to (1) protect public health, safety, and welfare through the adoption of land use standards that minimize the public's exposure to safety hazards and excessive levels of noise, and (2) Prevent the encroachment of incompatible land uses around public-use airports, thereby preserving the utilities of these airports into the future.

3.9.4 Impact Assessment/Environmental Consequences:

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

See b), below.

b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

The hazardous materials associated with the construction that could result from this GPA/RZ would be those materials associated with grading and construction equipment, which typically includes solvents, oil, and fuel. Provided that these materials are legally and properly transported, used and stored, new construction will not create a significant hazard to the public or the environment. On an ongoing basis the only anticipated hazardous waste would be hazardous waste from a small retail or service commercial

use. Assuming proper and legal disposal of those wastes there would not be a significant impact from use or storage of hazardous materials.

c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

There is not a school within one-quarter mile of the proposed GPA/RZ site. Therefore, there is not a potential for any significant impacts on a school from hazardous materials. (A nearby private school is over one-quarter mile away.)

d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section and, as a result, would create a significant hazard to the public or the environment?

The property is not on any listings of sites that are contaminated by hazardous waste. Therefore, the potential for impacts from a known hazardous materials site is less than significant.

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?

The Project site is not located within the Sutter County Airport Comprehensive Land Use Plan, nor is it within two miles of a public use airport.

f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

The Yuba City Fire Department and Police Department serve this area. Since no actual development is proposed, there will be no impact on emergency response plans. When a development project is proposed that may result from this action, it will be evaluated based on its own merits for conformance with City adopted development and design standards.

g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

The Project site is located within the Yuba City urban area, and the Yuba City urban area is surrounded by irrigated agricultural lands. There are no wildlands on the site or in the immediate vicinity. There is natural vegetation along the Feather River floodplain, which is not far away, but separated by 20-foot-high levee that is devoid of vegetation. Accordingly, the impacts from potential wildland fires will be less than significant.

3.10. Hydrology and Water Quality

Table 3.10: Hydrology and Water Quality				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality?			X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impeded sustainable groundwater management of the basin?			X	
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
i) result in substantial erosion or siltation on- or off-site?			X	
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite?			X	
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
iv. impede or redirect flood flows?				X
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?			X	
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	

3.10.1 Federal Regulatory Setting

Clean Water Act: The Clean Water Act (CWA) is intended to restore and maintain the chemical, physical, and biological integrity of the nation's waters (33 CFR 1251). The regulations implementing the CWA protect waters of the U.S. including streams and wetlands (33 CFR 328.3). The CWA requires states to set standards to protect, maintain, and restore water quality by regulating point source and some non-point source discharges. Under Section 402 of the CWA, the National Pollutant Discharge Elimination System (NPDES) permit process was established to regulate these discharges.

Federal Emergency Management Agency (FEMA) Flood Zones: The National Flood Insurance Act (1968) makes available federally subsidized flood insurance to owners of flood-prone properties. To facilitate identifying areas with flood potential, Federal Emergency Management Agency (FEMA) has developed

Flood Insurance Rate Maps (FIRM) that can be used for planning purposes. Flood hazard areas identified on the Flood Insurance Rate Map are identified as a Special Flood Hazard Area (SFHA). SFHA are defined as the area that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. SFHAs are labeled as Zone A, Zone AO, Zone AH, Zones A1-A30, Zone AE, Zone A99, Zone AR, Zone AR/AE, Zone AR/AO, Zone AR/A1-A30, Zone AR/A, Zone V, Zone VE, and Zones V1-V30. Moderate flood hazard areas, labeled Zone B or Zone X (shaded) are also shown on the FIRM, and are the areas between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood. The areas of minimal flood hazard, which are the areas outside the SFHA and higher than the elevation of the 0.2-percent-annual-chance flood, are labeled Zone C or Zone X (unshaded).

3.10.2 State Regulatory Setting

State Water Resources Control Board: The State Water Resources Control Board (SWRCB) is the agency with jurisdiction over water quality issues in the State of California. The WRCB is governed by the Porter-Cologne Water Quality Act (Division 7 of the California Water Code), which establishes the legal framework for water quality control activities by the SWRCB. The intent of the Porter-Cologne Act is to regulate factors which may affect the quality of waters of the State to attain the highest quality which is reasonable, considering a full range of demands and values. Much of the implementation of the SWRCB's responsibilities is delegated to its nine Regional Boards. The Project site is located within the Central Valley Regional Water Quality Control board.

Central Valley Regional Water Quality Control Board (CVRWQCB): administers the NPDES storm water-permitting program in the Central Valley region. Construction activities on one acre or more are subject to the permitting requirements of the NPDES General Permit for Discharges of Storm Water Runoff Associated with Construction Activity (General Construction Permit). Additionally, CVRWQCB is responsible for issuing Waste Discharge Requirements Orders under California Water Code Section 13260, Article 4, Waste Discharge Requirements.

State Department of Water Resources: California Water Code (Sections 10004 et seq.) requires that the State Department of Water Resources update the State Water Plan every five years. The 2013 update is the most current review and included (but is not limited to) the following conclusions:

- The total number of wells completed in California between 1977 and 2010 is approximately 432,469 and ranges from a high of 108,346 wells for the Sacramento River Hydrologic Region to a low of 4,069 wells for the North Lahontan Hydrologic Region.
- Based on the June 2014 California Statewide Groundwater Elevation Monitoring (CASGEM) basin prioritization for California's 515 groundwater basins, 43 basins are identified as high priority, 84 basins as medium priority, 27 basins as low priority, and the remaining 361 basins as very low priority.
- The 127 basins designated as high or medium priority account for 96 percent of the average annual statewide groundwater use and 88 percent of the 2010 population overlying the groundwater basin area.
- Depth-to-groundwater contours were developed for the unconfined aquifer system in the Central Valley. In the Sacramento Valley, the spring 2010 groundwater depths range from less than 10 feet below ground surface (bgs) to approximately 50 feet bgs, with local areas showing maximum depths of as much as 160 feet bgs.

- The most prevalent groundwater contaminants affecting California's community drinking water wells are arsenic, nitrate, gross alpha activity, and perchlorate.

California Government Code 65302 (d): The General Plan must contain a Conservation Element for the conservation, development, and utilization of natural resources including water and its hydraulic force, forests, soils, river and other waters, harbors, fisheries, wildlife, minerals, and other natural resources. That portion of the conservation element including waters shall be developed in coordination with any County-wide water agency and with all district and City agencies which have developed, served, controlled, or conserved water for any purpose for the County or City for which the plan is prepared. Coordination shall include the discussion and evaluation of any water supply and demand information described in Section 65352.5 if that information has been submitted by the water agency to the City or County. The conservation element may also cover:

- The reclamation of land and waters.
- Prevention and control of the pollution of streams and other waters.
- Regulation of the use of land in stream channels and other areas required for the accomplishment of the conservation plan.
- Prevention, control, and correction of the erosion of soils, beaches, and shores.
- Protection of watersheds.
- The location, quantity, and quality of the rock, sand, and gravel resources.
- Flood control.

Sustainable Groundwater Management Act: On September 16, 2014, Governor Edmund G. Brown Jr. signed historic legislation to strengthen local management and monitoring of groundwater basins most critical to the state's water needs. The three bills, SB 1168 (Pavley) SB 1319 (Pavley) and AB 1739 (Dickinson) together make up the Sustainable Groundwater Management Act. The Sustainable Groundwater Management Act comprehensively reforms groundwater management in California. The intent of the Act is to place management at the local level, although the state may intervene to manage basins when local agencies fail to take appropriate responsibility. The Act provides authority for local agency management of groundwater and requires creation of groundwater sustainability agencies and implementation of plans to achieve groundwater sustainability within basins of high and medium priority.

3.10.3 Impact Assessment/Environmental Consequences:

a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality?

Most of the City's public water supply comes from the Feather River. The water is pumped from the river to the Water Treatment Plant located in northern Yuba City. The plant also sometimes utilizes a groundwater well in addition to surface water supplies due to recent drought conditions. Since any development that could result from this GPA/RZ will receive water only through the City system, it is unlikely that the Project could impact the water quality in the City system.

Wastewater generated by development that could result from this GPA/RZ will flow into the City wastewater treatment facility which is in compliance with all state water discharge standards. Wastewater generated by any commercial use that could result from this GPA/RZ is not expected to

generate any unique type of waste that would cause the system to become out of compliance with state standards.

All storm water runoff will drain into the Gilsizer drainage system and ultimately into the Feather River. The water quality of the stormwater runoff is addressed through General Plan Implementing Policies 8.5-I-1 through 8.5-I-10 which require a wide range of developer and City actions involving coordination with the State Regional Water Quality Control Board, protecting waterways, and following Yuba City's adopted Best Management Practices for new construction.

With the level of oversight on the City's water supply and wastewater treatment systems, and enforcement of Best Management Practices for stormwater management at construction sites, there will not be significant impacts on the City's water and waste-water systems or storm water drainage system from development that would result from this GPA/RZ.

b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impeded sustainable groundwater management of the basin?

As the site is already connected to the City's water system, new development that could result from this GPA/RZ will remain connected to the City's water system. While consumption of City water may increase with the Project, very little, if any, groundwater will be utilized as the City primarily utilizes surface water supplies in its system.

c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:

i) result in substantial erosion or siltation on- or off-site?

ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite?

iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

As the property is mostly covered by impermeable surfaces (paved parking and a building), it is unlikely that a future project will add to the amount of impermeable surface area. If the impermeable area is increased, that development will be required to improve the local stormwater collection facilities accordingly and pay the appropriate fees to the Gilsizer County Drainage District for its fair share of improvements and expansion to the existing drainage system that will be connected too. Also, as noted above, all new construction must involve use of Best Management Practices. Assuming all required standards are met there is not expected to be any significant impacts from additional storm water drainage from the site.

iv) impede or redirect flood flows?

According to the Federal Emergency Management Agency this portion of the City is outside of the 100-year flood plain. This is due to the existing levee system that contains seasonally high-water flows from the nearby Feather River from flooding areas outside of the levee system. Additional construction within the City that is outside of the levee system does not impact the levee system and therefore does not increase, impede, or otherwise have any effect on the highwater flows within the levee system. Therefore, there is no significant impact on the high-water flows within the Feather River levee system.

d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?

According to the Federal Emergency Management Agency, this portion of the City is outside of the 100-year flood plain. The City is not close to the ocean or any large lakes so a seiche is unlikely to happen in or near the City. The City is located inland from the Pacific Ocean, so people or structures in the City would not be exposed to inundation by tsunami. Mudflows and landslides are unlikely to happen due to the relatively flat topography within the Project area. Thus, it is unlikely that the Project site would be subject to inundation by a seiche, tsunami, mudflow or landslide. Therefore, there is not a potential for significant impacts from any of these types of events.

e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?

Regarding impacts on a groundwater management plan, the City primarily utilizes surface water, so any impact on groundwater from a development that could result from this action would be less than significant. Regarding water quality, as noted in Part a) above, all new construction is required to utilize Best Management Practices. Assuming all required standards are met, quality of runoff water from any development that may result from this proposal will not create any significant impacts.

3.11. Land Use and Planning

Table 3:11: Land Use and Planning					
Would the project:		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Physically divide an established community?			X	
b)	Cause a significant environmental impact due to a conflict with any land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	

3.11.1 Environmental Setting/Affected Environment

The 0.43-acre property is flat and fully developed with a building and a parking lot.

3.11.2 Federal Regulatory Setting

There are no federal or state regulations pertaining to land use and planning relevant to the proposed Project.

3.11.3 Local Regulatory Setting

Yuba City General Plan, Land Use Element: The Land Use Element of the General Plan establishes guidance for the ultimate pattern of growth in the City's Sphere of Influence. It provides direction regarding how

lands are to be used, where growth will occur, the density/intensity and physical form of that growth, and key design considerations.

3.11.4 Impact Assessment/Environmental Consequences:

a) Physically divide an established community?

Redevelopment of this property that could result from this Project will not physically divide an established community as the previously developed site is in a light industrial area, outside of a residential neighborhood. Therefore, the impact on an existing community from redevelopment of this property that could occur would be less than significant.

b) Cause a significant environmental impact due to a conflict with any land use plan, policy or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

This GPA/RZ is consistent with other general plan policies and programs. Any new construction that could result from this GPA/RZ must meet all City design and development standards. As such, a new development's impacts on plans, policies and programs designed to avoid or mitigate environmental effects will be less than significant.

3.12. Mineral Resources

Table 3-12: Mineral Resources				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?				X

3.12.1 Federal Regulatory Setting

There are no federal regulations pertaining to mineral resources relevant to the proposed Project.

3.12.2 State Regulatory Setting

California Surface Mining and Reclamation Act of 1975: Enacted by the State Legislature in 1975, the Surface Mining and Reclamation Act (SMARA), Public Resources Code Section 2710 et seq., insures a continuing supply of mineral resources for the State. The act also creates surface mining and reclamation policy to assure that:

- Production and conservation of minerals is encouraged;

- Environmental effects are prevented or minimized;
- Consideration is given to recreational activities, watersheds, wildlife, range and forage, and aesthetic enjoyment;
- Mined lands are reclaimed to a useable condition once mining is completed; and
- Hazards to public safety both now and in the future are eliminated.

Areas in the State (city or county) that do not have their own regulations for mining and reclamation activities rely on the Department of Conservation, Division of Mines and Geology, Office of Mine Reclamation to enforce this law. SMARA contains provisions for the inventory of mineral lands in the State of California.

The State Geologist, in accordance with the State Board's Guidelines for Classification and Designation of Mineral Lands, must classify Mineral Resource Zones (MRZ) as designated below:

- MRZ-1. Areas where available geologic information indicates that there is minimal likelihood of significant resources.
- MRZ-2. Areas underlain by mineral deposits where geologic data indicate that significant mineral deposits are located or likely to be located.
- MRZ-3. Areas where mineral deposits are found but the significance of the deposits cannot be evaluated without further exploration.
- MRZ-4. Areas where there is not enough information to assess the zone. These are areas that have unknown mineral resource significance.

SMARA only covers mining activities that impact or disturb the surface of the land. Deep mining (tunnel) or petroleum and gas production is not covered by SMARA.

3.12.3 Impact Assessment/Environmental Consequences:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?*
- b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?*

The property contains no known mineral resources and there is little opportunity for mineral resource extraction. The Yuba City General Plan does not recognize any mineral resource zone within the City limits, and no mineral extraction facilities currently exist within the City. Additionally, the site is within an urban area, which generally is considered incompatible with mineral extraction facilities. As such redevelopment that may resulting from this Project will not have an impact on mineral resources.

3.13. Noise

Table 3.13: Noise				
Would the project result in:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Generation of excessive ground borne vibration or ground borne noise levels?				X
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X

3.13.1 Environmental Setting/Affected Environment for Noise

Noise can be generally defined as unwanted sound. Sound, traveling in the form of waves from a source, exerts a sound pressure level (referred to as sound level) which is measured in decibels (dB), with 0 dB corresponding roughly to the threshold of human hearing and 120 to 140 dB corresponding to the threshold of pain.

Sound pressure fluctuations can be measured in units of hertz (Hz), which correspond to the frequency of a particular sound. Typically, sound does not consist of a single frequency, but rather a broad band of frequencies varying in levels of magnitude (sound power). The sound pressure level, therefore, constitutes the additive force exerted by a sound corresponding to the frequency/sound power level spectrum.

The typical human ear is not equally sensitive to all frequencies of the audible sound spectrum. As a consequence, when assessing potential noise impacts, sound is measured using an electronic filter that de-emphasizes the frequencies below 1,000 Hz and above 5,000 Hz in a manner corresponding to the human ear's decreased sensitivity to low and extremely high frequencies instead of the frequency mid-range. This method of frequency weighting is referred to as A-weighting and is expressed in units of A-weighted decibels (dBA). Frequency A-weighting follows an international standard methodology of frequency de-emphasis and is typically applied to community noise measurements.

Noise exposure is a measure of noise over a period of time. Noise level is a measure of noise at a given instant in time. Community noise varies continuously over a period of time with respect to the contributing sound sources of the community noise environment. Community noise is primarily the product of many distant noise sources, which constitute a relatively stable background noise exposure, with the individual contributors unidentifiable. The background noise level changes throughout a typical day, but does so gradually, corresponding with the addition and subtraction of distant noise sources such as traffic and atmospheric conditions. What makes community noise constantly variable throughout a

day, besides the slowly changing background noise, is the addition of short duration single event noise sources (e.g., aircraft flyovers, motor vehicles, sirens), which are readily identifiable to the individual receptor. These successive additions of sound to the community noise environment vary the community noise level from instant to instant, requiring the measurement of noise exposure over a period of time to legitimately characterize a community noise environment and evaluate cumulative noise impacts.

3.13.2 Environmental Setting/Affected Environment for Groundborne Vibration

Vibration is the periodic oscillation of a medium or object. Vibration sources may be continuous, such as factory machinery, or transient, such as explosions. As is the case with airborne sound, ground borne vibrations may be described by amplitude and frequency. Vibration amplitudes are usually expressed in peak particle velocity (PPV), or root mean squared (RMS), as in RMS vibration velocity. The PPV and RMS (VbA) vibration velocity are normally described in inches per second (in/sec). PPV is defined as the maximum instantaneous positive or negative peak of a vibration signal and is often used in monitoring of blasting vibration because it is related to the stresses that are experienced by buildings.

Although PPV is appropriate for evaluating the potential for building damage, it is not always suitable for evaluating human response. As it takes some time for the human body to respond to vibration signals, it is more prudent to use vibration velocity when measuring human response. The typical background vibration velocity level in residential areas is approximately 50 VdB. Groundborne vibration is normally perceptible to humans at approximately 65 VdB. For most people, a vibration-velocity level of 75 VdB is the approximate dividing line between barely perceptible and distinctly perceptible levels.

Typical outdoor sources of perceptible ground borne vibration are construction equipment, steel-wheeled trains, and traffic on rough roads. Construction vibrations can be transient, random, or continuous. The approximate threshold of vibration perception is 65 VdB, while 85 VdB is the vibration acceptable only if there are an infrequent number of events per day.

3.13.3 Federal Regulatory Setting

Federal Vibration Policies: The Federal Railway Administration (FRA) and the Federal Transit Administration (FTA) have published guidance relative to vibration impacts. According to the FRA, fragile buildings can be exposed to ground-borne vibration levels of 90 VdB without experiencing structural damage. The FTA has identified the human annoyance response to vibration levels as 75 VdB.

3.13.4 State Regulatory Setting

California Noise Control Act: The California Noise Control Act was enacted in 1973 (Health and Safety Code §46010 et seq.), and states that the Office of Noise Control (ONC) should provide assistance to local communities in developing local noise control programs. It also indicates that ONC staff would work with the Department of Resources Office of Planning and Research (OPR) to provide guidance for the preparation of the required noise elements in city and county General Plans, pursuant to Government Code § 65302(f). California Government Code § 65302(f) requires city and county general plans to include a noise element. The purpose of a noise element is to guide future development to enhance future land use compatibility.

Title 24 – Sound Transmission Control: Title 24 of the California Code of Regulations (CCR) codifies Sound Transmission Control requirements, which establishes uniform minimum noise insulation performance standards for new hotels, motels, dormitories, apartment houses, and dwellings other than detached

single-family dwellings. Specifically, Title 24 states that interior noise levels attributable to exterior sources shall not exceed 45 dBA CNEL in any habitable room of new dwellings Title 24, Part 2 requires an acoustical report that demonstrates the achievements of the required 45 dBA CNEL. Dwellings are designed so that interior noise levels will meet this standard for at least ten years from the time of building permit application.

3.13.5 Local Regulatory Setting

The **City of Yuba City General Plan** presents the vision for the future of Yuba City and outlines several guiding policies and policies relevant to noise.

The following goals and policies from the City of Yuba City General Plan¹ are relevant to noise.

Guiding Policies

- 9.1-G-1 Strive to achieve an acceptable noise environment for the present and future residences of Yuba City.
- 9.1-G-2 Incorporate noise considerations into land use planning decisions and guide the location and design of transportation facilities to minimize the effects of noise on adjacent land uses.
- Implementing Policies
- 9.1-I-1 Require a noise study and mitigation for all projects that have noise exposure greater than “normally acceptable” levels. Noise mitigation measures include, but are not limited to, the following actions:
 - Screen and control noise sources, such as parking and loading facilities, outdoor activities, and mechanical equipment,
 - Increase setbacks for noise sources from adjacent dwellings,
 - Retain fences, walls, and landscaping that serve as noise buffers,
 - Use soundproofing materials and double-glazed windows, and
 - Control hours of operation, including deliveries and trash pickup, to minimize noise impacts.
- 9.1-I-3 In making a determination of impact under the California Environmental Quality Act (CEQA), consider an increase of four or more dBA to be "significant" if the resulting noise level would exceed that described as normally acceptable for the affected land use in Figure 5.
- 9.1-I-4 Protect especially sensitive uses, including schools, hospitals, and senior care facilities, from excessive noise, by enforcing “normally acceptable” noise level standards for these uses.
- 9.1-I-5 Discourage the use of sound walls. As a last resort, construct sound walls along highways and arterials when compatible with aesthetic concerns and neighborhood character. This would be a developer responsibility.
- 9.1-I-6 Require new noise sources to use best available control technology (BACT) to minimize noise from all sources.
- 9.1-I-7 Minimize vehicular and stationary noise sources and noise emanating from temporary activities, such as construction.

¹ City of Yuba, 2004. *City of Yuba General Plan*. April 8, 2004.

Figure 1: Noise Exposure

LAND USE CATEGORY	COMMUNITY NOISE EXPOSURE - Ldn or CNEL (dBA)											
	50	55	60	65	70	75	80					
Residential – Low Density Single Family, Duplex, Mobile Home												
Residential – Multi-Family												
Transient Lodging – Motel/Hotel												
Schools, Libraries, Churches, Hospitals, Nursing Homes												
Auditorium, Concert Hall, Amphitheaters												
Sports Arena, Outdoor Spectator Sports												
Playgrounds, Neighborhood Parks												
Golf Courses, Riding Stables, Water Recreation, Cemeteries												
Office Buildings, Business, Commercial and Professional												
Industrial, Manufacturing, Utilities, Agriculture												
	Normally Acceptable: Specified land use is satisfactory, based upon the assumption that any buildings involved are of normal conventional construction, without any special noise insulation requirements.											
	Conditionally Acceptable: New construction or development should be undertaken only after a detailed analysis of the noise reduction requirements is made and needed noise insulation features are included in the design. Conventional construction, but with closed windows and fresh air supply systems or air conditioning will normally suffice.											
	Normally Unacceptable: New construction or development should be discouraged. If new construction or development does proceed, a detailed analysis of the noise reduction requirement must be made and needed noise insulation features included in the design.											
	Clearly Unacceptable: New construction or development generally should not be undertaken.											
Source: State of California, Governor’s Office of Planning and Research, 2003. General Plan Guidelines.												

City of Yuba City Municipal Code: Title 4, Chapter 17, Section 4-17.10(e) of the Yuba City Municipal Code prohibits the operation of noise-generating construction equipment before 6:00 a.m. or after 9:00 p.m. daily, except Sunday and State or federal holidays when the prohibited time is before 8:00 a.m. and after 9:00 p.m.

3.13.6 *Impact Assessment/Environmental Consequences:*

- a) *Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies established in the local general plan or noise ordinance, or applicable standards of other agencies?*

As there is no new development proposed, there will be no direct noise impacts. Redevelopment of the site that could occur because of this GPA/RZ would involve temporary construction noise. The noise sources would include typical grading and paving equipment and miscellaneous equipment. During construction, which would occur during daylight hours, Monday through Saturday, noise from construction activities would contribute to the noise environment in the immediate Project vicinity. As there are no nearby residences or other noise sensitive uses, and due to the limited duration of the construction activities, the effects from any potential construction activity would be less than significant. If redevelopment of the site does occur, that would be evaluated for its operational impacts based on its own merits at that time.

- b) *Generation of excessive ground borne vibration or ground borne noise levels?*

For the same reasons provided in a) above, there will be no direct impacts from ground borne vibration. If, as a result of this action, redevelopment of the property does occur the proposal would be evaluated on its own merits at that time.

- c) *For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?*

The Project is not within an airport land use plan nor are there any public or private airports or airfields located in this vicinity. This impact is not applicable to the Project.

3.14. Population and Housing

Table 4-14: Population and Housing				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

3.14.1 Environmental Setting/Affected Environment

The proposed non-residential Project is located in an urbanized area of the City and is surrounded by non-residential uses.

3.14.2 Federal Regulatory Setting

There are no federal regulations, plans, programs, or guidelines associated with population or housing that are applicable to the proposed Project.

3.14.3 State Regulatory Setting

California law (Government Code Section 65580, et seq.) requires cities and counties to include a housing element as a part of their general plan to address housing conditions and needs in the community. Housing elements are prepared approximately every eight years following implementation of Senate Bill [SB] 375), following timetables set forth in the law. The housing element must identify and analyze existing and projected housing needs and “make adequate provision for the existing and projected needs of all economic segments of the community,” among other requirements. The City adopted its current Housing Element in 2021.

3.14.4 Regional Regulatory Setting

State law mandates that all cities and counties offer a portion of housing to accommodate the increasing needs of regional population growth. The statewide housing demand is determined by the California Department of Housing and Community Development (HCD), while local governments and councils of governments decide and manage their specific regional and jurisdictional housing needs and develop a regional housing needs assessment (RHNA).

In the greater Sacramento region, which includes the City of Yuba City, SACOG has the responsibility of developing and approving an RHNA and a Regional Housing Needs Plan (RHNP) every eight years (Government Code, Section 65580 et seq.). This document has a central role of distributing the allocation

of housing for every county and city in the SACOG region. Housing needs are assessed for very low income, low income, moderate income, and above moderate households.²

As described above, SACOG is the association of local governments that includes Yuba City, along with other jurisdictions comprising the six counties in the greater Sacramento region. In addition to preparing the Metropolitan Transportation Plan and Sustainable Communities Strategy for the region, SACOG approves the distribution of affordable housing in the region through its RHNP. SACOG also assists in planning for transit, bicycle networks, clean air and serves as the Airport Land Use Commission for the region.

3.14.5 Impact Assessment/Environmental Consequences:

a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

The proposed GPA/RZ does not involve any residential development, so no new housing will result from this action. As this is an amendment to the General Plan, it is by definition planned growth. As such, there will be no impacts from unplanned growth.

b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?

Since no residences will be removed as part of this GPA/RZ, there will be no impacts.

3.15. Public Services

Table 3.15: Public Services				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?				X
ii) Police protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other public facilities?			X	

3.15.1 Environmental Setting/Affected Environment

Law enforcement is provided by the Yuba City Police Department. Fire protection is provided by the Yuba City Fire Department. Nearby parks and other urban services including streets, water, sewer, and stormwater drainage will also be provided by Yuba City.

3.15.2 Federal Regulatory Setting

National Fire Protection Association: The National Fire Protection Association (NFPA) is an international nonprofit organization that provides consensus codes and standards, research, training, and education on fire prevention and public safety. The NFPA develops, publishes, and disseminates more than 300 such codes and standards intended to minimize the possibility and effects of fire and other risks. The NFPA publishes the NFPA 1, Uniform Fire Code, which provides requirements to establish a reasonable level of fire safety and property protection in new and existing buildings

3.15.3 State Regulatory Setting

California Fire Code and Building Code: The 2013 California Fire Code (Title 24, Part 9 of the California Code of Regulations) establishes regulations to safeguard against hazards of fire, explosion, or dangerous conditions in new and existing buildings, structures, and premises. The Fire Code also establishes requirements intended to provide safety and assistance to fire fighters and emergency responders during emergency operations. The provision of the Fire Code includes regulations regarding fire-resistance rated construction, fire protection systems such as alarm and sprinkler systems, fire service features such as fire apparatus access roads, fire safety during construction and demolition, and wildland urban interface areas.

California Health and Safety Code (HSC): State fire regulations are set forth in Sections 13000 et seq. of the California HSC, which includes regulations for building standards (as set forth in the CBC), fire protection and notification systems, fire protection devices such as extinguishers, smoke alarms, childcare facility standards, and fire suppression training.

California Master Mutual Aid Agreement: The California Master Mutual Aid Agreement is a framework agreement between the State of California and local governments for aid and assistance by the interchange of services, facilities, and equipment, including but not limited to fire, police, medical and health, communication, and transportation services and facilities to cope with the problems of emergency rescue, relief, evacuation, rehabilitation, and reconstruction.

3.15.4 Impact Assessment/Environmental Consequences:

a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire Protection: Since no actual development is proposed, there will be no impacts on fire protection services. If and when a development project is proposed it will be evaluated based on its own merits for conformance with City adopted standards.

Police Protection: Since no actual development is proposed, there will be no impacts on police services. If and when a development project is proposed it will be evaluated, it will be evaluated based on its own merits for conformance with City adopted standards.

Schools: There is no residential growth that will occur as a result of this action. Therefore, there will be no impact on schools.

Parks: There is no residential growth that will occur as a result of this action. Therefore, there will be no impact on schools.

Other Public Facilities: The site is connected to the City's water and wastewater systems. As such, there will be no impact on the City's water and wastewater disposal systems. The City also collects development impact fees for County services that are provided to the new development, such as the library system and justice system, so growth that may occur as a result of this action will be less than significant for public facilities.

3.16. Recreation

Table 3-16: Recreation

Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

3.16.1 Environmental Setting/Affected Environment

Yuba City has 23 City-owned parks and recreational areas, managed by the City's Parks and Recreation Department. This consists of five community parks, 15 neighborhood parks, and three passive or mini parks.

3.16.2 Federal Regulatory Setting

There are no federal regulations regarding parks and open space that are applicable to the proposed Project.

3.16.3 State Regulatory Setting

State Public Park Preservation Act: The primary instrument for protecting and preserving parkland is the Public Park Preservation Act of 1971. Under the PRC section 5400-5409, cities and counties may not acquire any real property that is in use as a public park for any non-park use unless compensation or land, or both, are provided to replace the parkland acquired. This provides no net loss of parkland and facilities.

Quimby Act: California Government Code Section 66477, referred to as the Quimby Act, permits local jurisdictions to require the dedication of land and/or the payment of in-lieu fees solely for park and recreation purposes. The required dedication and/or fee are based upon the residential density and housing type, land cost, and other factors. Land dedicated and fees collected pursuant to the Quimby Act may be used for developing new or rehabilitating existing park or recreational facilities.

3.16.4 Local Regulatory Setting

The Yuba City General Plan and the City's Parks Master Plan provide a goal of providing 5 acres of public parkland per 1,000 residents, while it also requires 1 acre of Neighborhood Park for every 1,000 residents. The City's development impact fee program collects fees for new development which is allocated for the acquisition and development of open space in the City.

3.16.5 Impact Assessment/Environmental Consequences:

a) *Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?*

Since there is no residential development that could occur as a result of this proposal, there will be no impacts on City parks.

b) *Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?*

A redevelopment of the site that could result from this action will not likely result in any new recreational facilities. There will be no impacts.

3.17. Transportation/Traffic

Table 4-17: Transportation Recreation				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities?			X	
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3 subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d) Result in inadequate emergency access?			X	

3.17.1 Federal Regulatory Setting

Federal Highway Administration: FHWA is the agency of the U.S. Department of Transportation (DOT) responsible for the Federally funded roadway system, including the interstate highway network and portions of the primary State highway network. FHWA funding is provided through the Safe, Accountable, Flexible, Efficiency Transportation Equity Act: A Legacy for Users (SAFETEA-LU). SAFETEA- LU can be used to fund local transportation improvement projects, such as projects to improve the efficiency of existing roadways, traffic signal coordination, bikeways, and transit system upgrades.

Several federal regulations govern transportation issues. They include:

- Title 49, CFR, Sections 171-177 (49 CFR 171-177), governs the transportation of hazardous materials, the types of materials defined as hazardous, and the marking of the transportation vehicles.

- Title 49 CFR 350-399, and Appendices A-G, Federal Motor Carrier Safety Regulations, address safety considerations for the transport of goods, materials, and substances over public highways.

3.17.2. State Regulatory Setting

The measurement of the impacts of a project's traffic is set by the CEQA Guidelines. Section 15064.3 of the Guidelines states that vehicle miles traveled (VMT) is the most appropriate measure of transportation impacts. VMT is a metric which refers to the amount of distance of automobile traffic that is generated by a project. Per the Guidelines "Vehicle miles traveled exceeding an applicable threshold of significance may indicate a significant impact." "Projects that decrease vehicle miles traveled compared to existing conditions should be presumed to have a less than significant environmental impact."

The CEQA Guidelines also states that the lead agency (Yuba City) may "choose the most appropriate methodology to evaluate a project's vehicle miles traveled ...". As this is a new form of calculating significant traffic events, the City has not yet determined its own methodology to calculate levels of significance for VMT. Until that methodology is determined, for purposes of this initial study the information provided by the Sacramento Council of Governments (SACOG) and the CA Office of Planning and Research is utilized. A review of these studies indicates several factors that may be utilized for determining levels of significance. One is that if the project will generate less than 110 vehicle trips per day, it is assumed that with the small size of the project, the impact is less than significant. A second criteria is that for a project, on a per capita or per employee basis, the VMT will be at least 15 percent below that of existing development is a reasonable threshold for determining significance.

As this is a new methodology, future projects may utilize different criterion as they become available.

3.17.3. Impact Assessment/Environmental Consequences:

- a) Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities?*

As there is no proposed development, there will be no direct impacts on all modes of transportation. For a commercial proposal that could result from this GPA/RZ, the Public Works Department stated that they do not have traffic concerns. Due to the small size of the property, redevelopment of the site which could result from this Project will not likely be a large traffic generator. The Public Works Department has also stated that local street improvements would be addressed if a development is proposed. As such, the potential impacts on nearby streets due to this Project will be less than significant.

- c) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3 subdivision (b)?*

This CEQA section describes specific considerations for evaluating a project's transportation impacts in terms of Vehicle Miles Traveled (VMT). But as no new development is proposed there would be no changes to traffic levels as a result of this GPA/RZ.

As redevelopment of the property may result from changing uses from light industrial to commercial, an increase in levels of traffic would be expected, but cannot be known. If and when a redevelopment project is proposed those impacts will be evaluated at that time.

- d) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?*

Public Works Department review of the Project did not indicate that there are any street design issues on nearby streets. Therefore, any increase in street hazards generated by development that would result from this Project are less than significant.

d) Result in inadequate emergency access?

The Fire and Police Departments have reviewed the Project proposal and have not expressed concerns about emergency access to the property. As such there will not be a potential for any significant impacts on emergency access to this area.

3.18. Tribal Cultural Resources

Table 3-18: Tribal Cultural Resources				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project cause of substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or			X	
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.		X		

3.18.1 Environmental Setting/Affected Environment

This section describes the affected environment and regulatory setting for Tribal Cultural Resources (TCRs). The following analysis of the potential environmental impacts related to TCRs is derived primarily from the Environmental Impact Report for the City of Yuba City General Plan (2004) and consultation record with California Native American tribes under Assembly Bill 52 and Senate Bill 18.

3.18.2 Federal Regulatory Setting

National Historic Preservation Act of 1966 (as amended), Section 106: The significance of cultural resources is evaluated under the criteria for inclusion in the National Register of Historic Places (NRHP),

authorized under the National Historic Preservation Act of 1966, as amended. The criteria defined in 36 CFR 60.4 are as follows:

The quality of significance in American history, architecture, archaeology, and culture is present in districts, sites, buildings, structures, and objects of state and local importance that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

- That are associated with events that have made a significant contribution to the broad patterns of our history; or
- That are associated with the lives of persons significant in our past; or
- That embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- That have yielded, or may be likely to yield, information important to prehistory or history.

Sites listed or eligible for listing on the NRHP are considered to be historic properties. Sites younger than 50 years, unless of exceptional importance, are not eligible for listing in the NRHP.

3.18.2 State Regulatory Setting

Assembly Bill 52: Effective July 1, 2015, Assembly Bill 52 (AB 52) amended CEQA to require that: 1) a lead agency provide notice to any California Native American tribes that have requested notice of projects proposed by the lead agency; and 2) for any tribe that responded to the notice within 30 days of receipt with a request for consultation, the lead agency must consult with the tribe. Topics that may be addressed during consultation include TCRs, the potential significance of project impacts, type of environmental document that should be prepared, and possible mitigation measures and project alternatives.

Pursuant to AB 52, Section 21073 of the Public Resources Code defines California Native American tribes as “a Native American tribe located in California that is on the contact list maintained by the NAHC for the purposes of Chapter 905 of the Statutes of 2004.” This includes both federally and non-federally recognized tribes.

Section 21074(a) of the Public Resource Code defines TCRs for the purpose of CEQA as:

- 1) Sites, features, places, cultural landscapes (geographically defined in terms of the size and scope), sacred places, and objects with cultural value to a California Native American tribe that are either of the following:
 - a. included or determined to be eligible for inclusion in the California Register of Historical Resources; and/or
 - b. included in a local register of historical resources as defined in subdivision (k) of Section 5020.1; and/or
 - c. a resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Section 5024.1. In applying the criteria set forth in subdivision (c) of Section 5024.1 for the purposes of this paragraph, the lead agency shall consider the significance of the resource to a California Native American tribe.

Because criteria a and b also meet the definition of a Historical Resource under CEQA, a TCR may also

require additional consideration as a Historical Resource. TCRs may or may not exhibit archaeological, cultural, or physical indicators.

Recognizing that California tribes are experts in their TCRs and heritage, AB 52 requires that CEQA lead agencies initiate consultation with tribes at the commencement of the CEQA process to identify TCRs. Furthermore, because a significant effect on a TCR is considered a significant impact on the environment under CEQA, consultation is required to develop appropriate avoidance, impact minimization, and mitigation measures.

Senate Bill 18 requires city and county governments to consult with California Native American tribes early in the planning process with the intent of protecting traditional tribal cultural places. The purpose of involving the tribes at the early stage of planning efforts is to allow consideration of tribal cultural places in context of broad local land use policy before project-level land use decisions are made by a local government. As such, SB 18 applies to the adoption or substantial amendment of general or specific plans. As the later adopted AB 52 provides for a similar review process for all discretionary reviews including general plan amendments and specific plan amendments, the provisions of SB 18 fall within the SB 52 review process for purposes of this document.

3.18.3 Cultural Setting

The Nisenan (also referred to as Southern Maidu) inhabited the General Plan area prior to large-scale European and Euroamerican settlement of the surrounding area. Nisenan territory comprised the drainages of the Yuba, Bear, and American Rivers, and the lower drainages of the Feather River. The Nisenan, together with the Maidu and Konkow, their northern neighbors, form the Maiduan language family of the Penutian linguistic stock (Shipley 1978:89). Kroeber (1976:392) noted three dialects: Northern Hill Nisenan, Southern Hill Nisenan, and Valley Nisenan. Although cultural descriptions of this group in the English language are known from as early as 1849, most of our current cultural knowledge comes from various anthropologists in the early part of the 20th century (Levy 1978:413; Wilson and Towne 1978:397).

The basic subsistence strategy of the Nisenan was seasonally mobile hunting and gathering. Acorns, the primary staple of the Nisenan diet, were gathered in the valley along with seeds, buckeye, salmon, insects, and a wide variety of other plants and animals. During the warmer months, people moved to mountainous areas to hunt and collect food resources, such as pine nuts. Bedrock and portable mortars and pestles were used to process acorns. Nisenan settlement patterns were oriented to major river drainages and tributaries. In the foothills and lower Sierra Nevada, Nisenan located their villages in large flats or ridges near major streams. These villages tended to be smaller than the villages in the valley. (Wilson and Towne 1978:389–390.)

Trade provided other valuable resources that were not normally available in the Nisenan environment. The Valley Nisenan received black acorns, pine nuts, manzanita berries, skins, bows, and bow wood from the Hill Nisenan to their east, in exchange for fish, roots, grasses, shells, beads, salt, and feathers (Wilson and Towne 1978). To obtain, process, and utilize these material resources, the Nisenan had an array of tools to assist them. Wooden digging sticks, poles for shaking acorns loose, and baskets of primarily willow and redbud were used to gather vegetal resources. Stone mortars and pestles were used to process many of the vegetal foods; baskets, heated stones, and wooden stirring sticks were used for cooking. Basalt and obsidian were primary stone materials used for making knives, arrow and spear points, clubs, arrow straighteners, and scrapers (Wilson and Towne 1978).

Nisenan settlement locations depended primarily on elevation, exposure, and proximity to water and other resources. Permanent villages were usually located on low rises along major watercourses. Village

size ranged from three houses to 40 or 50 houses. Larger villages often had semi-subterranean dance houses that were covered in earth and tule or brush and had a central smoke hole at the top and an entrance that faced east (Wilson and Towne 1978:388). Early Nisenan contact with Europeans appears to have been limited to the southern reaches of their territory. Spanish expeditions intruded into Nisenan territory in the early 1800s. In the two or three years following the gold discovery, Nisenan territory was overrun by immigrants from all over the world. Gold seekers and the settlements that sprang up to support them were nearly fatal to the native inhabitants. Survivors worked as wage laborers and domestic help and lived on the edges of foothill towns. Despite severe depredations, descendants of the Nisenan still live in their original land area and maintain and pass on their cultural identity.

3.18.5 Summary of Native American Consultation

In response to AB 52 and SB 18 the City supplied the following Native American tribes with a project description and map of the proposed project area and a request for comments:

- United Auburn Indian Community of the Auburn Rancheria
- Yocha Dehe Wintun Nation
- Estom Yomeka Maidu Tribe of the Enterprise Rancheria
- Mechoopda Indian Tribe
- Pakan'yani Maidu of Strawberry Valley
- Mooretown Rancheria of Maidu Indians
- Lone Band of Miwok Indians

3.18.6 Thresholds of Significance

AB 52 established that a substantial adverse change to a TCR has a significant effect on the environment. The thresholds of significance for impacts to TCRs are as follows:

Would the Project cause a substantial adverse change to a TCR, defined in Section 21074 as sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a Native American tribe that are:

- Included or determined to be eligible for inclusion in the California Register of Historical Resources;
- Included in a local register of historical resources as defined in subdivision k of Section 5010.1; and/or
- Determined by the City to be significant, as supported by substantial evidence, including:
 - A cultural landscape with a geographically defined boundary;
 - A historical resource as described in Section 21084.1 (either eligible for or listed on the California Register of Historical Resources or listed on a local registry);
 - A unique archaeological resource as defined in Section 21083.2; and/or
 - A non-unique archaeological resource as defined in Section 21083.2.

In assessing substantial adverse change, the City must determine whether or not the project will adversely affect the qualities of the resource that convey its significance. The qualities are expressed through

integrity. Integrity of a resource is evaluated with regard to the retention of location, design, setting, materials, workmanship, feeling, and association [CCR Title 14, Section 4852(c)]. Impacts are significant if the resource is demolished or destroyed or if the characteristics that made the resource eligible are materially impaired [CCR Title 14, Section 15064.5(a)]. Accordingly, impacts to a TCR would likely be significant if the project negatively affects the qualities of integrity that made it significant in the first place. In making this determination, the City need only address the aspects of integrity that are important to the TCR's significance.

3.18.7 Impact Assessment/Environmental Consequences:

a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).

There is no proposal to modify or remove the existing building on the property. Therefore, there is no potential significant impacts on any historical resources. While the building does not appear to have historic value, if a proposal to remove or modify the building results from this action, it will be evaluated on its own merits at that time.

b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

The City solicited consultation with culturally affiliated California Native American tribes (regarding the proposed project in accordance with SB 18 and AB 52. No tribe responded to the request. Even though the potential for a TCR to underly the property appears unlikely, it is possible. As such, the Unanticipated Discoveries mitigation is applied to this Project. With this mitigation measure, the impact on cultural resources will be less than significant.

3.18.8 Tribal Cultural Mitigation Measures

Tribal Cultural Resources Mitigation 1: Unanticipated Discoveries: If any suspected TCRs are discovered during ground disturbing construction activities, all work shall cease within 100 feet of the find, or an agreed upon distance based on the project area and nature of the find. A Tribal Representative from a California Native American Tribe that is traditionally and culturally affiliated with a geographic area shall be immediately notified and shall determine if the find is a TCR (PRC 21074). The Tribal Representative will make recommendations for further evaluation and treatment as necessary.

Preservation in place is the preferred alternative under CEQA and UAIC protocols, and every effort must be made to preserve the resources in place, including through project redesign. Culturally appropriate treatment may be, but is not limited to, processing materials for reburial, minimizing handling of cultural objects, leaving objects in place within the landscape, and returning objects to a location within the project area where they will not be subject to future impacts. The Tribe does not consider curation of TCR's to be appropriate or respectful and request that materials not be permanently curated, unless approved by the Tribe.

The contractor shall implement any measures deemed by the CEQA lead agency to be necessary and feasible to preserve in place, avoid, or minimize impacts to the resource, including but limited to,

facilitating the appropriate tribal treatment of the find, as necessary. Treatment that preserves or restores the cultural character and integrity of a Tribal Cultural Resource may include Tribal monitoring, culturally appropriate recovery of cultural objects, and reburial of cultural objects or cultural soil.

Work at the discovery location cannot resume until all necessary investigation and evaluation of the discovery under the requirements of CEQA, including AB 523 has been satisfied.

3.19. Utilities and Service Systems

Table 3-19: Utilities and Service Systems				
Would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Require or result in the relocation or construction of new or expanded water or wastewater treatment or storm drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?				X
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry, and multiple dry years?			X	
c) Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the projected demand in addition to the existing commitments?			X	
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?			X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

3.19.1 Environmental Setting/Affected Environment

Wastewater:

Yuba City owns, operates, and maintains the wastewater collection, treatment, and disposal system that provides sewer service to approximately 60,000 residents and numerous businesses. The remainder of the residents and businesses in the Yuba City Sphere of Influence (SOI) are currently serviced by private septic systems. In the early 1970s, the City's original sewage treatment plant was abandoned, and the current Wastewater Treatment Facility (WWTF) was constructed.

Water:

The City's primary water source is surface water from the Feather River, with use of a backup groundwater well. The City of Yuba City is a public water agency with over 18,000 connections. City policy only allows areas within the City limits to be served by the surface water system.

Reuse and Recycling:

Solid waste generated in Yuba City is collected by Recology Yuba-Sutter. Recology offers residential, commercial, industrial, electronic, and hazardous waste collection, processing, recycling, and disposal, as well as construction and demolition waste processing, diversion, and transfer to a disposal facility. The City's municipal solid waste is delivered to the Ostrom Road Landfill; a State-permitted solid waste facility that provides a full range of transfer and diversion services. As of June 2021, the Recology Ostrom Road Landfill Remaining Site Net Airspace is 33,764,000 cy; and has a remaining capacity of 21,297,000 tons; and remaining landfill service life is 53 years.

3.19.2 Federal Regulatory Setting

National Pollutant Discharge Elimination System: Discharge of treated wastewater to surface water(s) of the U.S., including wetlands, requires an NPDES permit. In California, the RWQCB administers the issuance of these federal permits. Obtaining a NPDES permit requires preparation of detailed information, including characterization of wastewater sources, treatment processes, and effluent quality. Any future development that exceeds one acre in size would be required to comply with NPDES criteria, including preparation of a Stormwater Pollution Prevention Plan (SWPPP) and the inclusion of BMPs to control erosion and offsite transport of soils.

3.19.3 State Regulatory Setting

State Water Resources Control Board (SWRCB): Waste Discharge Requirements Program. State regulations pertaining to the treatment, storage, processing, or disposal of solid waste are found in Title 27, CCR, Section 20005 et seq. (hereafter Title 27). In general, the Waste Discharge Requirements (WDRs) Program (sometimes also referred to as the "Non-Chapter 15 (Non 15) Program") regulates point discharges that are exempt pursuant to Subsection 20090 of Title 27 and not subject to the Federal Water Pollution Control Act. Exemptions from Title 27 may be granted for nine categories of discharges (e.g., sewage, wastewater, etc.) that meet, and continue to meet, the preconditions listed for each specific exemption. The scope of the WDRs Program also includes the discharge of wastes classified as inert, pursuant to Section 20230 of Title 27. Several programs are administered under the WDR Program, including the Sanitary Sewer Order and recycled water programs.

Department of Resources Recycling and Recovery (CalRecycle): The Department of Resources Recycling and Recovery (CalRecycle) is the State agency designated to oversee, manage, and track the 76 million tons of waste generated each year in California. CalRecycle develops laws and regulations to control and manage waste, for which enforcement authority is typically delegated to the local government. The board works jointly with local government to implement regulations and fund programs.

The Integrated Waste Management Act of 1989 (PRC 40050 et seq. or Assembly Bill (AB 939, codified in PRC 40000), administered by CalRecycle, requires all local and county governments to adopt a Source Reduction and Recycling Element to identify means of reducing the amount of solid waste sent to landfills. This law set reduction targets at 25 percent by the year 1995 and 50 percent by the year 2000. To assist local jurisdictions in achieving these targets, the California Solid Waste Reuse and Recycling Access Act of

1991 requires all new developments to include adequate, accessible, and convenient areas for collecting and loading recyclable and green waste materials.

Regional Water Quality Control Boards: The primary responsibility for the protection of water quality in California rests with the State Water Resources Control Board (State Board) and nine Regional Water Quality Control Boards. The State Board sets statewide policy for the implementation of state and federal laws and regulations. The Regional Boards adopt and implement Water Quality Control Plans (Basin Plans), which recognize regional differences in natural water quality, actual and potential beneficial uses, and water quality problems associated with human activities.

National Pollutant Discharge Elimination System (NPDES) Permit: As authorized by the Clean Water Act (CWA), the National Pollutant Discharge Elimination System (NPDES) Permit Program controls water pollution by regulating point sources that discharge pollutants into water of the United States. In California, it is the responsibility of Regional Water Quality Control Boards (RWQCB) to preserve and enhance the quality of the state's waters through the development of water quality control plans and the issuance of waste discharge requirements (WDRs). WDRs for discharges to surface waters also serve as NPDES permits.

California Department of Water Resources: The California Department of Water Resources (DWR) is a department within the California Resources Agency. The DWR is responsible for the State of California's management and regulation of water usage.

3.19.4 Impact Assessment/Environmental Consequences:

a) Require or result in the relocation or construction of new or expanded water or wastewater treatment or storm drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?

The site is already connected to the City water and wastewater disposal systems, as well as stormwater drainage and all other services. As a result, the impacts on the City's systems from any redevelopment of the site that may result from this action will be less than significant.

b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry, and multiple dry years?

See a) above.

c) Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the projected demand in addition to the existing commitments?

See a) above.

d). Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals.

See e) below.

e) Comply with federal, state, and local statutes and regulations related to solid waste?

Recology Yuba-Sutter provides solid waste disposal for the area as well as for all of Sutter and Yuba Counties. There is adequate collection and landfill capacity to accommodate the proposed development that could result from this GPA/RZ.

3.20. Wildfire

Table 3-20: Wildfire				
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?				X
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				X
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?			X	

3.20.1 Environmental Setting/Affected Environment

Wildland fires are an annual hazard in Sutter County, particularly in the vicinity of the Sutter Buttes, and, to a lesser degree due to urbanized development in the Yuba City area. Wildland fires burn natural vegetation on undeveloped lands and include rangeland, brush, and grass fires. Long, hot, and dry summers with temperatures often exceeding 100°F add to the County's fire hazard. Human activities are the major causes of wildland fires, while lightning causes the remaining wildland fires. Irrigated agricultural areas, which tend to surround Yuba City, are considered a low hazard for wildland fires.

The California Department of Forestry and Fire Protection's Fire and Resource Assessment Program identifies fire threat based on a combination of two factors: 1) fire frequency, or the likelihood of a given area burning, and 2) potential fire behavior (hazard). These two factors are combined in determining the following Fire Hazard Severity Zones: Moderate, High, Very High, Extreme. These zones apply to areas designated as State Responsibility Areas – areas in which the State has primary firefighting responsibility. The Project site is not within a State Responsibility Area and therefore has not been placed in a Fire Hazard Severity Zone.

3.20.2 Impact Assessment/ Environmental Consequences

a) Substantially impair an adopted emergency response plan or emergency evacuation plan?

As discussed in Section 3.17 of this Initial Study, redevelopment of this site that could result from this GPA/RZ is not expected to substantially obstruct emergency vehicles or any evacuations that may occur in the area. Therefore, the impacts of the Project related to emergency response or evacuations is less than significant.

b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?

The Project site is in a level urban area with no native vegetation remaining, and the urban area is surrounded by irrigated farmland. This type of environment is generally not subject to wildfires. In light of this, the exposure of a redeveloped property that could result from this GPA/RZ to wildfire is less than significant.

c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?

As discussed above, the site is not near any wildland areas and the Project itself does not propose any development. As such the Project will not be constructing or maintaining wildfire related infrastructure such as fire breaks, emergency water sources, etc. Thus, the Project will not generate any impacts from attempts to reduce local wildfire potential for this property.

d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?

The Project site is in a topographically flat area. There are no streams or other channels that cross the site. As such, it is not expected that people or structures would be exposed to significant risks from changes resulting from fires in steeper areas, including downslope or downstream flooding or landslides. Impacts of redevelopment of the site that may result from this action related to these issues would be less than significant.

3.21. Mandatory Findings of Significance

Table 3.21: Mandatory Findings of Significance				
Would the Project:	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number, or restrict the range of a rare or endangered plant or animal or eliminate important example of the major periods of California history or prehistory?			X	
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)			X	
c) Have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

3.21.1 Impact Assessment/Environmental Consequences:

- a) *Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number, or restrict the range of a rare or endangered plant or animal or eliminate important example of the major periods of California history or prehistory?*

The Project site was stripped many years ago of native vegetation, likely for agricultural uses and then fully improved for urban use. There are no on-site or nearby waterways or wetland areas. Therefore any redevelopment that could occur as a result of this Project will not significantly degrade the quality of the natural environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate an important example of the major periods of California history or prehistory.

The analysis conducted in this Initial Study/Mitigated Negative Declaration results in a determination that the proposed Project, with its mitigation measures, will have a less than significant effect on the local environment.

- b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)*

CEQA Guidelines Section 15064(i) states that a Lead Agency shall consider whether the cumulative impact of a project is significant and whether the effects of the project are cumulatively considerable. The assessment of the significance of the cumulative effects of a project must, therefore, be conducted in connection with the effects of past projects, other current projects, and probable future projects.

This amendment to the Land Use Element of the General Plan was compared to policies in other elements of the General Plan. As such the potential traffic generated by development that may result from this GPA/RZ is within what was anticipated in the General Plan which considered anticipated future growth of the area. The site is already served by City Water and wastewater system and the City has adequate water and wastewater capacity. The potential redevelopment of the site will continue utilizing those services. Stormwater drainage will also meet all City standards. There will be no loss of agricultural land. The Yuba City Unified School District is not adversely impacted as no residential development is proposed. As there is no new development proposed and the site is very small if the site is redeveloped, the Project is unlikely to create any significant cumulative impacts on air quality. Therefore, there are no impacts that will be individually limited but that will create significant cumulative impacts.

- c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?*

The development that may result from this proposed Project in and of itself would not create a significant hazard to the public or the environment. Construction-related impacts from air quality, noise, and hazardous materials would occur for a very short period and only be a minor impact during that time period. Therefore, the proposed Project would not have any direct or indirect significant adverse impacts on humans.

4. Section References and/or Incorporated by Reference

According to Section 15150 of the CEQA Guidelines, an ND may incorporate by reference all or portions of another document that is a matter of public record. The incorporated language will be considered to be set forth in full as part of the text of the ND. All documents incorporated by reference are available for review at, or can be obtained through, the City of Yuba City Development Services Department located at the address provided above. The following documents are incorporated by reference:

Fehr & Peers, Inc. September 2020. SB 743 Implementation Guidelines for City of Yuba City.

Governor's Office of Planning and Research, November 2017. Technical Advisory on Evaluating Transportation Impacts in CEQA.

Sacramento Area Council of Governments. Hex Maps. Work VMT-2020 MTP/SCS (Adopted).

California Department of Conservation, Division of Land Resource Protection (CDC DLRP). 2014. Farmland Mapping and Monitoring Program – Sutter County Important Farmland 2012. August 2014.

California Department of Conservation, Division of Land Resource Protection (CDC DLRP). 2013. Sutter County Williamson Act FY 2013/2014.

Carollo. 2011. City of Yuba City 2010 Urban Water Management Plan. June 2011.

Yuba City, City of. 2016. City of Yuba City Municipal Code.
https://www.municode.com/library/ca/yubacity/codes/code_of_ordinances

Dyett & Bhatia. 2004. City of Yuba City General Plan. Adopted April 8, 2004.

Yuba City General Plan, 2004 Environmental Impact Report. (SCH #2001072105).

Fehr & Peers Associates, Inc. 1995. Yuba-Sutter Bikeway Master Plan. December 1995.

"Determination of 1-in-200 Year Floodplain for Yuba City Urban Level of Flood Protection Determination," prepared for Yuba City by MBK Engineers, November 2015.

Sutter County General Plan.

Feather River Air Quality Management District (FRAQMD) Indirect Source Review Guidelines, June 2010.

Yuba Sutter Transit Route Map.

California Department of Conservation, California Geological Survey. "Fault Zone Activity Map." Alquist-Priolo Earthquake Fault Zones.

California Department of Toxic Substances Control (DTSC). 2016. EnviroStor. Available at <http://www.envirostor.dtsc.ca.gov/public/>

California Department of Conservation, Division of Land Resource Protection Farmland Mapping and Monitoring Program – Sutter County Important Farmland Map.

Federal Emergency Management Agency (FEMA), Flood Insurance Rate Maps.

Carollo. 2011. City of Yuba City 2010 Urban Water Management Plan. June 2011.

City of Yuba City Wastewater Master Plan.

Sutter County Airport Comprehensive Land Use Plan, April 1994.

Yuba County Airport Land Use Compatibility Plan, Sept. 2010.

California Department of Transportation (Caltrans). 2011. California Scenic Highway Mapping System website. Updated September 7, 2011. Available at http://dot.ca.gov/hq/LandArch/16 livability/scenic_highways/index.htm

City of Yuba City
MITIGATION MEASURE AND MONITORING PLAN

**Gary Smith GPA/RZ: Initial Study and Mitigated Negative Declaration EA 24-09
For General Plan Amendment 24-02 and Rezoning 24-04**

Impact	Mitigation Measure	Responsible Party	Monitoring Party	Timing
3.7 Geology and Soils	Paleontological Mitigation Measure 1: This Mitigation Measure shall be placed as a note on the Demolition and Grading Plans. If paleontological resources are found, the construction manager shall halt all activity and immediately contact the Development Services Department at 530-822-4700. Mitigation shall be conducted as follows: 1. Identify and evaluate paleontological resources by intense field survey where impacts are considered high; 2. Assess effects on identified sites; 3. Consult with the institutional/academic paleontologists conducting research investigations within the geological formations that are slated to be impacted; 4. Obtain comments from the researchers; 5. Comply with researchers' recommendations to address any significant adverse effects were determined by the City to be feasible. In considering any suggested mitigation proposed by the consulting paleontologist, the City's Community Development Department Staff shall determine whether avoidance is necessary and feasible in light of factors such as the nature of the find, project design, costs, Specific or General Plan policies and land use assumptions, and other considerations. If avoidance is unnecessary or infeasible, other appropriate measures (e.g., data recovery) shall be instituted. Work may proceed on other parts of the project site while mitigation for paleontological resources is carried out.	Developer	Developer, Public Works Dept., Development Services Dept.	During grading phase

3.8. Greenhouse Gases	Greenhouse Gas Mitigation 1: The site grading and construction for future projects on this site shall comply with the GHG Reduction Measures provided in the adopted Yuba City Resource Efficiency Plan.	Developer	Development Services Dept.	Prior to issuance of building permits.
3.18. Tribal Cultural Resources	TCR 1 For a future project, if potential tribal cultural resources (TCRs) are discovered during ground disturbing construction activities, all work shall cease within 100 feet of the find (or an appropriate distance based on the apparent distribution of the TCR). A qualified cultural resources specialist meeting the <i>Secretary of Interior's Professional Qualifications Standards for Archaeology</i>, as well as Native American Representatives from traditionally and culturally affiliated Native American Tribes that have engaged in consultation for the project will be invited to assess the significance of the find and make recommendations for further evaluation and treatment as necessary. Culturally appropriate treatment may include, but is not limited to, processing materials for reburial, minimizing handling of cultural objects, leaving objects in place within the landscape, or returning objects to a location within the project area where they will not be subject to future impacts. The United Auburn Indian Community of the Auburn Rancheria (Tribe) does not consider curation of TCR's to be appropriate or respectful and request that materials not be permanently curated, unless requested by the Tribe. The types of treatment preferred by UAIC that protects, preserves, or restores the integrity of a TCR may include Tribal Monitoring, or recovery of cultural objects, and reburial of cultural objects or cultural soil that is done in a culturally appropriate manner. Recommendations of the treatment of a TCR will be documented in the project record. For any recommendations made by traditionally and culturally affiliated Native American Tribes that are not implemented, a justification for why the recommendation was not followed will be provided in the project record. If articulated or disarticulated human remains are discovered during ground disturbing construction activities or ground disturbing	Developer	Developer, Public Works Dept., Development Services Dept.	During construction phase

	activities, all work shall cease within 100 feet of the find, and the provisions provided in the Health and Safety Code Section 7054 shall apply. If the remains are determined by the County Coroner to be human and that of a Native American, then Public Resources Code 5097.98, 5097.99. 5097.991, and compliance with the provisions of CEQA Guidelines Section 15064.5(e)(1) and (2) shall be implemented.			
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ATTACHMENT 2

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO
ADOPT REZONE 24-04 FOR THE GARY SMITH PROJECT LOCATED ON
APPROXIMATELY 0.43 ACRES AT 2192 LIVE OAK BLVD. (ASSESSOR'S
PARCEL NUMBER 51-490-028).**

WHEREAS, the City received an application for a General Plan Amendment to amend the General Plan Land Use Map from Manufacturing, Processing, and Warehousing, (O) land use designation to a Community Commercial designation, and a Rezone for this same property, revising the zoning from a M-1 Zone District to an C-2 Zone District; and

WHEREAS, this property is within Yuba City's city limits and the property owner wished to develop their property to urban levels; and

WHEREAS, pursuant to the authority and criteria contained in the California Environmental Quality Act of 1970 ("CEQA"), the City, as the Lead Agency, has analyzed the proposed Project and has prepared an Initial Study proposing a Mitigated Negative Declaration (EA 24-09) for the Project; and

WHEREAS, on November 13, 2024, the Planning Commission concurrently conducted a duly noticed public hearing on the applications, as well as Environmental Assessment, at which time it received input from City Staff, the applicant; public comment portion was opened, and public testimony and evidence, both written and oral, was considered by the Planning Commission, after which public testimony was closed; and

WHEREAS, the Planning Commission reviewed all associated documents prepared for the Project, including that related to the applications, and all of the evidence received by the Planning Commission; and

WHEREAS, after deliberation and consideration of all relevant items, the Planning Commission recommended the City Council of the City of Yuba City adopt a resolution approving EA 24-09 and GPA 24-02, and adopt an ordinance approving RZ 24-04;

WHEREAS, on December 17, 2024, the City Council conducted a Public Hearing to consider the GPA 24-02, RZ 24-04, and EA 24-09, and received both oral testimony and written information presented at the hearing regarding the same; and

WHEREAS, the City Council of Yuba City considered said recommendations of the Planning Commission on the matter and after review and consideration of the Environmental Assessment, the City Council now desires to approve the project; and

WHEREAS, the City Council desires to approve RZ 24-04;

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

1. Recitals. The City Council finds that the recitals are true and correct, and incorporates the same herein as if set forth in full.
2. CEQA Findings: The City Council of the City of Yuba City has concurrently approved EA 24-09 by adopting an Initial Study/Mitigated Negative Declaration and accompanying Mitigation

Monitoring and Reporting Program for the project. With the project specific mitigations imposed, there is no substantial evidence in the record that this project may have significant direct, indirect, or cumulative effects on the environment. No further CEQA is required, as CEQA has been completed for this project.

3. Rezone Findings. The City Council finds that Rezone 24-04 is consistent with the General Plan as amended by General Plan Amendment 24-02. The City Council finds that Rezone 24-04 i) is consistent with the General Plan goals and policies as amended and as further described in the City Council's Resolution approving General Plan Amendment 24-02; ii) is consistent with the purpose of the zoning ordinance to promote and protect the public's health, safety, peace, comfort, convenience and general welfare; iii) the project would provide open space, light, air, privacy, convenience, access, aesthetic values, protection of environmental values, and protection of public and private improvements; and iv) the project will allow for the creation of quality economic growth and development for the City.
4. Approval of RZ 24-04. Based on the information provided above, the City Council of Yuba City adopts an Ordinance approving RZ 24-04 and reclassify the zone districts for those districts as depicted in Exhibit "A," which is incorporated by reference.
5. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.
6. Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it to be published, in accordance with Government Code, Section 36933, or as otherwise required by law.
7. Effective Date of Resolution. This ordinance shall take effect and be in full force and effect from and after thirty (30) days after its final passage and adoption and the City Council of the City of Yuba City adopts a final resolution authorizing amendment of the General Plan and identifying General Plan Amendment 24-02 as a component of the same.

I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council after waiving reading, except by Title, at a regular meeting thereof held on the 17th day of December 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 21st day of January 2024, by the following vote:

Ayes:

Noes:

Absent:

Recused:

CITY OF YUBA CITY

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit A: Rezone Map, RZ 24-04

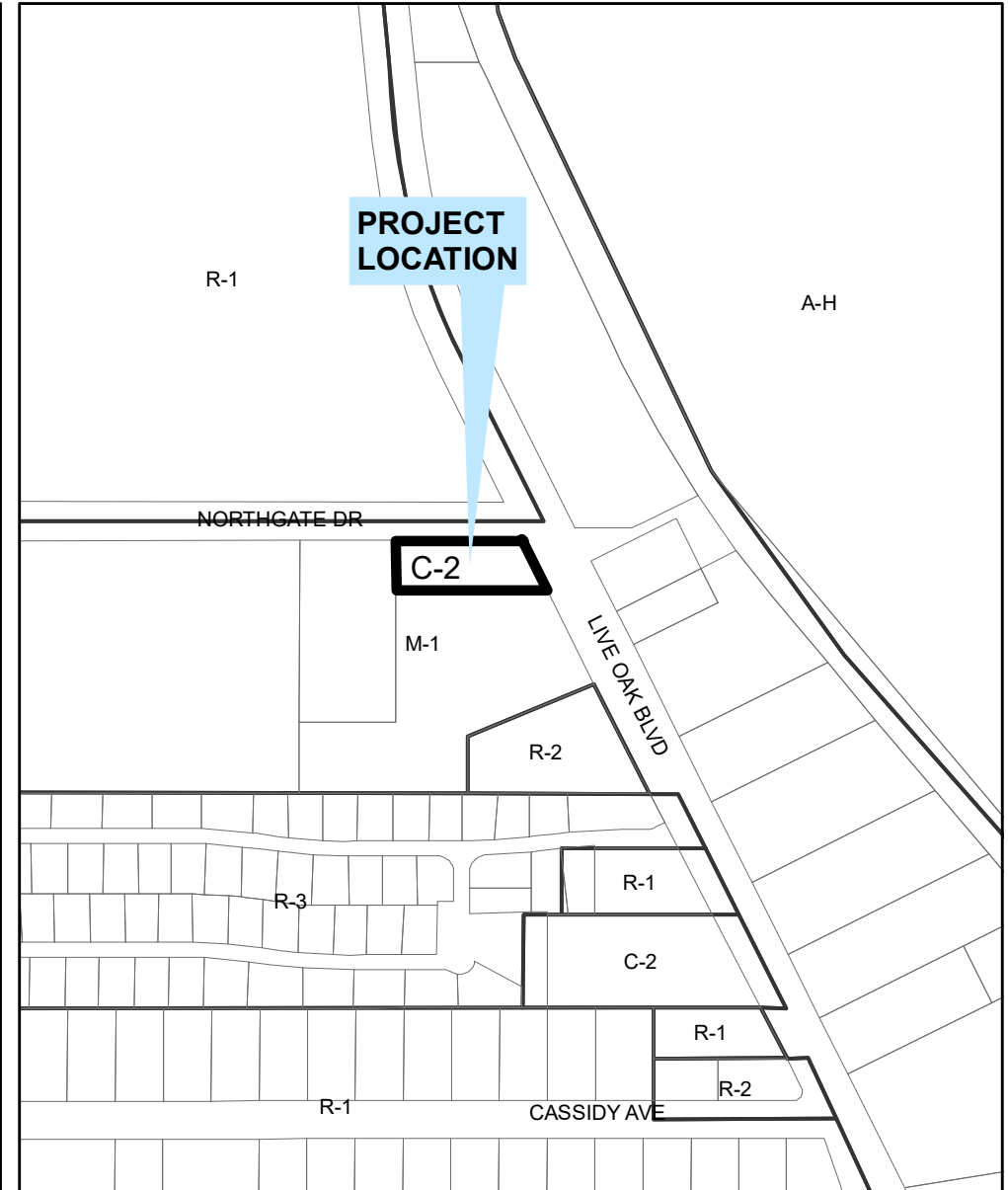
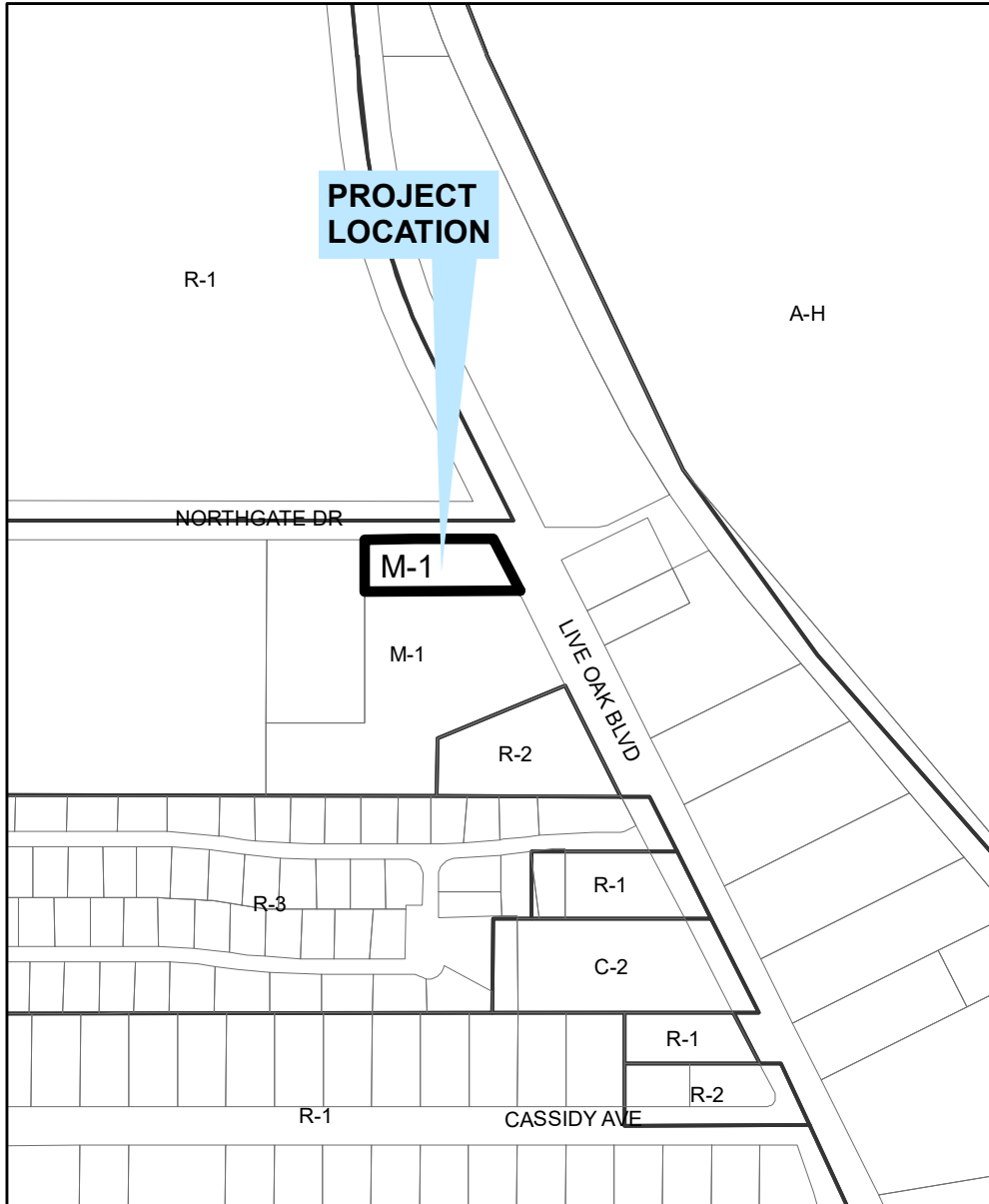
I, _____, Deputy City Clerk of the City of Yuba City, California,
DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Ordinance passed
and adopted by the City Council of the City of Yuba City on the date and by the vote indicated
herein.

EXHIBIT B

SMITH REZONE, ZONING MAP

EXISTING

PROPOSED



City of Yuba City



REZONE 24-04



CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Jaspreet Kaur, Assistant Planner

Summary

Subject: General Plan Amendment 24-03, Tentative Subdivision Map 24-04 and Planned Development 19: Brownstone Estates, located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road

Recommendation: A. Conduct a Public Hearing; then

B. Adopt a Resolution approving Environmental Assessment (EA) 24-10, by adopting a Mitigated Negative Declaration, subject to the Conditions of Approval and Mitigation Measures, and approving General Plan Amendment (GPA) 24-03, and Tentative Subdivision Map 24-04, Brownstone Estates, for 54-single family residential lots

C. Introduce an Ordinance of the City Council of the City of Yuba City approving Planned Development 19, on 7.84 acres located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road (Assessor's Parcel Numbers 62-082-019, -020, -021) and waive the first reading

Fiscal Impact: The cost for processing land use entitlements is partially funded by the project applicant through the payment of application fees.

Purpose:

Consideration of Environmental Assessment 24-10, GPA 24-03, TPM 24-04 and PD 19, for the Brownstone Estates project.

Council's Strategic Goal:

This item meets the City Council's strategic goal of business friendly.

Background:

The applicant, YC Hooper Adventure, filed applications for a General Plan Amendment (GPA) 24-03, Tentative Subdivision Map (TSM) 24-04 and Planned Development (PD) 19, Brownstone Estates.

On November 13, 2024, the Yuba City Planning Commission conducted a public hearing and unanimously adopted a resolution recommending approval to City Council the following entitlements:

GPA 24-03: redesignate 7.84 acres from an Office/Office Park (O) land use designation to a low density residential (LDR) designation. The LDR land use designation provides for single-family residential development at a density range of 2 to 8 dwelling units per acre, and related uses.

TSM 24-04: subdivide the subject parcels into 54 new single-family residential lots, resulting in 6.89 DU/AC, which is consistent with the proposed general plan designation.

PD 19 identifies the development standards that will apply to this subdivision. The applicant proposes to amend certain development standards from what is found in the Yuba City Municipal Code.

Analysis

The 7.84-acre property is level. The site is zoned for single-family residential homes, however, the General Plan designation is Office and Office Park. The General Plan Amendment will align the zoning and general plan to coincide. Additionally, there is residential development to the north of the property that was approved by Planning Commission on November 10, 2021, Henson Ranch (TSM 21-01).

General Plan Consistency

An analysis of this project's consistency with the General Plan by various portions of the Environmental Assessment prepared for this project concludes that the project is consistent with the General Plan. This is reflected in the Resolution prepared for the project.

Compatibility with neighboring uses:

TABLE 1: BORDERING LAND USES	
North:	Previously approved Tentative Subdivision Map 21-01, Henson Ranch, are 96 single-family residences currently under construction by the same owner (originally the same property).
South:	North Colusa Frontage Road and State Route 20, a four-lane highway.
East:	Across El Margarita Road there is a single-story apartment complex and two single-family residences (one of them faces the project site).
West:	Hooper Road with two single-family residences, with one facing the project site.

The project is within a residential area that includes new homes being developed and the density is consistent with the City's 2004 General Plan (2-8 dwelling units/acre). Accordingly, this project is compatible and consistent with existing and future planned uses in this area.

Traffic

The homes will primarily access Hooper Road and El Margarita Road. The development will improve adjacent street sections to City standards for the length of the property, consistent with Yuba City roadway design standards.

Flecker Associates completed a trip generation comparative analysis and concluded that the proposed project will generate fewer trips than the original project, Henson Farms Apartments (138-unit apartment complex). The proposed single family residential project is expected to generate 509 daily trips, with 38 trips in the a.m. peak hour, and 51 trips in the evening p.m. peak hour. The previous project estimated about 930 daily trips, 55 a.m. peak hour trips and about 70 p.m. peak hour trips. Previous mitigation

measures for the Henson Farms Apartment project are proposed to be carried forward with the current proposed applicant (flashing beacon light).

Planned Development 19

All development standards in the R-1 Zone District apply to these properties, except as amended below:

PD 19 Development & Design Standards		
Category	For Lots Less Than 5,500 sq. ft.	For Lots 5,500 sq. ft. or Greater
Minimum Lot Size	4,400 sq. ft. (corner) / 3,400 sq. ft. (interior, cul-de-sac, knuckle)	5,500 sq. ft. (corner) / 5,000 sq. ft. (interior, cul-de-sac, knuckle)
Minimum Lot Width	40 ft. (interior) / 44 ft. (corner)	50 ft. (interior) / 55 ft. (corner)
Minimum Lot Depth	75 ft.	85 ft.
Maximum Percentage of Lot Coverage	50% (2-story) / 60% (1-story)	45% (2-story) / 55% (1-story)
Minimum Front Yard Setback	12 ft. to back of sidewalk	15 ft. to back of sidewalk
Minimum Garage Yard Setback	18 ft. (or 10 ft. for side loading with 18 ft. driveway)	20 ft. (or 10 ft. for side loading with 20 ft. driveway)
Minimum Porch/Courtyard Setback	10 ft.	12 ft.
Minimum Street Side Yard Setback	10 ft. to back of sidewalk	10 ft. to back of sidewalk
Minimum Interior Side Yard Setback	5 ft. (3 ft. for fireplace/media protrusions)	5 ft. (3 ft. for fireplace/media protrusions)
Minimum Rear Yard Setback	10 ft.	15 ft.
Distance Between Buildings on Same Lot	3.5 ft. (single-story) / 5.0 ft. (two-story)	5.0 ft. (single-story) / 10.0 ft. (two-story)
Maximum Building Height	2 stories, not to exceed 38 ft.	2 stories, not to exceed 38 ft.

Noise

To address the potential noise impacts of the development an *Environmental Noise Assessment* was prepared by Saxelby Acoustics (attached to the Environmental Assessment as Appendix C). The study addressed both the impacts the project would have on existing neighboring residences and the impacts the noise from State Route 20 would have on the new residences, with a six-foot masonry wall adjacent to North Colusa Frontage Road.

Exterior Noise: Per the noise study that was completed, the proposed outdoor activity areas are predicted to be exposed to noise levels up to approximately 67 dBA Ldn. This would be considered “Conditionally Acceptable” (60 dBA Ldn to 70 dBA Ldn) under the Yuba City General Plan Land Use Compatibility Table. Therefore, no additional exterior noise control measures would be required.

Interior Noise: The exterior noise levels are predicted to be 70 dBA Ldn, or less, no additional interior noise control measures are typically required at the second floor of the buildings closest to SR-20. This

would result in interior noise levels of up to 45 dBA Ldn at the second story receivers based on typical building construction. Per the General Plan, this is considered “Conditionally Acceptable” and no additional noise control measures are required to reduce interior noise to acceptable levels.

Additionally, Condition of Approval #6 has been applied to this project stating:

To comply with General Plan Noise Element, lots 28-54 in the subdivision shall be: constructed with improvements over standard Constructed with improvements over standard construction to ensure compliance with the 45 dB Ldn interior noise level criterion. Specifically, second floor facades should be constructed of stucco (or wood siding with an under-layer of ¾ inch wood sheathing), and all second-floor bedroom windows adjacent to Colusa Frontage/State Route 20 should have a minimum STC rating of 30, or as otherwise approved by the Development Services Director.

Availability of City services:

City water and wastewater collection are available to the property. A stormwater drainage system is nearby that will be operated and maintained by the City and which connects with the greater system that is operated by the Sutter County Water Agency that drains into the Live Oak Canal.

Environmental Determination:

An environmental assessment was prepared for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines. This process included the distribution of requests for comment from other responsible or affected agencies and interested organizations.

Based upon the attached environmental assessment and the list of identified mitigation measures, staff has determined that with the recommended mitigation measures, there is no evidence in the record that the project may have a significant effect on the environment and recommends adoption of a mitigated negative declaration for this project. The findings of the mitigated negative declaration are that, with the proposed mitigations for Geology/Soils, Greenhouse Gas Emissions, Transportation, and Tribal Cultural Resources, the proposed 54-single family residential lots will not create any significant impacts to the neighborhood or vicinity. As a result, the filing of a mitigated negative declaration is appropriate in accordance with the provisions of CEQA.

Fiscal Impact:

The cost for processing land use entitlements is partially funded by the project applicant through the payment of application fees.

Alternatives:

1. Deny the entitlement application(s).
2. Provide staff with alternate directions.

Recommendation:

A. Conduct a Public Hearing; then

B. Adopt a Resolution approving Environmental Assessment (EA) 24-10, by adopting a Mitigated Negative Declaration, subject to the Conditions of Approval and Mitigation Measures, and approving General Plan Amendment (GPA) 24-03, and Tentative Subdivision Map 24-04, Brownstone Estates, for 54-single family residential lots;

C. Introduce an Ordinance of the City Council of the City of Yuba City approving Planned Development 19, on 7.84 acres located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road (Assessor's Parcel Numbers 62-082-019, -020, -021) and waive the first reading.

Attachments:

1. Resolution GPA 24-03
2. Exhibit A -GP 24-03 Land-Use Map
3. Exhibit B - TSM 24-04 Brownstone Estates
4. Exhibit C - Conditions of Approval and Mitigation Measures
5. Exhibit D - Environmental Assessment 24-10
6. Ordinance - GPA 24-03
7. Exhibit A - PD Criteria of Development
8. Exhibit B -GP 24-03 Land-Use Map

Prepared By:

Jaspreet Kaur
Associate Planner

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING ENVIRONMENTAL ASSESSMENT (EA) 24-10, BY ADOPTING A MITIGATED NEGATIVE DECLARATION, SUBJECT TO THE CONDITIONS OF APPROVAL AND MITIGATION MEASURES, AND APPROVING GENERAL PLAN AMENDMENT (GPA) 24-03, AND TENTATIVE SUBDIVISION MAP 24-04, BROWNSTONE ESTATES, FOR 54 SINGLE FAMILY RESIDENTIAL LOTS, LOCATED ON THE NORTH SIDE OF NORTH COLUSA FRONTAGE ROAD BETWEEN HOOPER ROAD AND EL MARGARITA ROAD (ASSESSOR'S PARCEL NUMBERS 62-082-019, -020, -021).

WHEREAS, the City received an application in June 2024 for General Plan Amendment (GPA) 24-03, Planned Development (PD) 19, Tentative Subdivision Map (TSM) 24-04, to subdivide 7.84 acres into 54 single-family residential lots, located on the north side of Colusa Frontage Road between Hooper Road and El Margarita Road; and

WHEREAS, this property is within Yuba City's city limits and the property owner wished to develop their property to urban levels; and

WHEREAS, pursuant to the authority and criteria contained in the California Environmental Quality Act of 1970 ("CEQA"), the City, as the Lead Agency, has analyzed the proposed project and has prepared an Initial Study proposing a Mitigated Negative Declaration (EA 24-10) for the project; and

WHEREAS, the Planning Commission reviewed related Environmental Assessment 24-10 considering a Mitigated Negative Declaration (MND) prepared for the project, which provided mitigations that reduce significant impacts to less than significant; and

WHEREAS, a review of the General Plan and Zoning Regulations determined that the proposed Tentative Subdivision Map is consistent with the General Plan and the Zoning Regulations with the approval of the project; and

WHEREAS, on November 13, 2024, the Planning Commission concurrently conducted a duly noticed public hearing on Environmental Assessment 24-10, General Plan Amendment 24-03, Planned Development 19, and Tentative Subdivision Map 24-04, at which time it received input from City Staff, public comment portion was opened, and public testimony and evidence, both written and oral, was considered by the Planning Commission, after which public testimony was closed; and

WHEREAS, the Planning Commission has reviewed all associated documents prepared for the project, including those related to the application and all of the evidence received by the Planning Commission; and

WHEREAS, after deliberation and consideration of all relevant items, the Planning Commission recommended the City Council of the City of Yuba City adopt a Resolution approving Environmental Assessment 24-10, General Plan Amendment 24-03, Planned Development 19, and Tentative Subdivision Map 24-04.

WHEREAS, on December 17, 2024, the City Council conducted a Public Hearing to consider the GPA 24-03, TSM 24-04, PD 19 and EA 24-10, and received both oral testimony and written information presented at the hearing regarding the same; and

WHEREAS, the City Council considered said recommendations of the Planning Commission on the matter and after review and consideration of the Environmental Assessment, the City Council now desires to approve the project; and

WHEREAS, due to the limitations of State law that limit the number of General Plan amendments that can occur each year, and to comply with this requirement, individual projects proposing amendments to the General Plan may be contingently approved based on a final consolidated approval of all such project by the City Council; and

WHEREAS, the City Council now desires to adopt EA 24-10 and contingently approve GPA 23-02, with PD 19 to be adopted by separate ordinance.

NOW, THEREFORE, BE IT RESOLVED the City Council resolves and orders as follows:

1. Recitals: The City Council hereby specifically finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.
2. CEQA Findings: The City Council finds and determines that there is no substantial evidence in the record that General Plan Amendment 24-03 and Tentative Subdivision Map 24-04, may have a significant effect on the environment as identified by the MND prepared in Environmental Assessment 24-10. Additionally, the City Council finds and determines as follows:
 - a. The Environmental Assessment / Initial Study was prepared for this project in accordance with the requirements of the California Environmental Quality Act (CEQA) Guidelines and reflects the City Council's independent judgment and analysis. The process included the distribution of requests for comments from other responsible or affected agencies and interested organizations. Preparation of Environmental Assessment 24-10 necessitated a thorough review of the proposed project and relevant environmental issues and considered previously prepared environmental and technical studies. While the proposed project could have a potentially significant effect on the environment, based on its independent judgement and analysis the City Council find that feasible mitigation measures or alternatives have been incorporated into the project in order to avoid the effects to a point where clearly no significant effect on the environment will occur, and there is no substantial evidence in the record that this project may have any direct, indirect or cumulative effects on the environment that are potentially significant or adverse. The proposed project will not result in any adverse effects which fall within the "Mandatory Findings of Significance" contained in Section 15065 of the State CEQA Guidelines. The project-specific mitigation measures included in the project to avoid potentially significant effects are set forth in the attached Initial Study/Mitigated Negative Declaration and accompanying Mitigation Monitoring and Reporting Program. With the project specific mitigations imposed, there is no substantial evidence in the record that this project may have significant direct, indirect, or cumulative effects on the environment. As such, the City Council also find and determine that in light of the entire administrative record and the substantial evidence before it, the project has been adequately environmentally assessed as required by CEQA per Environmental Assessment 24-10.

3. Adoption of MND and Mitigation Monitoring and Reporting Program: Based on the foregoing, the City Council adopt the Mitigated Negative Declaration (EA 24-10) prepared for the project, including the associated Mitigation Monitoring and Reporting Program, with the proposed mitigations the project will not result in any significant, adverse environmental impacts. The Yuba City Development Services Department is located at 1201 Civic Center Boulevard, Yuba City, CA 95993, and is recommended to be designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the decision is based. The City Council authorize the Director, or designee, to execute and file with the Sutter County Clerk, as appropriate, a Notice of Determination for approval of the project that complies with the CEQA Guidelines.
4. General Plan 24-03 Findings: The City Council find that the public necessity, general welfare, good planning practices, public interest, and convenience warrant approval of General Plan Amendment 24-03, including the following:
 - a. The proposed LDR land use designation, when used in conjunction with the zoning, will limit the residential density to be compatible with existing neighboring density residential uses.
 - b. The traffic generated by the project will not cause a decrease in levels of service for nearby General Plan streets, and any new residences that result from this Project will pay their fair share of traffic development impact fees, making the project consistent with the Transportation Element.
 - c. The environmental document prepared for the project (EA 24-10) found that the project will not create significant environmental impacts on water quality, air quality, biological resources, agricultural lands, open space, and archaeological resources, making the Project consistent with the Environmental Conservation Element of the General Plan.
 - d. The project will connect to all City services including water, wastewater, and stormwater drainage, making it consistent with the Public Utilities Element, and the Police and Fire Departments determined that the project will not cause any safety or emergency response issues. As such the project will be consistent with the Safety Element. The Noise Study found that with the proposed mitigation measures, the project will be within the noise standards set by the General Plan Noise Element.
 - e. Any new residences that will be constructed as a result of this Project will pay all applicable park and school development impact fees, making it consistent with the Parks, Schools, and Community Facilities Element.
5. Approval of General Plan Amendment 24-03: For all of the reasons set forth above and, in the record, the City Council of Yuba City approves General Plan Amendment 24-03, per the attached Exhibit A made a part hereof by this reference, be designated to the General Plan land use designations, as depicted in Exhibit A.
6. Tentative Subdivision Map 24-04 Findings: None of the findings required by Yuba City Municipal Code Section 8-2.609, and the California Subdivision Map Act Section 66474 that require the City to deny approval of a tentative map apply to this Project:

- a. *The proposed tentative subdivision map is not consistent with the applicable general plan and specific plan:*

Evidence. The site is of adequate size to accommodate the project. The proposed residential density of 6.89 residences per acre is well within the LDR permitted density range of 2-8 residences per acre. Adequate public access is provided from public streets with access from El Margarita Road and Hooper Road. All City services are available to the site.

- b. *The design and improvement of the tentative subdivision map is not consistent with applicable general and specific plans or adopted City standards:*

Evidence. The traffic study prepared for the project and review by the City Public Works Department concluded that North Colusa Frontage Road, Hooper Road, and El Margarita Road have adequate capacity to accommodate the traffic. Combined with the on-site road improvements to North Colusa Frontage Road, Hooper Road and El Margarita Road, and the payment of the development impact fees for roads, the nearby streets will maintain adequate levels of service.

- c. *That the site is not physically suited for the density of development:*

Evidence. This site is physically suitable for the proposed type and density of development, because conditions of approval will ensure adequate access and drainage on and off the site. Moreover, compliance with the conditions applied to this division of the property will meet all City standards.

- d. *That the site is not physically suited for the type of development.*

Evidence. The site is physically suited for the type of development proposed because the site is level and will connect with city services and future development must occur consistent with the One-Family Residence District the property is located.

- e. *That the design of the subdivision maps or likely improvements is likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat:*

Evidence. Based on the mitigated negative declaration prepared for this project and the accompanying mitigation measures, the project will not create any significant environmental impacts, including adverse impacts on fish and wildlife.

- f. *That the design of the subdivision maps or the type of improvements is likely to cause serious public health problems.*

Evidence. Every new lot will be connected to City water, wastewater, and storm drainage systems, which will avoid public health problems.

- g. *That the design of the subdivision maps or the type of improvements will conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision:*

Evidence. The subdivision will be served by public streets that are dedicated to the City for public use. There is no use of private streets or other types of easements that the project would conflict with. There are no known existing easements that will be adversely affected by this subdivision.

7. Approval of Tentative Subdivision Map 24-04: Based on the information provided above, the City Council of Yuba City adoption of a Resolution approving General Plan Amendment 24-03, and approves Tentative Subdivision Map 24-04, as set forth in Exhibit B, subject to the conditions of approval as set forth in Exhibit C.
8. Effective Date of Resolution: This Resolution shall become effective immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 17th day of December, 2024.

Ayes:

Noes:

Absent:

Recused:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachments:

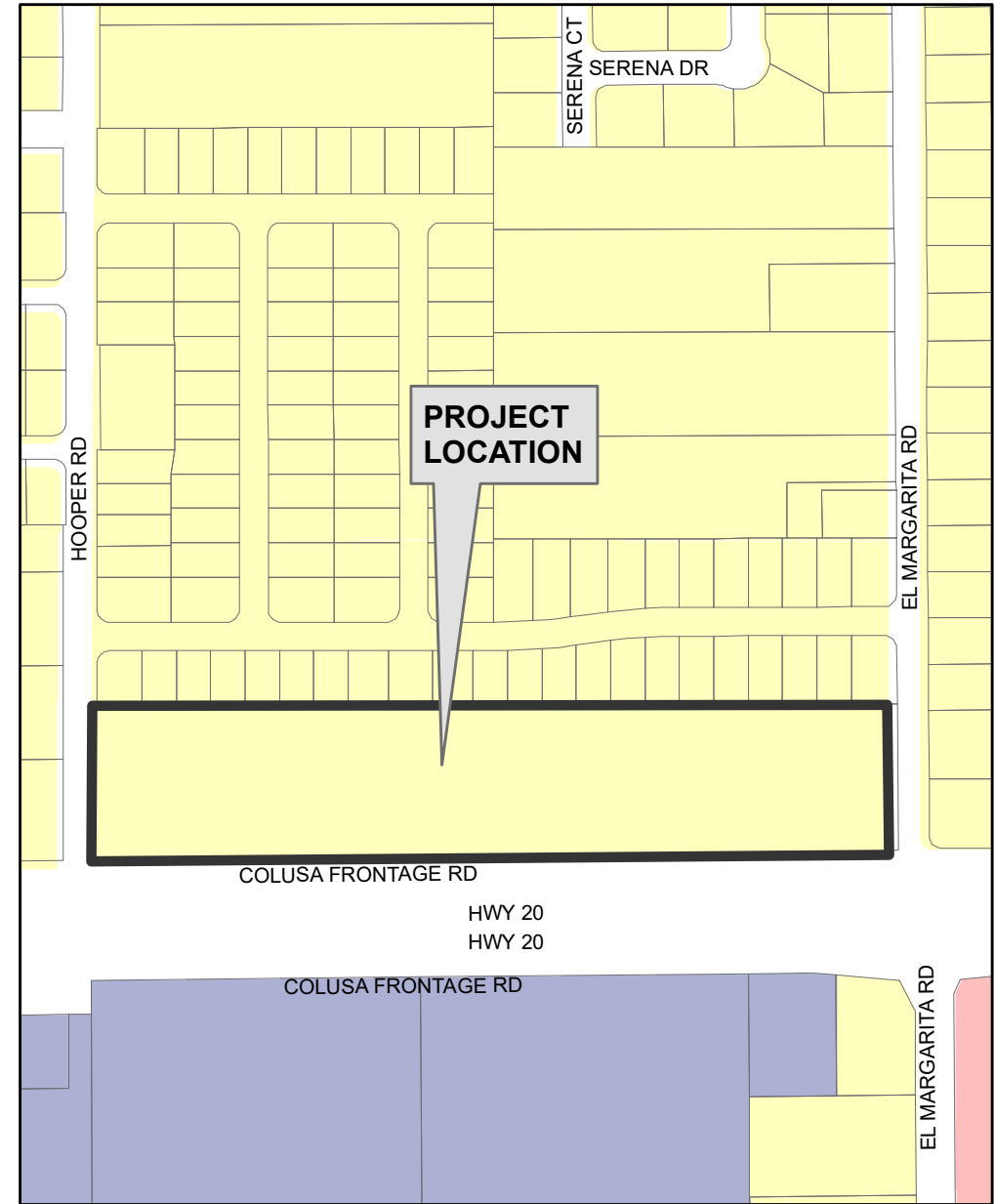
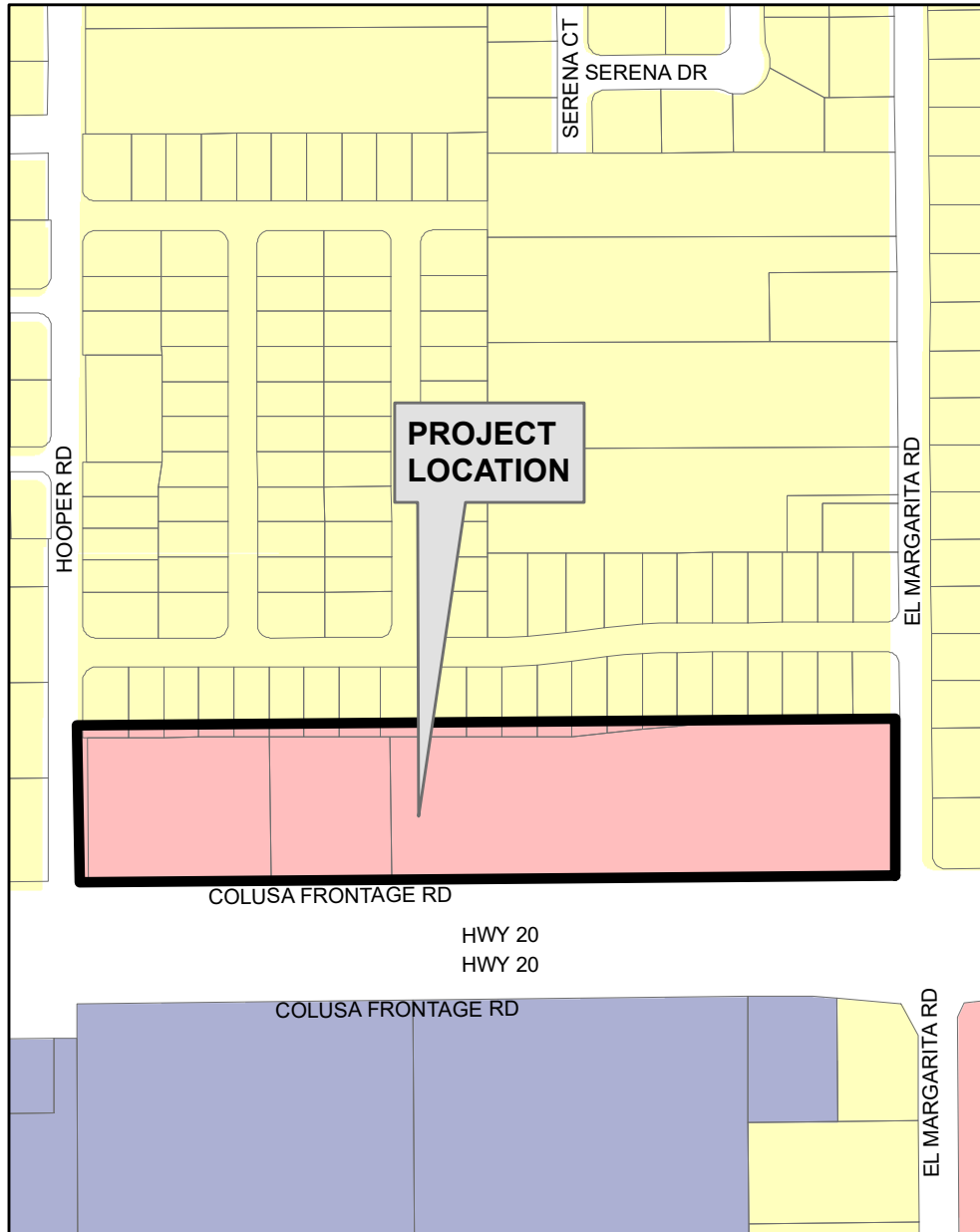
- Exhibit A: General Plan Amendment Land Use Map
- Exhibit B: Tentative Subdivision Map
- Exhibit C: Conditions of Approval and Mitigation Measures
- Exhibit D: Environmental Assessment

EXHIBIT A

BROWNSTONE GENERAL PLAN AMENDMENT, LAND USE MAP

EXISTING

PROPOSED



City of Yuba City

General Plan

Low Density Residential

Medium/Low Density Residential

Medium/High Density Residential

Parks, Recreation & Open Space

Agricultural/Rural

HS-High School; EMS-Elementary/Middle School

Regional Commercial

Community Commercial

Neighborhood Commercial

Office & Office Park

Business, Technology & Light Industry

Manufacturing, Processing & Warehousing

Parcels

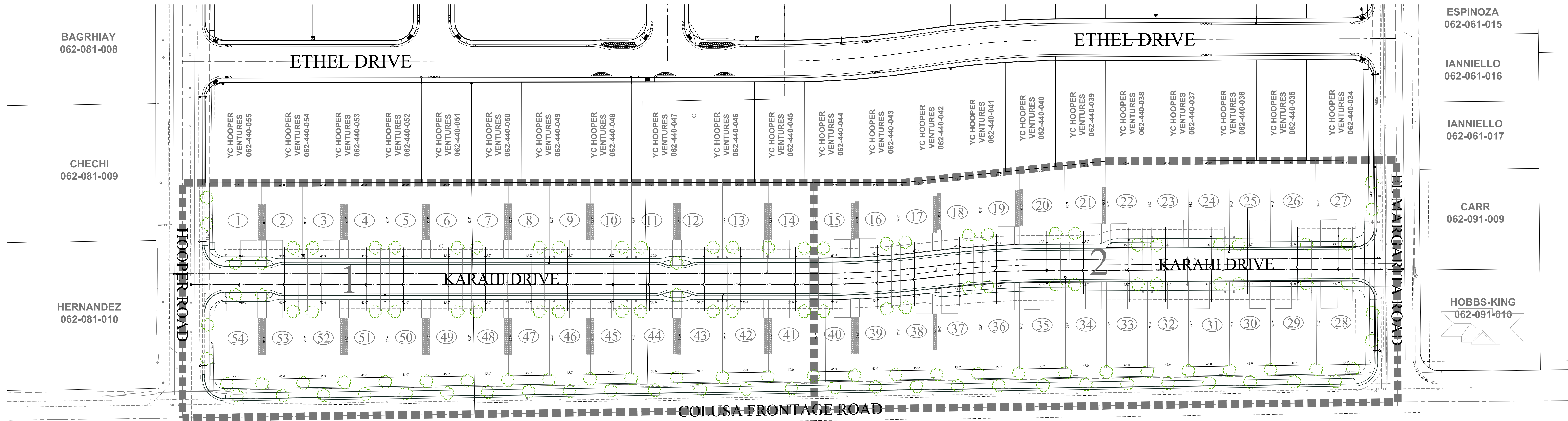
Project Site



EXHIBIT B

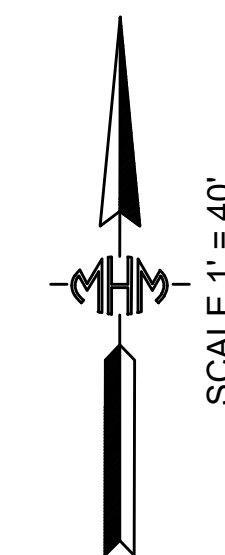
TENTATIVE SUBDIVISION MAP (TSM)
SM 24-004 (BROWNSTONE ESTATES)

YUBA CITY, CALIFORNIA
JUNE 11, 2024 REVISED SEPTEMBER 25, 2024



SR 20 AKA COLUSA HIGHWAY - WESTBOUND

SR 20 AKA COLUSA HIGHWAY - EASTBOUND



PROJECT NOTES

OWNER
YC HOOPER VENTURES LLC
4624 DUCKHORN DRIVE
SACRAMENTO, CA 95834
CONTACT: MANDEEP PABLA
PHONE: (530) 329-4356

APPLICANT
YC HOOPER VENTURES LLC
4624 DUCKHORN DRIVE
SACRAMENTO, CA 95834
CONTACT: MANDEEP PABLA
PHONE: (530) 329-4356

ENGINEER/SURVEYOR
MHM INCORPORATED
1204 E STREET, P.O. BOX B
MARYSVILLE, CA 95901
CONTACT: SEAN MINARD, P.E., P.L.S.
PHONE: (530) 742-6485

ASSESSOR'S PARCEL NO.
APN 062-082-019, 020, AND 021

AREA OF TENTATIVE MAP
7.84 GROSS ACRE

EXISTING USE
VACANT

EXISTING GENERAL PLAN DESIGNATION
OFFICE AND OFFICE PARK

PROPOSED GENERAL PLAN DESIGNATION
LOW DENSITY RESIDENTIAL

EXISTING ZONING
R-1

PROPOSED ZONING
R-1 PD

LEVEE PROTECTION
LEVEE DISTRICT NO. 9 OF SUTTER COUNTY

ELEMENTARY SCHOOL DISTRICT
YUBA CITY UNIFIED SCHOOL DISTRICT

HIGH SCHOOL DISTRICT
YUBA CITY UNIFIED SCHOOL DISTRICT

IRRIGATION DISTRICT
NONE - INDIVIDUAL WATER WELLS

FIRE PROTECTION
CITY OF YUBA CITY FIRE DEPARTMENT

LAW ENFORCEMENT
CITY OF YUBA CITY POLICE

SANITARY SEWER
CITY OF YUBA CITY PUBLIC WORKS

DOMESTIC WATER
CITY OF YUBA CITY PUBLIC WORKS

STORM DRAINAGE
CITY OF YUBA CITY PUBLIC WORKS
AND SUTTER WATER AGENCY

ELECTRICITY
PACIFIC GAS AND ELECTRIC

NATURAL GAS (OPTIONAL)
PACIFIC GAS AND ELECTRIC

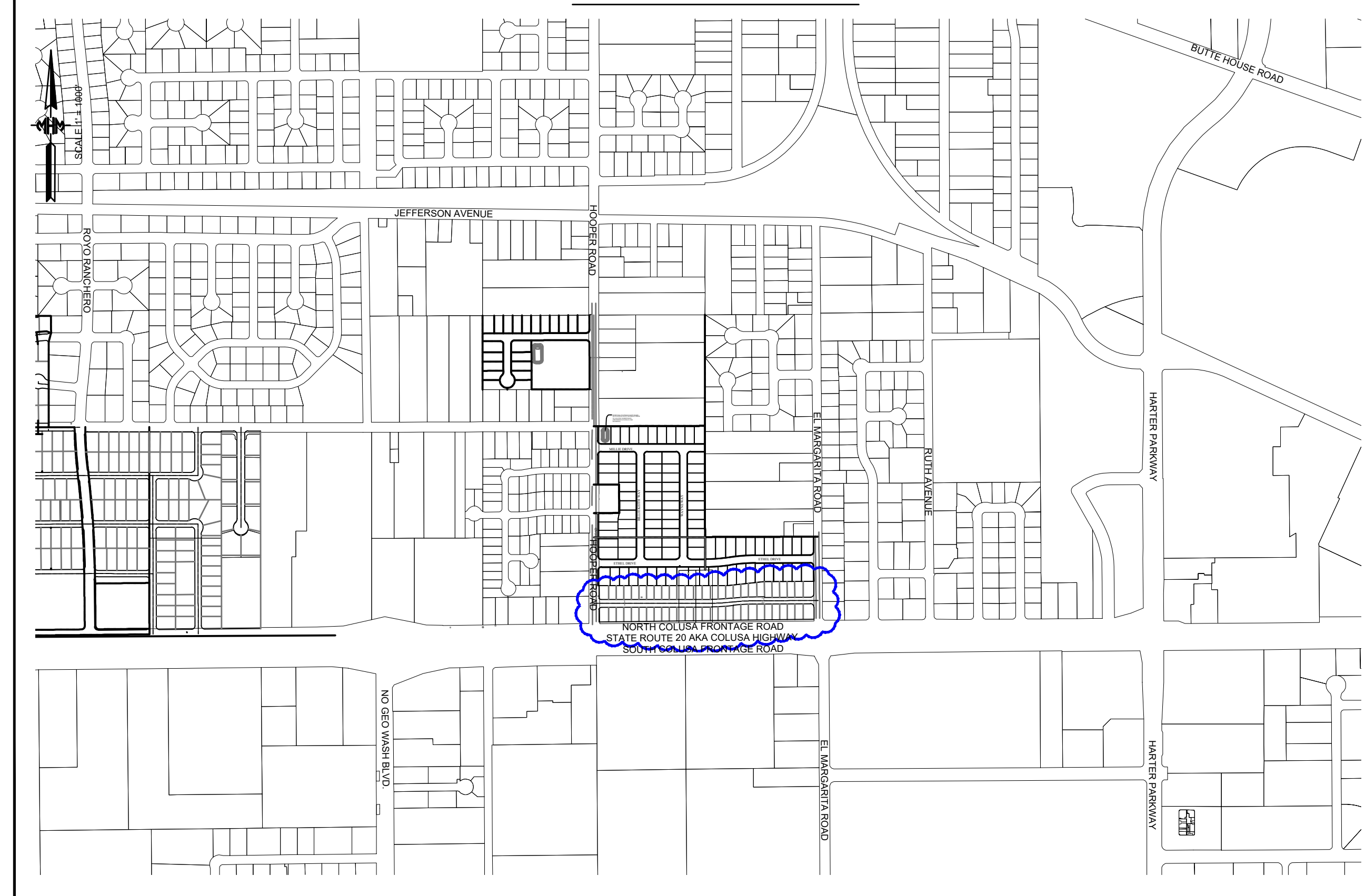
COMMUNICATION
AT&T AND COMCAST

CABLE (OPTIONAL)
COMCAST

GENERAL NOTES:

- SUBDIVIDER RESERVES THE RIGHT TO PHASE DEVELOPMENT AND FILE MULTIPLE FINAL MAPS PURSUANT TO SECTION 66456.1 (A) OF THE SUBDIVISION MAP ACT. TWO (2) PHASES ARE SHOWN ON MAP BUT COULD BE ONE (1) OR MORE.
- A 12.0 FOOT PUBLIC UTILITY EASEMENT SHALL BE LOCATED PROVIDED ON ALL STREETS WITH 10 FEET BEHIND SIDEWALK AND 2.0 FEET LOCATED UNDER SIDEWALK. ADJACENT TO CUL-DE-SAC BULBS THE PUBLIC UTILITY EASEMENT SHALL BE 10 FEET BEHIND SIDEWALK UNLESS OTHERWISE DIRECTED BY THE CITY ENGINEER.
- THIS EXHIBIT IS FOR TENTATIVE MAP PURPOSES ONLY, ACTUAL DIMENSIONS, ROAD ALIGNMENTS, ACREAGE, AND YIELDS ARE TO BE VERIFIED PRIOR TO FINAL MAP.
- THIS IS AN APPLICATION FOR A TENTATIVE SUBDIVISION MAP, PLANNED DEVELOPMENT, AND GENERAL PLAN AMENDMENT.
- VILLAGE NUMBERING IS FOR IDENTIFICATION PURPOSES ONLY AND DOES NOT INDICATE PHASING ORDER OF DEVELOPMENT. ULTIMATE DEVELOPMENT PHASING WILL BE ORDERLY AND WILL BE DETERMINED AT FINAL MAP AND/OR IMPROVEMENT PLAN STAGE.
- ALL EXISTING STRUCTURES, SEPTIC TANKS, AND WELLS TO BE REMOVED, ABANDONED, OR DESTROYED PRIOR TO CONSTRUCTION PER SUTTER COUNTY AND YUBA CITY STANDARDS.
- STREET TREES SHALL BE PLANTED PURSUANT TO CITY OF YUBA CITY STANDARDS. ADDITIONAL DETAIL SHALL BE PROVIDED ON THE IMPROVEMENT PLANS.
- OWNERS, APPLICANT, ATTORNEY, ENGINEER, AND SURVEYOR SHALL RECEIVE ANY COMMUNICATIONS AND/OR NOTICES RELATED TO THIS PROJECT.

LOCATION MAP

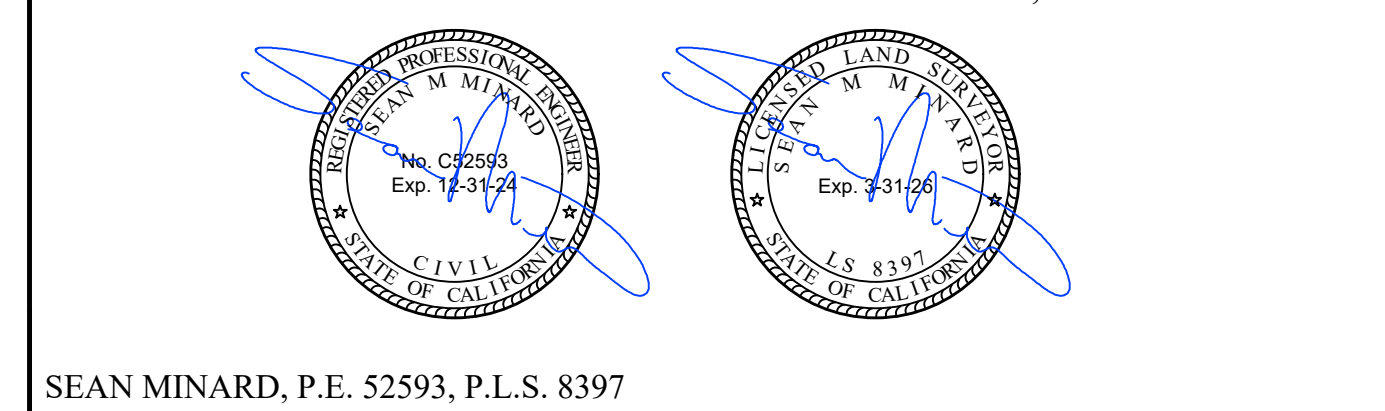


LAND USE SUMMARY

LOT SUMMARY*			
VILLAGE NO. 1 =	28 LOTS	3.36 AC	8.33 DU/AC
VILLAGE NO. 2 =	26 LOTS	3.21 AC	8.10 DU/AC
SUBTOTAL = (RESIDENTIAL)	54 LOTS	6.57 AC	8.22 DU/AC
FRONTAGE ROAD =		1.27 AC	
SUBTOTAL = (NON-RESIDENTIAL)		1.27 AC	
TOTAL =		7.84 AC	6.89 DU/AC

*ALL ACREAGE AND DENSITIES EXCLUDE THE COLUSA FRONTAGE ROAD RIGHT OF WAY. HOOPER ROAD AND EL MARGARITA ROAD ARE INCLUDED IN THE VILLAGE ACRES.

SURVEYORS STATEMENT:
I HEREBY STATE THAT ALL EASEMENTS OF RECORD ARE SHOWN AND LABELED PER PRELIMINARY TITLE REPORT BY PLACER TITLE COMPANY ORDER NUMBER P-631519 DATED APRIL 5, 2024.



SEAN MINARD, P.E. 52593, P.L.S. 8397

LEGAL DESCRIPTION:

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SUTTER, CITY OF YUBA CITY, DESCRIBED AS FOLLOWS:

PARCEL ONE: (APN: 62-082-019)
PARCEL "B" OF LOT LINE ADJUSTMENT 22-02 RECORDED APRIL 28, 2022 AS INSTRUMENT NO. 2022-6179 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN CITY OF YUBA CITY, COUNTY OF SUTTER, STATE OF CALIFORNIA, BEING A PORTION OF LOT 23 OF "SUBDIVISION NO. 2 OF THE ELMER TRACT" FILED FEBRUARY 4, 1908 IN BOOK 1 OF SURVEYS AT PAGE 61, SUTTER COUNTY RECORDS AND A PORTION OF SECTION 17, TOWNSHIP 15 NORTH, RANGE 3 EAST, M.D.B. & M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 23; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 23, NORTH 00°01'49" EAST 257.40 FEET; THENCE LEAVING SAID WEST LINE NORTH 89°57'58" EAST 317.00 FEET; THENCE SOUTH 00°45'20" EAST 253.39 FEET TO THE SOUTH LINE OF SAID LOT 23; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LOT 23, SOUTH 89°14'40" WEST 320.33 FEET TO THE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE SAME AS SHOWN ON "SIENA ESTATES" FILED IN BOOK 19 OF SURVEYS AT PAGE 42, SUTTER COUNTY RECORDS, SAID BEARING BEING NORTH 00°01'49" WEST ASSIGNED TO THE LINE BETWEEN THE FOUND MONUMENTS IN HOOPER ROAD.

PARCEL TWO: (APN: 62-082-020)
PARCEL "C" OF LOT LINE ADJUSTMENT 22-02 RECORDED APRIL 28, 2022 AS INSTRUMENT NO. 2022-6180 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN CITY OF YUBA CITY, COUNTY OF SUTTER, STATE OF CALIFORNIA, BEING A PORTION OF LOT 23 OF "SUBDIVISION NO. 2 OF THE ELMER TRACT" FILED FEBRUARY 4, 1908 IN BOOK 1 OF SURVEYS AT PAGE 61, SUTTER COUNTY RECORDS AND A PORTION OF SECTION 17, TOWNSHIP 15 NORTH, RANGE 3 EAST, M.D.B. & M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 23; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID LOT 23, NORTH 89°14'40" EAST 510.22 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 00°45'20" EAST 253.39 FEET; THENCE NORTH 89°57'58" EAST 285.00 FEET; THENCE NORTH 89°56'35" EAST 221.22 FEET; THENCE NORTH 89°47'15" EAST 318.29 FEET TO THE EAST LINE OF SAID LOT 22; THENCE SOUTHERLY ALONG SAID EAST LINE, SOUTH 00°22'33" EAST 264.84 FEET TO THE SOUTHEAST CORNER OF SAID LOT 22; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LOTS 22, AND 23, SOUTH 89°14'40" WEST 821.78 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE SAME AS SHOWN ON "SIENA ESTATES" FILED IN BOOK 19 OF SURVEYS AT PAGE 42, SUTTER COUNTY RECORDS, SAID BEARING BEING NORTH 00°01'49" WEST ASSIGNED TO THE LINE BETWEEN THE FOUND MONUMENTS IN HOOPER ROAD.

PARCEL THREE: (APN: 62-082-021)
PARCEL "D" OF LOT LINE ADJUSTMENT 22-02 RECORDED APRIL 28, 2022 AS INSTRUMENT NO. 2022-6181 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN CITY OF YUBA CITY, COUNTY OF SUTTER, STATE OF CALIFORNIA, BEING A PORTION OF LOTS 22, AND 23 OF "SUBDIVISION NO. 2 OF THE ELMER TRACT" FILED FEBRUARY 4, 1908 IN BOOK 1 OF SURVEYS AT PAGE 61, SUTTER COUNTY RECORDS AND A PORTION OF SECTION 17, TOWNSHIP 15 NORTH, RANGE 3 EAST, M.D.B. & M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 23; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID LOT 23, NORTH 89°14'40" EAST 510.22 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 00°45'20" EAST 253.39 FEET; THENCE NORTH 89°57'58" EAST 285.00 FEET; THENCE NORTH 89°56'35" EAST 221.22 FEET; THENCE NORTH 89°47'15" EAST 318.29 FEET TO THE EAST LINE OF SAID LOT 22; THENCE SOUTHERLY ALONG SAID EAST LINE, SOUTH 00°22'33" EAST 264.84 FEET TO THE SOUTHEAST CORNER OF SAID LOT 22; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LOTS 22, AND 23, SOUTH 89°14'40" WEST 821.78 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE SAME AS SHOWN ON "SIENA ESTATES" FILED IN BOOK 19 OF SURVEYS AT PAGE 42, SUTTER COUNTY RECORDS, SAID BEARING BEING NORTH 00°01'49" WEST ASSIGNED TO THE LINE BETWEEN THE FOUND MONUMENTS IN HOOPER ROAD.

CITY OF YUBA CITY APPROVAL:
THE CITY OF YUBA CITY PLANNING COMMISSION HAS CONSIDERED AND APPROVED RESOLUTION 24-0XX APPROVING TENTATIVE SUBDIVISION MAP NO. 2024-0XX DURING THE PLANNING COMMISSION MEETING ON _____, 2024.

CITY OF YUBA CITY

DATE:

2 INDICATES PROPOSED PHASE

M.H.M.
ENGINEERS & SURVEYORS SINCE 1892

1204 E STREET, P.O. BOX B
MARYSVILLE, CA 95901
TEL: 530.742.6485
FAX: 530.742.5639

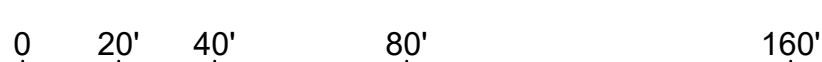


EXHIBIT C

**CITY OF YUBA CITY
CONDITIONS OF APPROVAL
TENTATIVE SUBDIVISION MAP 24-04
PLANNED DEVELOPMENT 19
NOVEMBER 13, 2024**

**BROWNSTONE ESTATES
APNS: 062-082-019-000, 062-082-020-000, and 062-082-021-000**

NOTICE TO PROJECT APPLICANT

In accordance with the provisions of Government Code Section 66020(d)(1), the imposition of fees, dedication, reservations or exactions for this project are subject to protest by the project applicant at the time of approval or conditional approval of the development or within ninety (90) calendar days after the date of imposition of fees, dedications, reservation, or exactions imposed on the development project. This notice does not apply to those fees, dedications, reservations, or exactions which were previously imposed and duly noticed; or, where no notice was previously required under the provisions of Government Code Section 66020(d)(1) in effect before January 1, 1997.

IMPORTANT: PLEASE READ CAREFULLY

Please note that this project is subject to a variety of discretionary conditions of approval. These include conditions based on adopted City plans and policies, those determined through tentative subdivision map review and environmental assessment essential to mitigate adverse effects on the environment including the health, safety, and welfare of the community, and recommended conditions for development that are not essential to health, safety, and welfare, but would on the whole enhance the project and its relationship to the neighborhood and environment.

Discretionary conditions of approval may be appealed. All code requirements, however, are mandatory and may only be modified by variance, provided the findings can be made.

All discretionary conditions of approval will ultimately be deemed mandatory unless appealed by the applicant to the City Council within ten (10) days after the decision by the Planning Commission. In the event you wish to appeal the Planning Commission's decision or discretionary conditions of approval, you may do so by filing a written appeal with the City Clerk. The appeal shall state the grounds for the appeal and wherein the Commission failed to conform to the requirements of the zoning ordinance. This should include identification of the decision or action appealed and specific reasons why you believe the decision or action appealed should not be upheld.

These conditions are applicable to any person or entity making use of this tentative subdivision map, and references to "developer" or "applicant" herein also include any applicant, property owner, owner, leasee, operator, or any other person or entity making use of this tentative subdivision map.

CONDITIONS OF APPROVAL

1. To the furthest extent allowed by law, applicant/property owner shall indemnify, hold harmless and defend City and each of its officers, officials, employees, consultants, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, damages and costs (including attorney's fees, litigation expenses and administrative record preparation costs) arising from, resulting from, or in connection with any Third-Party Action (as hereinafter defined). The term "Third Party Action" collectively means any legal action or other proceeding instituted by (i) a third party or parties, or (ii) a governmental body, agency or official other than the City, that: (a) challenges or contests any or all of these Conditions of Approval or any approval associated with entitlements associated with the project (collectively "Approvals"); or (b) claims or alleges a violation of CEQA or another law in connection with the Approvals by the City, or the grant, issuance or approval by the City of any or all Approvals. Applicant's/property owner's obligations under this paragraph shall apply regardless of whether City or any of its officers, officials, employees, consultants, agents or volunteers are actively or passively negligent, but shall not apply to any loss, liability, fines, penalties forfeitures, costs or damages caused solely by the active negligence or willful misconduct of the City or any of its officers, officials, employees, agents or volunteers. The provisions of this section shall survive any termination, revocation, overturn, or expiration of an approval.

Nothing in this section shall obligate the City to defend any claim and the City shall not be required to pay or perform any settlement arising from any such claim not defended by the City, unless the City approves the settlement in writing. Nor shall the City be prohibited from independently defending any claim, and if the City does decide to independently defend a claim, the applicant/property owner shall be responsible for City's attorneys' fees, expenses of litigation, and costs for that independent defense, including the costs of preparing any required administrative record. Applicant/property owner shall submit all documents filed in the Third-Party Action for review and approval of the City Attorney prior to filing of said documents on behalf of the City.

The City may, at any time, require the applicant to reimburse the City for costs that have been, or which the City reasonably anticipates will be, incurred by the City during the course of processing or defending any Third-Party Actions. The City shall provide applicant/property owner with an invoice detailing all reasonable costs incurred. Applicant/property owner shall tender to the City payment-in-full of all reasonable and necessary costs within thirty (30) days from the date upon the invoice. Applicant/property owner shall contact the City within a reasonable time to arrange any extension of the thirty (30) day time period for payment-in-full of the invoiced amount. Applicant/property owner further acknowledges and agrees, failure to timely tender payment-in-full to the City shall be considered a breach and non-compliance with the conditions of approval for the project. Applicant/property owner shall also be required, upon request of the City, to deposit two month's estimated costs anticipated by the City to be incurred, which may be used by the City as a draw down account to maintain a positive balance pending tender of payment by Applicant/property owner as noted herein.

2. The lot design on the subdivision maps shall be designed in conformance with the TSM 24-04, as appropriate with the attached Brownstone Estates Development Standards, and as approved by the Planning Commission.

3. The development and operation of the project shall comply with all CEQA mitigation measures identified in Environmental Assessment 24-10 dated October 2024.
4. The development and operation of the project shall comply with all local, state, and federal codes (including Building and Fire codes) and local development standards.
 - a. The Developer or Representative shall obtain an Encroachment Permit from the City prior to performing any work within public rights of way.
5. The Developer shall coordinate with United States Postal Service in regard to relocating the existing mailbox(es), adjacent to the subdivision, located along the west side of El Margarita Road, to either a centralized mail delivery unit or to the east side of the road in coordination with applicable property owners. On site mail delivery is to be maintained throughout construction.
6. To comply with General Plan Noise Element, lots 28-54 in the subdivision shall be:
 - i. Constructed with either a 6.0-foot-high solid wall with 2-foot berm, or an 8.0-foot-high solid wall, conforming aesthetically to the existing wall on the north side of Colusa Frontage Road adjacent to Walnut Park Estates, Unit 1 Subdivision, and
 - ii. Constructed with improvements over standard construction to ensure compliance with the 45 dB Ldn interior noise level criterion. Specifically, second floor facades should be constructed of stucco (or wood siding with an under-layer of $\frac{3}{4}$ inch wood sheathing), and all second-floor bedroom windows adjacent to Colusa Frontage/State Route 20 should have a minimum STC rating of 30, or as otherwise approved by the Development Services Director.
7. The Developer shall, prior to the issuance of the first certificate of occupancy of the first residence, construct a solid six (6) foot-high chain link fence across the right-of-way of any future phase connecting with the adjoining six (6) foot high private fences. This fencing shall be constructed in addition to the standard dead-end barricade. The fence and barricade shall be maintained by the City via the lighting and landscape maintenance district, or as approved by the Public Works Director.
8. To help contain fugitive dust, construction sites shall be watered down during the construction phase of the project or as directed by the Public Works Department.
9. Paved streets shall be swept frequently (water sweeper with reclaimed water recommended; wet broom) if soil material has been carried onto adjacent paved, public thoroughfares from the project site.
10. The Developer, at their expense, shall be solely responsible for all quality control associated with the project. The quality control shall include, but is not limited to, the following: survey work, potholing existing utilities, all geotechnical testing, soil reports, concrete testing, asphalt testing, and any other required special testing/inspections. The City will only perform necessary testing to insure compliance.
11. Storage of construction material is not allowed in the travel way.

12. A Subdivision Agreement outlining any costs (hot tap, connection fee, fair share contribution, etc.) associated with the development shall be accepted by the City prior to recordation of map, or prior to approval of the Improvement Plans, whichever comes first.

PRIOR TO ISSUANCE OF A GRADING PERMIT

13. The improvement plans for the development of the subject property shall include all measures required to ensure that no drainage runoff resulting from the development of the property flow onto the adjacent lands or impede the drainage from those lands. At first submittal of the improvement plans, provide existing / proposed grades at the perimeter of the proposed development, and existing grades at the adjacent lands. If retaining walls are required, they shall be constructed of concrete or masonry block.

PRIOR TO APPROVAL OF THE IMPROVEMENT PLANS

14. Obtain all necessary approvals from City, State, and Federal agencies, utilities and other effected parties that are required for the project including, but not limited to, the preparation of drawings, studies, reports and permit applications, and payment of fees. Prior to City approval of the Improvement Plans, the Developer shall provide evidence, to the satisfaction of the Public Works Department, that all such obligations have been met.
15. The plans shall indicate the locations of all prior hull deposit pits, detention pond(s), and all roadway culvert(s). All unsuitable material is to be removed and replaced as recommended by a Geotechnical Engineer licensed in the State of California, and/or in accordance with Yuba City Public Works.
16. The plans shall indicate the locations of all septic and leach field areas, and all wells. Any septic areas and wells that are to be destroyed shall be demolished in accordance with Sutter County Environmental Health Department requirements.
17. All onsite overhead utilities, including but not limited to, utility poles and all appurtenances are to be removed in accordance with utility requirements/guidelines. The development shall be serviced with underground utilities. No new overhead utilities, including but not limited to electrical and telecommunications are allowed, except as otherwise determined by the Development Services Director.
18. The Developer shall dedicate right-of-way to the City as follows, or as approved by the Public Works Director [Note: all necessary right of way and easements are to be dedicated with the recordation of the Final Map]:
 - a. North Colusa Frontage Road: on the **north** side, shall have right-of-way dedicated to a width of 41.5 feet (centerline to back of 6.0-foot-high solid wall with 2-foot berm, or 8.0-foot-high solid wall). A 12.0-foot-wide PUE shall be dedicated along the sidewalk with 2.0-foot located across the sidewalk.
 - b. Interior residential street (Karahi Drive):

- i. *Detached sidewalk option* -- Right-of-way shall be dedicated to a width of 38.0 feet together with a 19.5-foot PSE behind the right-of-way. A 12.0-foot-wide PUE shall be dedicated along the sidewalk with 2.0-foot located across the sidewalk along each side of the roadway.
- ii. *Attached sidewalk option* -- Right-of-way shall be dedicated to a width of 46.0 feet. A 12.0-foot-wide PUE shall be dedicated adjacent to the right-of-way with 2.0-foot located across the sidewalk along each side of the roadway. Where attached sidewalk option is utilized, street design is to implement parkway bulb outs to provide street trees, and/or enhanced entry ways, to the satisfaction of the Public Works Director.
- iii. *A combination of the attached and detached sidewalk options to provide street trees and meeting City design standards.*

19. The Developer shall construct frontage improvements to City standards as follows, or as approved by the Public Works Director:

a. North Colusa Frontage Road:

- i. From the centerline of North Colusa Frontage Road to the lip of gutter, asphalt section is to be 18.0 feet wide (includes approved bike lane striping, marking, and signage installed along the road frontage).
- ii. 2.5-foot-wide barrier curb and gutter
- iii. 6.0-foot landscaped parkway strip
- iv. 5.0-foot detached sidewalk, meandering to avoid power poles or as approved by the Public Works Director
- v. 8.0-foot-high solid wall (i.e. concrete, masonry, proto II, brick), 6.0-foot-high solid wall with 2.0-foot berm, or combination thereof
- vi. Streetlights
- vii. Fire hydrants
- viii. Storm drainage facilities
- ix. Roadway striping
- x. Roadway signage

b. Hooper Road and El Margarita Road:

- i. From the centerline of the roadway to lip of gutter, asphalt section is to be 22.0-feet wide
- ii. 2.5-foot wide barrier curb and gutter
- iii. 6.0-foot landscaped parkway strip
- iv. 5.0-foot detached sidewalk
- v. Streetlights
- vi. Fire hydrants
- vii. Storm drainage facilities
- viii. Roadway striping
- ix. Roadway signage

20. The sewer main shall connect to the existing sewer main in Hooper Road at a depth no greater than 0.2 feet above the existing sewer main, then constructed easterly on Karahi Drive to 6 feet east of El Margarita Road centerline and there terminating

at a manhole with an 8-inch diameter stub to the south, or as otherwise determined by the Public Works Director. In lieu of constructing the sewer main in El Margarita Road from Karahi Drive to North Colusa Frontage Road, in accordance with the Yuba City Municipal Code Section 6-5.302(c) Public Sewer Construction, the Developer shall pay applicable extension fees, or as otherwise determined by the Public Works Director.

21. The Developer shall comply with all City requirements related to drainage, including submittal of a drainage plan for any drainage improvements for the proposed development. A drainage analysis, along with calculations, shall be submitted to the City Engineer for approval. The analysis shall include, but is not limited to:
- a. Grading and drainage plan showing the proposed drainage conveyance and storage system.
 - b. Supporting calculations demonstrating adequacy of conveyance capacity and storage volume. The calculation analysis shall meet the requirements of the Yuba City Basin Drainage Study.
 - c. Storm Drain Collection Systems- For the design of all pipeline conveyance facilities, the Hydraulic Grade Line (HGL) shall be maintained a minimum of one foot below the gutter flow line of all drain inlets and at least one foot below all maintenance hole rims during a 10-year, 24-hour storm event. The storm drain minimum pipe size shall be 12 inches. The minimum velocity shall be 2 fps.
 - d. Street Flow-The street system shall be designed to convey the 100-year, 24-hour runoff while maintaining a water surface at least 1 foot below the adjacent building pad elevations (or alternatively, the building pad elevations shall be at least 1 foot above the 100-year water level). The grading plan shall ensure that the 100-year, 24-hour runoff can be conveyed through the development and to the receiving drainage facility.
 - e. Drainage systems (pipes and street systems) shall be designed to accommodate the runoff from the ultimate development of the entire upstream watershed.
 - f. Water Quality – Water quality basin(s) shall meet State Water Resource Board requirements for water quality. The water quality basin can be incorporated into a detention pond, designed as an individual pond, included in a water quality manhole system, or as approved by the Public Works Director.
 - g. Detention Basins - A 100-year, 4-day storm shall be used for sizing detention storage facilities. The detention basin release rate from a 100-year, 24-hour storm after development must be equal to or lower than the runoff rate from the detention basin's tributary area before development.
 - h. The drainage analysis shall be completed and stamped by a Professional Engineer and determined by the City Engineer, and the Sutter County Water Agency Engineer if necessary, to be comprehensive, accurate, and adequate.
22. The development shall comply with Yuba City's stormwater requirements and Post-Construction Standards Plan. The Post Construction information can be found here:
https://www.yubacity.net/city_hall/departments/public_works/engineering/stormwater_management

23. The Developer shall comply with all Sutter County requirements related to drainage, including submittal of a drainage plan for any drainage improvements that utilize County facilities for approval by the Sutter County Public Works Director. The Developer shall coordinate with the County if the storm drain under Hooper Road, and the ditches to the west, are to be utilized as part of the drainage improvements.
24. All development shall be designed to local, state, and federal flood standards.
25. The structural section of all road improvements shall be either per the City standard details or shall be designed using the Caltrans empirical R-value method. If designing using the Caltrans empirical R-value method, a geotechnical investigation shall determine the R-value of the existing soil in accordance with the Caltrans Highway Design Manual and the structural section shall be designed to the following standards:
- a. Use 3" minimum for residential, 4" minimum for collectors and 6" minimum for arterials, of 'Type A' asphaltic concrete over Class 2 aggregate base (the thickness of the base shall be designed to the R-value of the soil)
 - b. Use a traffic index of 6 for residential streets
 - c. Use a traffic index of 7 for collector streets
 - d. Use a traffic index of 10 for arterial streets
- A copy of the geotechnical investigation, including R-value determination, test locations and structural section calculations, shall be submitted with the first improvement plan check.
26. Striping, pavement markings and traffic signage shall be provided on all streets as necessary and as required by the Public Works Department. Signage restricting parking and red painted curbing shall be installed where appropriate. Speed limit signs shall be installed at locations determined by the Public Works Department. All required speed limit signs shall be shown on the Improvement Plans.
27. Any street lighting is a public improvement which shall meet the City Standard Details and be included in the Improvement Plans and Specifications for the development when the improvement plans are submitted for the first improvement plan check.
28. The Improvement Plans shall show provisions for the placement of centralized mail delivery units in the PUE. Developer shall provide a concrete base for placement of the centralized mail delivery unit. Specifications and location of such base shall be determined pursuant to the applicable requirements of the Postal Service and the City Public Works Department, with due consideration for street light location, traffic safety, security and consumer convenience.
29. Required Improvement Plan Notes:
- a. "Any excess materials shall be considered the property of the contractor/owner and shall be disposed of away from the job site in accordance with applicable local, state and federal regulations."
 - b. "During construction, the Contractor shall be responsible for controlling noise, odors, dust and debris to minimize impacts on surrounding properties"

and roadways. The Contractor shall be responsible for all construction equipment to be equipped with manufacturers approved muffler baffles. Failure to do so may result in the issuance of an order to stop work.”

- c. “If any hazardous waste is encountered during the construction of this project, all work shall be immediately stopped and the Sutter County Environmental Health Department, the Fire Department, the Police Department, and the City Inspector shall be notified immediately. Work shall not proceed until clearance has been issued by all of these agencies.”
- d. “The Contractor(s) shall be required to maintain traffic flow on affected roadways during non-working hours, and to minimize traffic restriction during construction. The Contractor shall be required to follow traffic safety measures in accordance with the CalTrans “Manual of Traffic Safety Controls for Construction and Maintenance Work Zones.” The City of Yuba City emergency service providers shall be notified, at least two working days in advance, of proposed construction scheduled by the contractor(s).”
- e. “Soil shall not be treated with lime or other cementitious material without prior express permission by the Public Works Department.”
- f. “Where an excavation for a trench and/or structure is five (5) feet deep or more, the contractor shall conform to O.S.H.A. requirements. The contractor shall provide a copy of the approved O.S.H.A. permit, and shoring details and calculations prepared by California licensed structural engineer to the Public Works Department.”
- g. “Should any field conditions, conflicts, errors, and/or omissions be overlooked during the design review process, or during construction of the development, then any additional work identified during construction shall be implemented by the Developer at the Developer’s expense.”

PRIOR TO ACCEPTANCE OF THE PUBLIC IMPROVEMENTS

- 30. All existing well(s), septic tank(s), and service lines shall be destroyed in accordance with the requirements of the Sutter County Environmental Health and Yuba City Building Departments, respectively. Connections shall be made to public sewer and water. The Developer shall pay all applicable fees.
- 31. Prior to backfilling, the Developer shall vacuum test all manholes to ensure no leakage will occur.
- 32. Prior to final paving, and/or as directed by the Public Works Director, the Developer shall hydroflush, and televise, all storm drain mains and all sewer mains. In addition, prior to the City’s acceptance of the subdivision improvements, and at the Public Works Department’s discretion, the storm sewer and sewer mains shall be re-hydroflushed.
- 33. The contractor shall maintain record drawings of the improvements and keep them on site at all times. When the project is complete, the contractor shall deliver a marked set of plans to the Engineer of Record. The Engineer of Record shall update the improvement plans with the record information. Once the changes have been added to the plans, the Engineer of Record shall submit both an electronic copy (Civil 3D version 2020 or newer) and a hard copy to the City. The City will not

accept the completion of the improvements until the electronic copy and hard copy have been submitted.

34. The existing utility poles along North Colusa Frontage Road shall be placed underground, or addressed in accordance with the City's Overhead Utility Policy, adopted March 17, 2020. The total lineal foot length of overhead lines along North Colusa Frontage Road is determined to be 1,265 lineal feet, or as otherwise approved by the Public Works Director. The Public Works Director reserves the right to make the final determination of the total lineal foot length of overhead lines.
35. The Developer shall build an advanced flashing beacon on westbound N. Colusa Frontage Road, or as otherwise approved by the Public Works Director.

PRIOR TO FINAL MAP RECORDATION

36. The development shall pay for operations and/or maintenance for police, fire, parks, drainage, and ongoing street maintenance costs. This condition may be satisfied through participation in a Mello-Roos CFD, by payment of cash in an amount agreed to by the City, by another secure funding mechanism acceptable to the City, or by some combination of those mechanisms. The City shall be reimbursed actual costs associated with the formation of, or annexation to, the district. The property shall annex into an existing CFD.
37. The property shall petition for formation of a Zone of Benefit of the Yuba City Lighting and Landscaping Maintenance District for the purpose of maintaining:
 - a. street trees planted in the landscape planters,
 - b. the irrigation and landscaping in the parkway strip,
 - c. street lights,
 - d. sidewalks, fencing and/or barricades,
 - e. block walls
 - f. affected stormwater facilities

The Engineering Division shall be reimbursed actual costs associated with the formation of the district.

38. The Post Construction Statement of Responsibility shall be recorded at the Sutter County Recorder's Office.
39. The Developer shall pay all applicable Sutter County Water Agency connection fees and maintenance and operation fees, and entering into an agreement with Sutter County providing participation in a zone of benefit, drainage district, agency, service area or any other public entity for the financing of construction and maintenance of a drainage system, as determined applicable by Sutter County.

PRIOR TO ISSUANCE OF A BUILDING PERMIT

40. The Developer's Superintendent/Representative shall submit three (3) sets of Pacific Gas and Electric approved utility plans showing joint trench locations and distribution lines prior to issuance of first building permit for each phase of construction.

PRIOR TO THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY

41. The curb, gutter, sidewalk, and lot drainage shall be inspected and approved by the City. Any curb, gutter and sidewalk which is not in accord with City standards or is damaged before or during construction, shall be replaced. All sidewalks along the City right-of-way shall be free of any non-control joint cracking. In addition, any concrete with cracks, chips, blemishes, and spalling greater than an inch in diameter shall be replaced from control joint to control joint.
42. All street lighting shall be constructed in accordance with the Improvement Plans, dedicated to the City of Yuba City, and energized prior to the issuance of any certificate of occupancy, unless otherwise approved by the Public Works Director.
43. All underground utilities, public improvements, and site improvements, including rough grading, shall be completed in accordance with City requirements.
44. Development of this property will require payment of the Sutter Butte Basin Regional Levee Improvement Program Development Impact Fee (DIF) pursuant to Yuba City Ordinance No. 002-24. The DIF fees are to be paid (or an agreement entered into with Yuba City and SBFCA that constitutes satisfaction of the DIF obligation) prior to issuance of a Certificate of Occupancy. For questions pertaining to the DIF, please contact Sutter Butte Flood Control Agency at (530) 755-9859 or go to <https://sutterbutteflood.org/finance/regional-levee-dif>.

EXHIBIT D

Environmental Assessment 24-10
is available online at
www.yubacity.net/environmental

ATTACHMENT 2

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING PLANNED DEVELOPMENT FOR 54 SINGLE FAMILY RESIDENTIAL LOTS, LOCATED ON THE NORTH SIDE OF NORTH COLUSA FRONTAGE ROAD BETWEEN HOOPER ROAD AND EL MARGARITA ROAD (ASSESSOR'S PARCEL NUMBERS 62-082-019, -020, -021).

WHEREAS, the City received an application in June 2024 for General Plan Amendment (GPA) 24-03, Planned Development (PD) 19, Tentative Subdivision Map (TSM) 24-04, to subdivide 7.84 acres into 54 single-family residential lots, located on the north side of Colusa Frontage Road between Hooper Road and El Margarita Road; and

WHEREAS, P9 18 will modify certain development standards in the R-1 District in an effort to reduce minimum parcel sizes and other standards. Proposed development standard modifications include allowing for reduced minimum lot sizes of 3,000 square feet and 3,500 square feet for corner lots, reducing minimum required lot widths, yard setbacks, garage setbacks and minimum required distances between buildings on the same lot. The purpose of these modifications is to accommodate a more compact project design as further shown in the PD 19 Zone District (Exhibit A); and

WHEREAS, pursuant to the authority and criteria contained in the California Environmental Quality Act of 1970 ("CEQA"), the City, as the Lead Agency, has analyzed the proposed project and has prepared an Initial Study proposing a Mitigated Negative Declaration (EA 24-10) for the project; and

WHEREAS, on November 13, 2024, the Planning Commission concurrently conducted a duly noticed public hearing on Planned Development 19, at which time it received input from City Staff, public comment portion was opened, and public testimony and evidence, both written and oral, was considered by the Planning Commission, after which public testimony was closed; and

WHEREAS, the Planning Commission has reviewed all associated documents prepared for the project, including those related to the application and all of the evidence received by the Planning Commission; and

WHEREAS, after deliberation and consideration of all relevant items, the Planning Commission recommended the City Council of the City of Yuba City approve Planned Development 19, with a map included and development standards reflected; and

WHEREAS, on December 17, 2024, the Yuba City Council conducted a duly noticed public hearing on the project, at which time it received input from City Staff; public comment portion was opened, and public testimony and evidence, both written and oral, was considered by the City Council, after which public testimony was closed and this ordinance introduced; and

WHEREAS, the City Council of Yuba City considered said recommendations of the Planning Commission on the matter and after review and consideration, the City Council desires to approve PD 19 as refined.

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

1. Recitals: The City Council finds that the recitals are true and correct and incorporates the same herein as if set forth in full.
2. CEQA Findings: The City Council of the City of Yuba City has concurrently approved EA 24-10 by adopting an Initial Study/Mitigated Negative Declaration and accompanying Mitigation Monitoring and Reporting Program for the project. With the project specific mitigations imposed, there is no substantial evidence in the record that this project may have significant direct, indirect, or cumulative effects on the environment. No further CEQA is required, as CEQA has been completed for this project.
3. Planned Development Findings: Yuba City Municipal Code Section 8-5.2706 requires that the City make the following findings in order to approve a Planned Development (the required findings are in italics).

a. The proposal is consistent with the General Plan.

Evidence. The proposed subdivision creating 54 single-family residential lots is consistent with General Plan Policy 3.5-I-1, the lot sizes are consistent with the land use designation and provides for a density range of 2-8 units per acre. The proposed projects overall density of approximately 6.89 DU/AC is within the established density range. The proposed lot configuration and layout will integrate into the existing street network and surrounding land uses. The proposed subdivision will construct pedestrian facilities that will serve the neighborhood and facilitate a walkabout community.

b. The proposal is consistent with the planned surrounding land uses.

Evidence. The proposed lot configurations and layout will integrate into the existing street network and surrounding land uses. The proposed map will construct pedestrian facilities that will serve the neighborhood and facilitate a walkable community.

c. There are or will be adequate public facilities available to properly serve the development, including streets to adequately handle the anticipated traffic.

Evidence. The site is level and will be served by the full range of City services. City water and wastewater collection are available to the property. A stormwater drainage system is nearby that will be operated and maintained by the City and which connects with the greater system that is operated by the Sutter County Water Agency that drains into the Live Oak Canal.

d. The quality of the development is as good or better than would be accomplished through traditional zoning and design standards.

Evidence. As discussed in item a) above, this project is consistent with the City's General Plan goals and policies including the established density range for LDR designated land. The project is conditioned to meet all City development and improvement standards including water, wastewater, stormwater drainage systems, street cross-sections, streetscape landscaping, and park facilities or applicable in-lieu fees. The proposed project will be subject to compliance with the R-1 development standards as amended by the proposed PD 19 Zone District.

4. Approval of Planned Development 19: The City Council hereby approves Planned Development 19 for Brownstone Estates, rezoning approximately 7.84 acres located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road, to add the “PD 19” designation as set forth in in Exhibit B, and subject to the Development Standards as set forth in Exhibit A.
5. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.
6. Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it to be published, in accordance with Government Code, Section 36933, or as otherwise required by law.
7. Effective Date of Resolution. This ordinance shall take effect and be in full force and effect from and after thirty (30) days after its final passage and adoption.

I HEREBY CERTIFY that the foregoing Ordinance was introduced by the City Council after waiving reading, except by Title, at a regular meeting thereof held on the 17th day of December 2024, and adopted the Ordinance after the second reading at a regular meeting held on the 21st day of January 2024, by the following vote:

Ayes:

Noes:

Absent:

Recused:

CITY OF YUBA CITY

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

COUNSEL FOR YUBA CITY

APPROVED AS TO FORM

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachments:

Exhibit A: Planned Development 19 Criteria of Development
Exhibit B: Land Use Map

EXHIBIT A

The following criterion of development is proposed for Brownstone Estates located on Colusa Frontage Road between Hooper Road and El Margarita Road. We used the development criteria in the BSMP Low Density Residential Standard as shown on Table A-1 except for a few minor items. We understand this project is not located in BSMP but that was our starting point. We understand any item not changed would default to Yuba City Standards not the BSMP standards. The Development Standards for Brownstone Estates are proposed as follows.:

Development Standards.

Maximum Density (R-1):	General Plan Designation (8 units per acre)
Minimum Density (R-1):	General Plan Designation (2 dwelling per acre)
Minimum Lot Size:	For lots less than 5,500 square feet lots shall be 4,400 square feet for corner; 3,400 square feet for interior lots, cul-de-sac, and knuckle lots. For lots equal to or greater than 5,500 square feet lots shall be 5,500 square feet for corner; 5,000 square feet for interior lots, cul-de-sac, and knuckle lots.
Minimum Lot Width:	For lots less than 5,500 square feet lots shall be 40 feet for interior lots and 44 feet for corner lots. For lots equal to or greater than 5,500 square feet lots shall be 50 feet for interior lots and 55 feet for corner lots. (*Lot width measured at the front property line except for lots on cul-de-sacs and knuckles where lot width is measured at the front setback)
Minimum Lot Depth:	For lots less than 5,500 square feet lots shall be 75 feet. For lots equal to or greater than 5,500 square feet lots shall be 85 feet. (*Lot width measured at the front property line except for lots on cul-de-sacs and knuckles where lot width is measured at the front setback). These refer to average minimum depth.
Maximum Percentage of Lot Coverage:	For lots less than 5,500 square feet lots shall be 50% for 2-story and 60% for 1-story. For lots equal to or greater than 5,500 square feet lots shall be 45% for 2-story and 55% for 1-story. (*Lot width measured at the front property line except for lots on cul-de-sacs and knuckles where lot width is measured at the front setback).
Minimum Yards:	Front - For lots less than 5,000 square feet lots shall be 12 feet to back of sidewalk. For lots equal to or greater than 5,000 square feet lots shall be 15 feet to back of sidewalk. Garages - For lots less than 5,500 square feet lots shall be 18.0 feet and side loading garages shall be 10 feet as long as the length of the driveway exceeds 18.0 from the back of sidewalk. For lots equal to or greater than 5,500 square feet lots shall be shall be 20.0 feet and side loading garages shall be 10 feet as long as the length of the driveway exceeds 20.0 from the back of sidewalk. Porch/Courtyard - For lots less than 5,000 square feet lots shall be 10 feet. For lots equal to or greater than 5,000 square feet lots shall be 12 feet. Street Side – 10 feet to back of sidewalk. Interior Side – 5 feet, except fire place and media protrusions shall not less than 3 feet. Rear – For lots less than 5,500 square feet lots shall be 10 feet. For lots equal to or greater than 5,500 square feet lots shall be 15 feet.

Distance Between Buildings on Same Lot:	For lots less than 5,500 square feet lots shall be 3.5 feet for single story and 5.0 feet for two-story. For lots equal to or greater than 5,500 square feet lots shall be 5.0 feet for single story and 10.0 feet for two-story.
Maximum Building Height:	2 stories not to exceed 38 feet, except as provided in Article 56 of the Yuba City Zoning Regulations.
Exterior Lighting	As provided in Article 58.
Fences, Walls, Hedges, and Intersection Visibility	As provided in Article 59.
Off-street Parking and Loading	As provided in Article 61.
Public Improvements	As provided in Article 62.
Signs:	As provided in Article 63.
Trash Enclosures	As provided in Article 64.

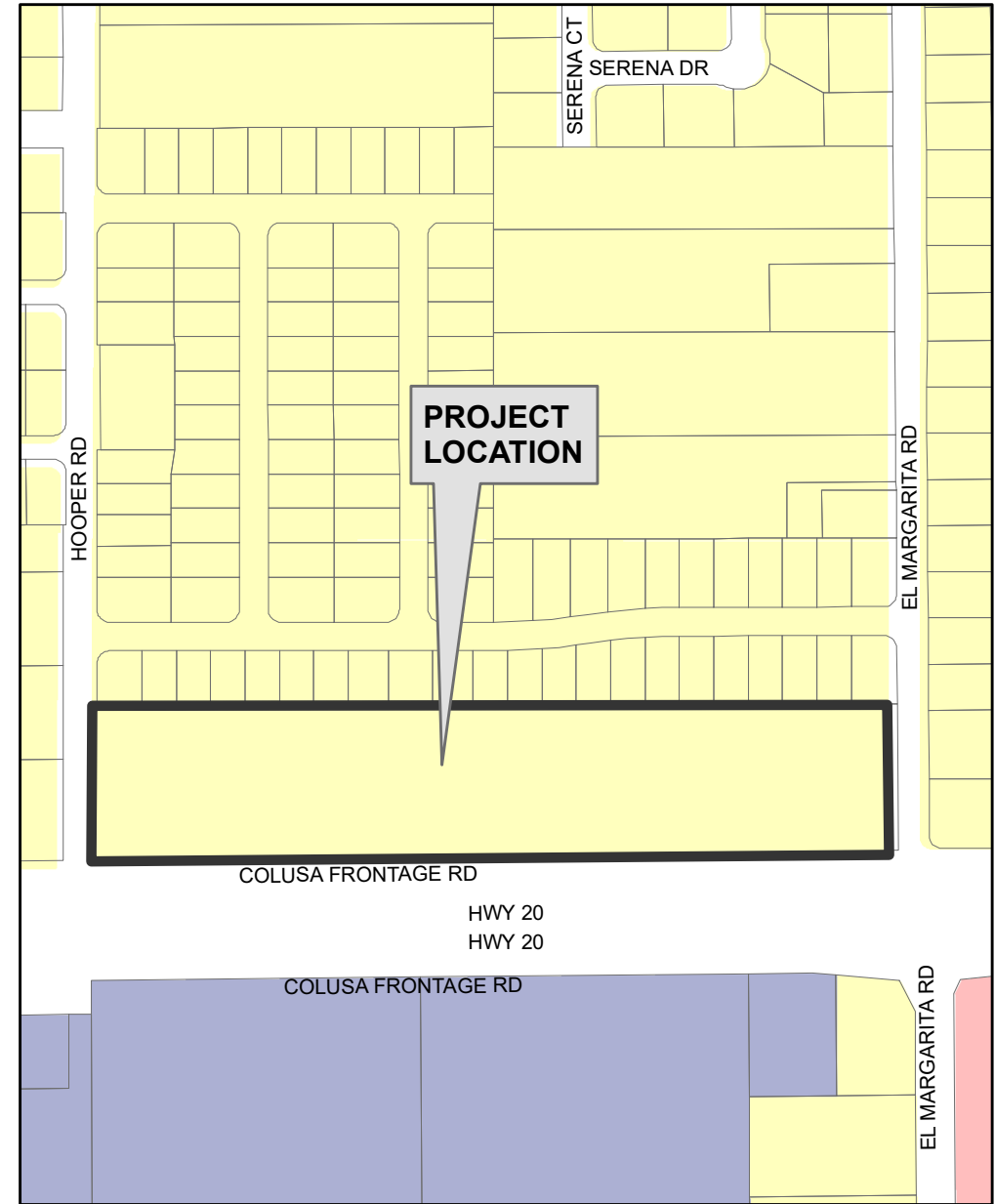
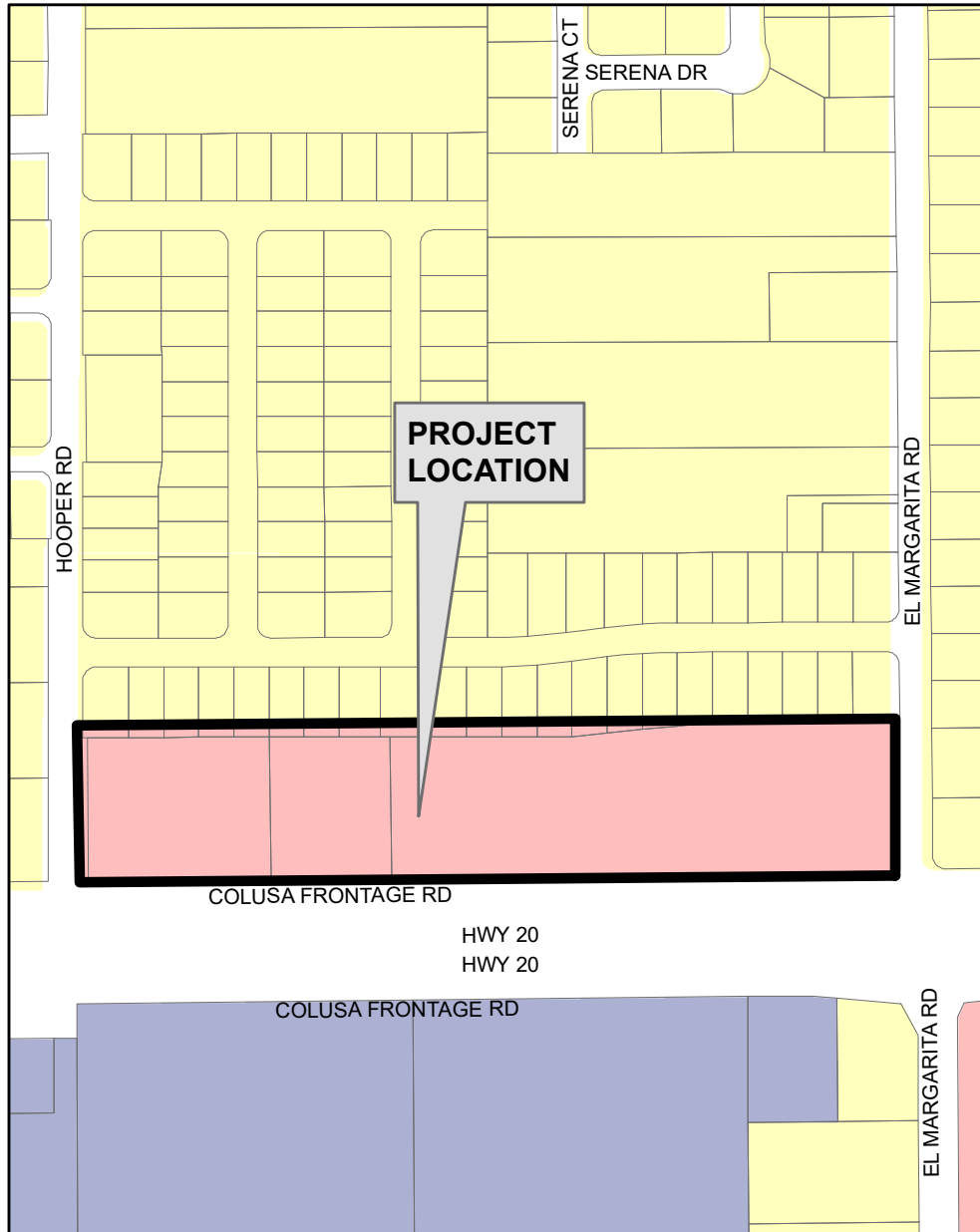
If item is not listed or modified, the criteria shall meet or exceed the Yuba City Development Standards and Guidelines for Low Density Residential Development Standards.

EXHIBIT B

BROWNSTONE GENERAL PLAN AMENDMENT, LAND USE MAP

EXISTING

PROPOSED



City of Yuba City

General Plan

Low Density Residential

Medium/Low Density Residential

Medium/High Density Residential

Parks, Recreation & Open Space

Agricultural/Rural

HS-High School; EMS-Elementary/Middle School

Regional Commercial

Community Commercial

Neighborhood Commercial

Office & Office Park

Business, Technology & Light Industry

Manufacturing, Processing & Warehousing

Parcels

Project Site



CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Doug Libby, Deputy Director of Development Services

Summary

Subject: Update X₁₉ Combining (Zoning) District
Recommendation: Initiate a Municipal Code amendment to revise the X₁₉ Combining District to provide for future intersection improvements at the State Highway 20 / El Margarita Road intersection
Fiscal Impact: No direct fiscal impact will result from amending the Municipal Code to revise the standards discussed

Purpose:

Consideration to initiate a Municipal Code amendment to revise the X₁₉ Combining District to provide for future intersection improvements at the State Highway 20 / El Margarita Road intersection.

Council's Strategic Goal:

This item is consistent with the Council's Public Safety Strategic Goal because revising the X₁₉ Combining District to provide for future intersection improvements at the State Highway 20 / El Margarita Road intersection will ultimately improve public safety at this location.

This item could also be considered consistent with the Council's Fiscal Responsibility Strategic Goal. Establishing a mechanism providing for future development in this area to contribute to needed intersection improvements at the State Highway 20 / El Margarita Road intersection assists in operating the City in a fiscally responsible manner.

Background:

Title 8, Chapter 5, Article 38 of the Municipal Code provides for Special Standards Combining Zone Districts, X-Districts. These "overlay" districts are combined with the existing base zone districts and allow the City to apply additional requirements in a specific area. These districts can provide additional development criteria for specific project sites or can cover larger areas.

Over time, the City has adopted 24 of these X-Combining Districts.

Analysis:

The existing X₁₉ Combining District covers the area at the Southeast corner of Colusa Avenue (State Highway 20) and El Margarita Road and provides for the following:

“To ensure the future provision for transportation needs: 1) a fair share of fees will be paid for traffic signal improvements at Walton Avenue/Lassen Blvd./Tharp Road intersection are made, 2) a fair share will be paid for the improvements cost of highway road improvements based on an AB 1600 study in effect at the time of issuance of building permits and 3) that Harter Road and Lassen Blvd. are improved to City standards and extended across this property along with El Margarita Road.”

The purpose of this Combining District was to ensure that when property is developed it will be responsible for paying its fair share of local transportation needs and the District identified several intersections. At that time the improvements needed for these intersections to support local growth were not in place. The X₁₉ District was added to provide an interim solution to that concern.

Since that time, other programs have been established, making the X₁₉ District unnecessary. This includes the 2007 Yuba City Update of the AB 1600 Fee Justification Study, 2020 Traffic Model Update, 2021 Road Development Impact Fee Program, 2021 City of Yuba City Cumulative Traffic Forecasts and Operations Analysis, studies completed for the unadopted El Margarita Master Plan and various site-specific traffic studies performed in the area. Since there are now criteria and programs in place requiring subject intersection improvements to be made as part of developing these properties, the X₁₉ District has become unnecessary.

The City has already taken action to remove certain properties from the X₁₉ District as development has been proposed and this includes the Spirit Drive Tentative Parcel Map (TPM 22-04) and the recent approval of the Sutter County Superintendent of Schools Career Training and Conference Center (DP 24-01). A map showing the properties remaining in the X₁₉ District is included as staff report Attachment 2.

In recent years, the City has received several Planning entitlement applications proximate to the intersection of State Highway 20 and El Margarita Road that are listed below and shown on staff report Attachment 3.

- Calvary Christian Use Permit Amendment (UP 07-13)
- Milner General Plan Amendment/Rezoning (GPA 23-04/RZ 23-04) to General Commercial (C-3) District
- Dean Ranch (GPA 24-01, SM 24-03, DP 24-02), 158 unit assisted living/skilled nursing with support facilities.

Each of these projects impacts the intersection of State Highway 20 and El Margarita Road; however, as development occurs, additional impacts will result, and these future projects should contribute a fair-share toward necessary improvements and criteria be established regarding the timing for implementation of the improvements.

Due to the existing X₁₉ District in its present form no longer being necessary, staff proposes amending it to focus on future improvements at the intersection of State Highway 20 / El Margarita Road. Staff will study this area and future traffic impacts resulting from build-out in this area and propose a new X₁₉ boundary and policies. Outreach to affected property owners will occur prior to bringing forward any proposal.

Fiscal Impact:

No direct fiscal impact will result from amending the X₁₉ Combining District. Existing budgeted monies are paying for staff's time to address this item. However, a key point of amending the zoning district is to have development pay their determined fair share towards the future signal, where the City may act as the lead for the improvements collecting those funds.

Alternatives:

The City Council may decide not to revise the X₁₉ Combining District or may provide direction to eliminate the District entirely.

Recommendations:

Initiate a Municipal Code amendment to revise the X₁₉ Combining District to provide for future intersection improvements at the State Highway 20 / El Margarita Road intersection.

Attachments:

1. Text of Existing X₁₉ Combining District
2. Map of Existing X₁₉ Area
3. Map of Proposed Development Proximate to Hwy 20 / El Margarita Road

Prepared By:

Doug Libby, AICP
Deputy Development Services Director

Submitted By:

Diana Langley
City Manager

Attachment 1

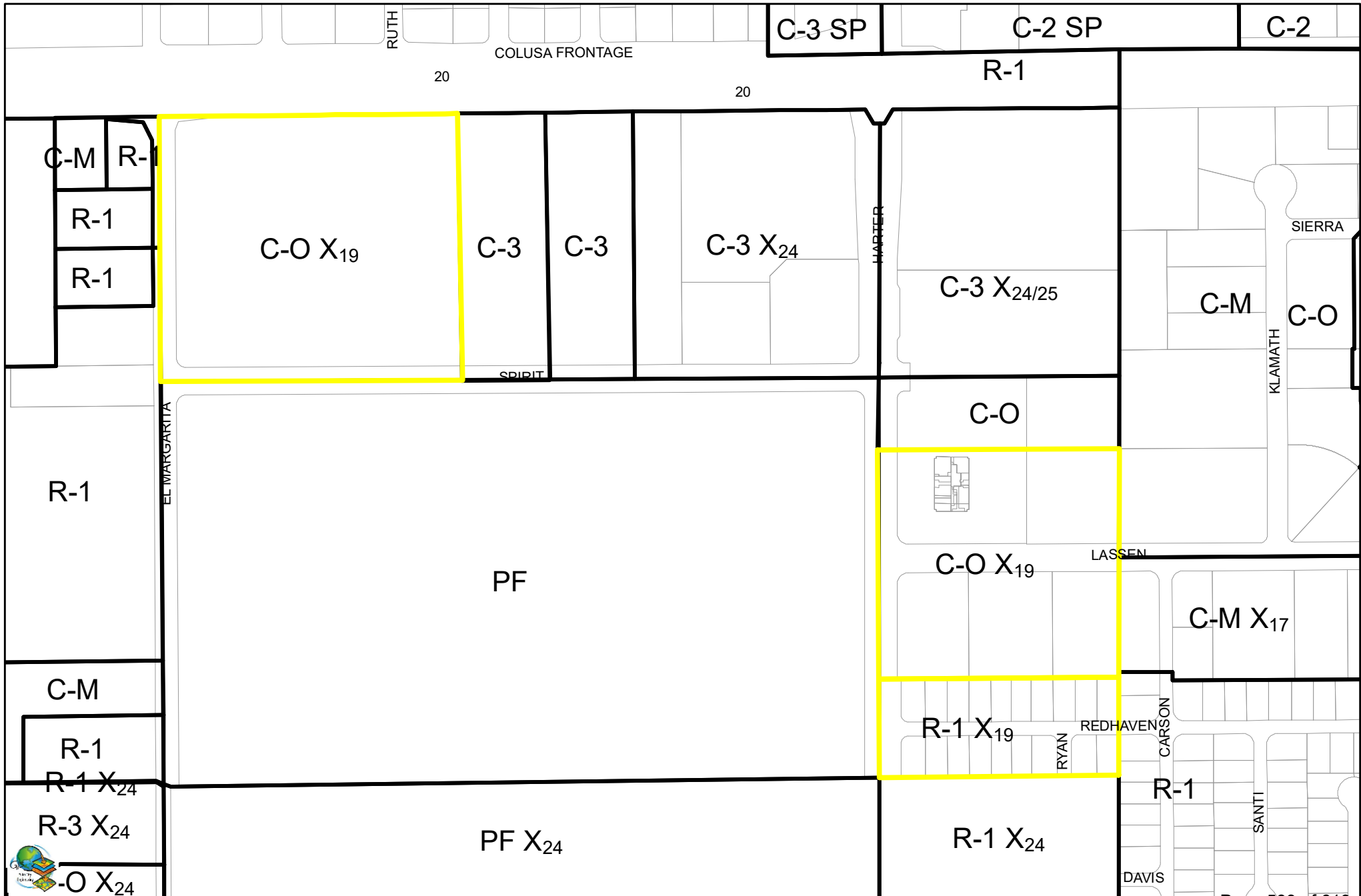
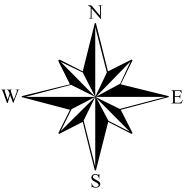
Existing X₁₉ Combining District

X₁₉ Area: Southeast corner of Colusa Ave. & El Margarita Rd.

Reason: To ensure the future provision for transportation needs: 1) a fair share of fees will be paid for traffic signal improvement at Walton Avenue/Lassen Blvd./Tharp Road intersection are mad, 2) a fair share will be paid for the improvements cost of highway road improvements based on an AB1600 study in effect at the time of issuance of building permits and 3) that Harter Road and Lassen Blvd. are improved to city standards and extended across this property along with El Margarita Road.

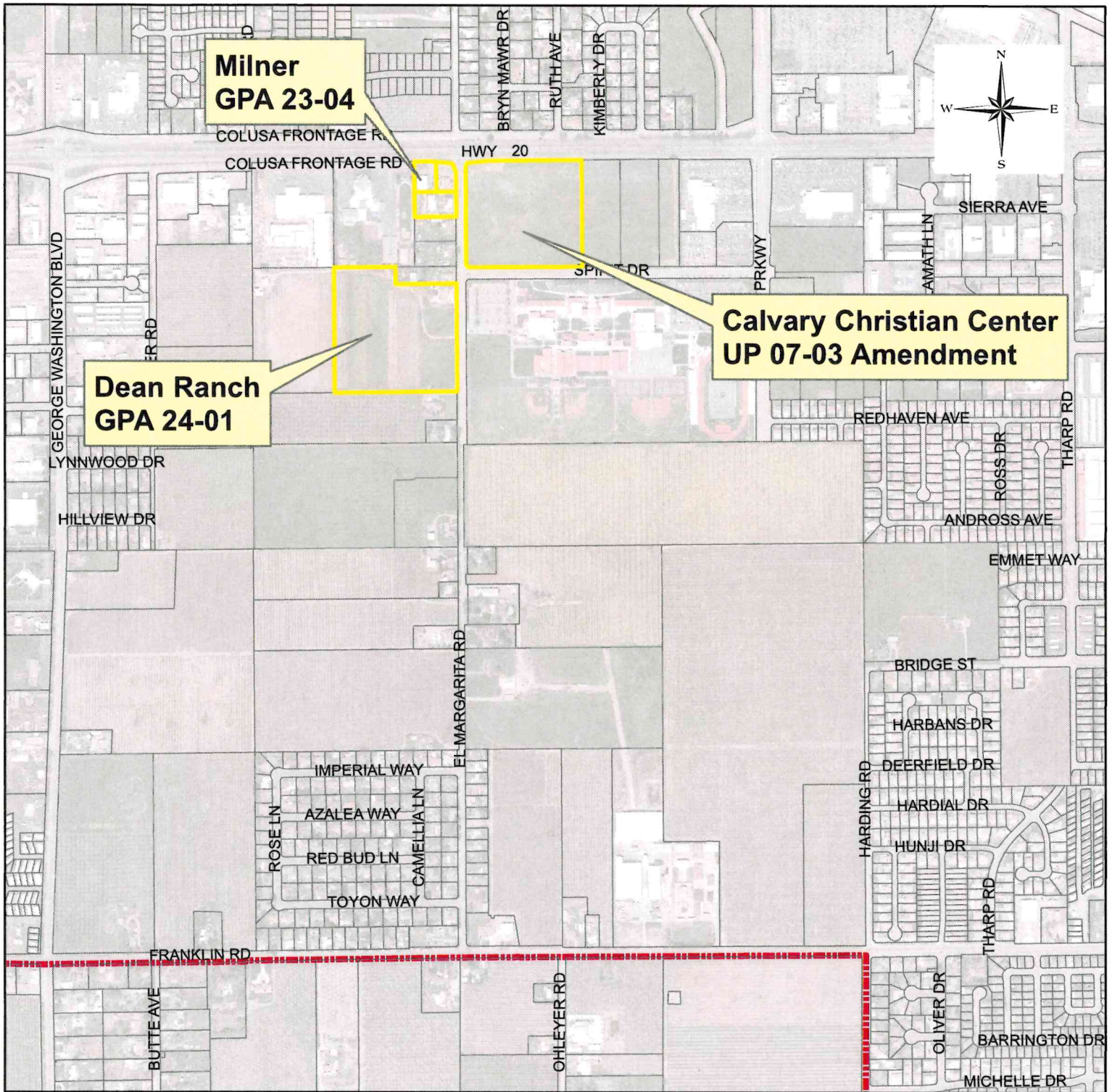
Attachment 2

EXISTING COMBINING X₁₉ DISTRICT



Attachment 3

PENDING DEVELOPMENT APPLICATIONS



CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Planning Division Fee Schedule Update
Recommendation: Conduct a Public Hearing to receive comments on a proposed Planning Fee Schedule Update and provide staff direction on bringing the item forward
Fiscal Impact: A potential increase in cost recovery of approximately \$118,000 annually.

Purpose:

To consider adjusting planning service fees recover City costs of providing services and to align with comparable services in the region.

Council's Strategic Goals:

This item addresses Council's Strategic Goal of *Fiscal Responsibility*.

Background:

The City's Development Services Department provides necessary planning entitlement services to residents and developers within the City, through the Planning Division.

The Planning Fee Schedule is adjusted using the Consumer Price Index (CPI) for all urban consumers on an annual basis along with the City's Master Fee schedule. However, the last time that the planning fees were analyzed and adjusted to reflect cost recovery was in September 2001. In the time since, there have been significant changes in the development processes within the City and State, the cost of services, and the complexity of planning processes, which have contributed to a growing gap between the fees collected and the actual costs of providing planning services.

Analysis:

Staff reviewed the planning fees of ten (10) comparable cities. This review incorporated the City's planning fees and compared them to both the mean and median planning fees in multiple entitlement categories. Yuba City's current planning fees fall significantly below both the mean and median amounts in all categories analyzed.

Staff additionally analyzed the actual costs of staff time to identify the recommended proposed fee update amounts. The proposed fees will not fully recoup actual costs at application, however, with the

implementation of development, the City will receive long-term financial benefit through property taxes and potential sales tax dollars to offset original costs.

In addition to the proposed fee updates, Staff recommends deleting some categorical specifications under the planning entitlements, as well as adding in fees for Development Agreements, Administrative Permits, and an Undefined category. These changes are shown in the Proposed section of the Planning Fee Schedule attachment.

Staff requests input from Council regarding updating the Planning Fee Schedule, specifically related to cost recovery and implementation timelines. If Council desires to implement a fee update, Staff will bring back a Resolution and fee study with determined amounts and effective dates.

The Proposed Planning Fee Update Public Hearing was noticed in the newspaper on November 29 and December 6, 2024 and data made available to any interested parties at the City Clerk's office.

Fiscal Impact:

In FY 2023-2024, the City collected approximately \$117,000 in planning fees. If services provided stay consistent, the proposed Planning Fee Schedule will increase those fees by approximately \$118,000, to total \$235,000 per year.

Alternatives:

Provide Staff alternative direction related to updating Planning service fees.

Recommendation:

Conduct a Public Hearing to receive comments on a proposed Planning Fee Schedule Update and provide staff direction on bringing the item forward.

Attachments:

1. Attachment 1 - Proposed Planning Fee Schedule Update
2. Attachment 2 - Comparable Cities - Planning Fee Data
3. Attachment 3 - Proof of Publication - Public Hearing on Planning Fee Update

Prepared By:
Shannon Sardo
Administrative Analyst

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

City of Yuba City Fee Schedule		Effective (unless otherwise noted) July 1, 2024			
		Feb 2023 CPI	3.2%		
I. DEVELOPMENT SERVICES – PLANNING		Fee	Actual Costs	Proposed Fee	
General Plan Amendments	Text and Map Changes	3,407.13	\$ 12,459	\$	9,000
Master Plans	New Plans	Actual Costs + Advanced Funding Agreement Required		\$500 deposit and Actual Costs + Advanced Funding Agreement	
Specific Plans	New Plans	Actual Costs + Advanced Funding Agreement Required		\$500 deposit and Actual Costs + Advanced Funding Agreement	
Master/Specific Plan (Text & Map)		3,407.13		Actual Costs + Advanced Funding Agreement Required	
Rezoning	Map Change	3,407.13	\$ 11,663	\$	8,000
	Text Change	3,407.13		(delete)	
Planned Developments		2,491.96	\$ 12,663	\$	8,000
Land Divisions	Subdivision Map	5,117.99	\$ 14,394	\$	6,500
		plus \$29 per lot over 4			
	Parcel Map	1,831.80		\$	5,000
	Parcel Map Revision	480.91		\$	1,800
	Subdivision Map Revision	945.76		\$	1,800
	Subdivision Map Time Extension	450.30		\$	1,000
	Parcel Map Time Extension	450.30		\$	1,000
	Lot Line Adjustment	1,036.13	\$ 2,077	\$	1,500
		plus \$72 per lot over 2		(delete)	
	Urban Lot Split Fee	1,036.13	\$ 2,677	\$	2,500
	Certificate of Compliance	255.03		\$	750
Use Permits	Major (all projects other than minor use permits)	2,027.09	\$ 11,655	\$	6,000
	Minor (related to single-family residence or duplex parking waiver, signs, temporary coaches)	826.27	\$ 5,923	\$	3,500
	Minor Amendments	826.27		\$	1,200
	Major Amendments	2,027.09		\$	1,500
	Time Extensions Minor	614.97		\$	1,000
	Major	614.97		\$	1,000
Development Plans	City Council Review	4,217.39	\$ 12,363	\$	6,000
	Planning Commission Review	3,616.97		\$	3,500
	Staff Review				
	Single Family, Duplex, Four-plex	59.75		(delete)	
	Multi-family Residence	135.52		(delete)	
		plus \$6/unit over 4		(delete)	
	Commercial, Office 10,000 sq. ft. or less	285.63		(delete)	
	Commercial, Office 10,000 sq. ft. or more	569.80		(delete)	
	Industrial 10,000 sq. ft. or less	135.52		(delete)	
	Industrial 10,000 sq. ft. or more	285.63		(delete)	
	Time Extension	614.97		\$	1,000

City of Yuba City Fee Schedule			Effective (unless otherwise noted) July 1, 2024		
Feb 2023 CPI			3.2%		
I. DEVELOPMENT SERVICES – PLANNING					
		Fee	Actual Costs		Proposed Fee
Variances	Single Family Residential	412.40		\$	2,000
	Other	826.27	\$	8,595	\$ 4,000
Zoning Clearance	Zoning Clearances for Signs, Homes, Model Homes, and				
	Telecommunications	59.75		\$	100
	Special Event Signage	59.75		(delete)	
		plus \$150 Deposit		(delete)	
California Environmental Quality Act					
	Minor (parcel maps, variances, minor & major use permits	676.20		\$	700
	Major (subdivisions, general plan amendments, rezoning,	1,336.33	\$	7,836	\$ 4,500
Environmental Impact Reports		Actual Costs		Actual costs	
Development Agreement					
(New Fee)	New			\$	5,000
	Amendment			\$	3,500
	Assignment (one developer to one developer)			\$	1,000
	Assignment (each developer)			\$	1,250
Administrative Permits				\$	1,000
Undefined					
(New Fee)				\$ 500 deposit +actual costs	

ATTACHMENT 2

Planning Division Fees -Comparable Cities

-Comparable Cities	General Plan Am	Use Permits	Environmental Review - N	Appeals
Yuba City	\$ 3,407.13	\$ 2,027.09	\$ 1,336.33	\$ 931.24
Lincoln	\$ 10,000.00	\$ 10,000.00	\$ 3,000.00	\$ 3,000.00
Woodland	\$ 5,381.00	\$ 3,776.00	\$ 2,532.00	\$ 326.00
Tulare	\$ 5,410.00	\$ 5,133.00	\$ 1,618.00	\$ 1,118.00
Manteca	\$ 13,454.00	\$ 9,291.00		\$ 3,148.00
West Sacramento (most are deposits with reimbursement agreement)	\$ 8,000.00	\$ 5,000.00	\$ 1,000.00	\$ 100.00
Rocklin	\$ 15,269.00	\$ 13,107.00	\$ 7,298.00	\$ 5,392.00
Lodi	\$ 5,802.00	\$ 5,001.93	\$ 2,500.00	\$ 1,502.34
Turlock	\$ 13,836.00	\$ 10,821.00	\$ 2,250.00	\$ 550.00
Madera	\$ 6,225.00	\$ 3,694.00	\$ 488.00	\$ 1,325.00
Davis	\$ 11,898.00	\$ 6,141.00	\$ 4,623.00	\$ 256.00
MEAN	\$ 9,527.50	\$ 7,196.49	\$ 2,812.11	\$ 1,671.73
MEDIAN	\$ 9,000.00	\$ 5,637.00	\$ 2,500.00	\$ 1,221.50
1 STDEV below	\$ 5,668.11	\$ 3,874.88	\$ 749.32	\$ (20.85)
1 STDEV above	\$ 13,386.89	\$ 10,518.10	\$ 4,874.90	\$ 3,364.32
	=Outlier			
	=Unsure Category			

Planning Division Fees Cities	Rezoning / Planned Development	Variances	Parcel Map	Subdivision Map	Lot Line Adjustment
Yuba City	\$ 3,407.13	\$ 412.40	\$ 1,831.80	\$ 5,117.99	\$ 1,036.13
Lincoln	\$ 10,000.00	\$ 5,000.00	\$ 6,000.00	\$ 15,000.00	\$ 2,000.00
Woodland	\$ 5,235.00	\$ 2,481.00	\$ 2,897.00	\$ 6,150.00	\$ 471.00
Tulare	\$ 3,221.00	\$ 3,360.00	\$ 2,639.00	\$ 3,739.00	\$ 1,227.00
Manteca	\$ 9,301.00		\$ 5,733.00	\$ 12,299.00	\$ 2,350.00
West Sacramento (most are deposits with reimbursements)	\$ 8,000.00	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 2,000.00
Rocklin	\$ 14,930.00	\$ 7,642.00		\$ 18,087.00	\$ 2,625.00
Lodi	\$ 7,120.80	\$ 1,502.33	\$ 5,940.47	\$ 5,802.00	\$ 1,245.55
Turlock	\$ 8,300.00	\$ 3,104.00	\$ 7,283.00	\$ 7,283.00	\$ 182.00
Madera	\$ 6,225.00	\$ 2,963.00	\$ 1,069.00	\$ 4,538.00	\$ 405.00
Davis		\$ 5,116.00	\$ 7,933.00	\$ 3,070.00	\$ 3,070.00
MEAN	\$ 8,036.98	\$ 3,558.07	\$ 4,832.72	\$ 8,396.80	\$ 1,510.15
MEDIAN	\$ 8,000.00	\$ 2,000.00	\$ 5,733.00	\$ 6,716.50	\$ 1,622.78
1 STDEV below	\$ 4,716.53	\$ 1,746.09	\$ 2,529.62	\$ 3,332.01	\$ 507.15
1 STDEV above	\$ 11,357.42	\$ 5,370.06	\$ 7,135.82	\$ 13,461.59	\$ 2,513.16
				\$ 5,407.99	\$ 1,756.13

Planning Division Fees Cities	Zoning Clearance	Map Revision	Time Extension (UP, DP, TPM, TSM)	Admin Permits	Certificate of Corr
Yuba City	\$ 59.75	\$ 480.91	\$ 450.30		\$ 255.03
Lincoln	\$ 300.00	\$ 2,500.00	\$ 3,000.00	\$ 2,000.00	\$ 2,000.00
Woodland	\$ 892.00	\$ 3,932.00		\$ 2,481.00	\$ 369.00
Tulare		\$ 1,227.00	\$ 576.00	\$ 1,462.00	\$ 1,036.00
Manteca	\$ 289.00	\$ 2,668.00	\$ 3,531.00		\$ 1,169.00
West Sacramento (most are deposits with reimburse)	\$ 1,000.00		\$ 1,000.00	\$ 1,000.00	\$ 600.00
Rocklin	\$ 418.00		\$ 5,913.00	\$ 2,385.00	\$ 2,273.00
Lodi	\$ 375.86	\$ 1,500.00		\$ 375.86	
Turlock	\$ 90.00		\$ 2,497.00	\$ 963.00	
Madera		\$ 534.00	\$ 1,594.00	\$ 630.00	
Davis	\$ 729.00	\$ 3,070.00		\$ 2,016.00	
MEAN	\$ 461.51	\$ 1,988.99	\$ 2,320.16	\$ 1,479.21	\$ 1,100.29
MEDIAN	\$ 375.86	\$ 2,000.00	\$ 2,045.50	\$ 1,462.00	\$ 1,036.00
1 STDEV below	\$ 138.63	\$ 814.40	\$ 509.05	\$ 703.13	\$ 344.04
1 STDEV above	\$ 784.39	\$ 3,163.57	\$ 4,131.28	\$ 2,255.28	\$ 1,856.54

ATTACHMENT 3

PROOF OF PUBLICATION

APPEAL-DEMOCRAT

1530 Ellis Lake Drive, Marysville, CA 95901 * (530) 749-4700

STATE OF CALIFORNIA * Counties of Yuba and Sutter

I am not a party to, nor interested in the above entitled matter. I am the principal clerk of the printer and publisher of THE APPEAL-DEMOCRAT, a newspaper of general circulation, printed and published in the City of Marysville, County of Yuba, to which Newspaper has been adjudged a newspaper of general circulation by The Superior Court of the County of Yuba, State of California under the date of November 9, 1951, No. 11481, and County of Sutter to which Newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Sutter, State of California under the date of May 17, 1999, Case No. CVPT99-0819. The Notice, of which the annexed is a copy, appeared in said newspaper on the following dates:

November 29 & December 6, 2024

I declare under penalty of perjury that the foregoing is true and correct.

December 6, 2024

Date

Signature

City of Yuba City

Public Hearing

COPY:

CITY OF YUBA CITY

Planning Fee Update – Public Hearing

Notice is hereby given that the City Council will hold a public hearing on December 17, 2024, at 6:00 pm, or shortly thereafter at the City Hall Council Chambers, 1201 Civic Center Blvd., Yuba City, CA 95993 on the following item:

**Update of the Development Services -
Planning Fee Schedule**

The Development Services Department processes entitlement applications (General Plan amendments, rezonings, permits, development plans, tentative maps, etc.) in accordance with State law and collects fees in accordance with the City Council's adopted fee schedule which was last updated in 2001. The City Council will review the existing fee schedule and consider adopting proposed revisions.

Copies of the supporting materials are available for public review at the City Clerk's office at 1201 Civic Center Blvd., Yuba City, CA 95993.

The Council Chambers are accessible by wheelchair. Reasonable accommodations for the disabled may be arranged with 72 hours advance notification to the City Clerk at (530) 822-4609, TDD (530) 822-4732.

November 29 & December 6, 2024

Ad#00304259

CITY OF YUBA CITY
STAFF REPORT

Date: December 17, 2024
To: Honorable Mayor & Members of the City Council;
From: Development Services Department
Presentation By: Ben Moody, Public Works & Development Services Director

Summary

Subject: Planning Commission Representation

Recommendation: A. Receive staff information and presentation, then provide feedback and direction to staff; and

B. Initiate a Municipal Code amendment, changes to the Planning Commission Bylaws, and other recommended changes to update the composition of the Planning Commission from seven to five members with appointments to be made by individual City Council members coinciding with Council members' individual districts

Fiscal Impact: No direct fiscal impact will result from amending the Municipal Code to revise the standards discussed

Purpose:

To discuss and provide direction to staff regarding the Planning Commission composition to consider alignment with City Council districts.

Council's Strategic Goal:

Consideration of updating the composition of the Planning Commission representation from at-large positions to appointments made by individual City Council members, that will include recently annexed areas into the City, addresses the City Council's overarching goal of quality of life.

Background:

The Planning Commission was established by Ordinance No. 192, and this commences at Municipal Code Section 8-1.01.

Traditionally, the Planning Commission has been comprised of six at-large members of the community serving 4-year terms. A seventh member has traditionally been appointed by Sutter County and, similarly, the City has traditionally appointed a member to the County Planning Commission.

Districting laws in California have been put in place in an effort for governments to be more responsive to the communities' needs. In 2024, the City Council completed the process of transitioning from at-large City Council representation to five individual districts. Consistent with recent action by the City to

establish individual council districts, staff seeks direction regarding the consideration of updating the composition of the Planning Commission to align with Council districts.

Analysis:

Transitioning from at large representation to district representation would change the composition of the Planning Commission to a five-member Commission where each City Council district would have representation. Should the City Council decide to follow this approach, continuing to include Sutter County representation would result in a sixth member. This could potentially result in tie votes, and this is not recommended. As a result of this potential scenario, should the City Council decide to transition to a five-member Planning Commission, it is recommended Council consider how the Planning Commissioners be selected and discontinuing the representation from Sutter County due to state and local changes to provide representation from established community districts.

There are currently three Planning Commission seats that have terms ending on February 27, 2025. One additional seat is currently vacant with a term ending in 2027.

Should the City Council determine to initiate a Municipal Code amendment to transition to a five-member Planning Commission, staff will begin coordinating necessary code and bylaw amendments to bring before the City Council at a future date for implementation. Consideration of existing Planning Commissioners and timeliness to minimize impacts to the public will be included in the analysis.

Fiscal Impact:

No direct fiscal impact will result from amending the Municipal Code to potentially revise the composition of the Planning Commission.

Alternatives:

The City Council may decide not to initiate a change to amend the composition of the Planning Commission or may provide alternative guidance to staff concerning this issue.

Recommendations:

A. Receive staff information and presentation, then provide feedback and direction to staff; and

B. Initiate a Municipal Code amendment, changes to the Planning Commission Bylaws, and other recommended changes to update the composition of the Planning Commission from seven to five members with appointments to be made by individual City Council members coinciding with Council members' individual districts.

Attachments:

1. City Council Districts Map

Prepared By:

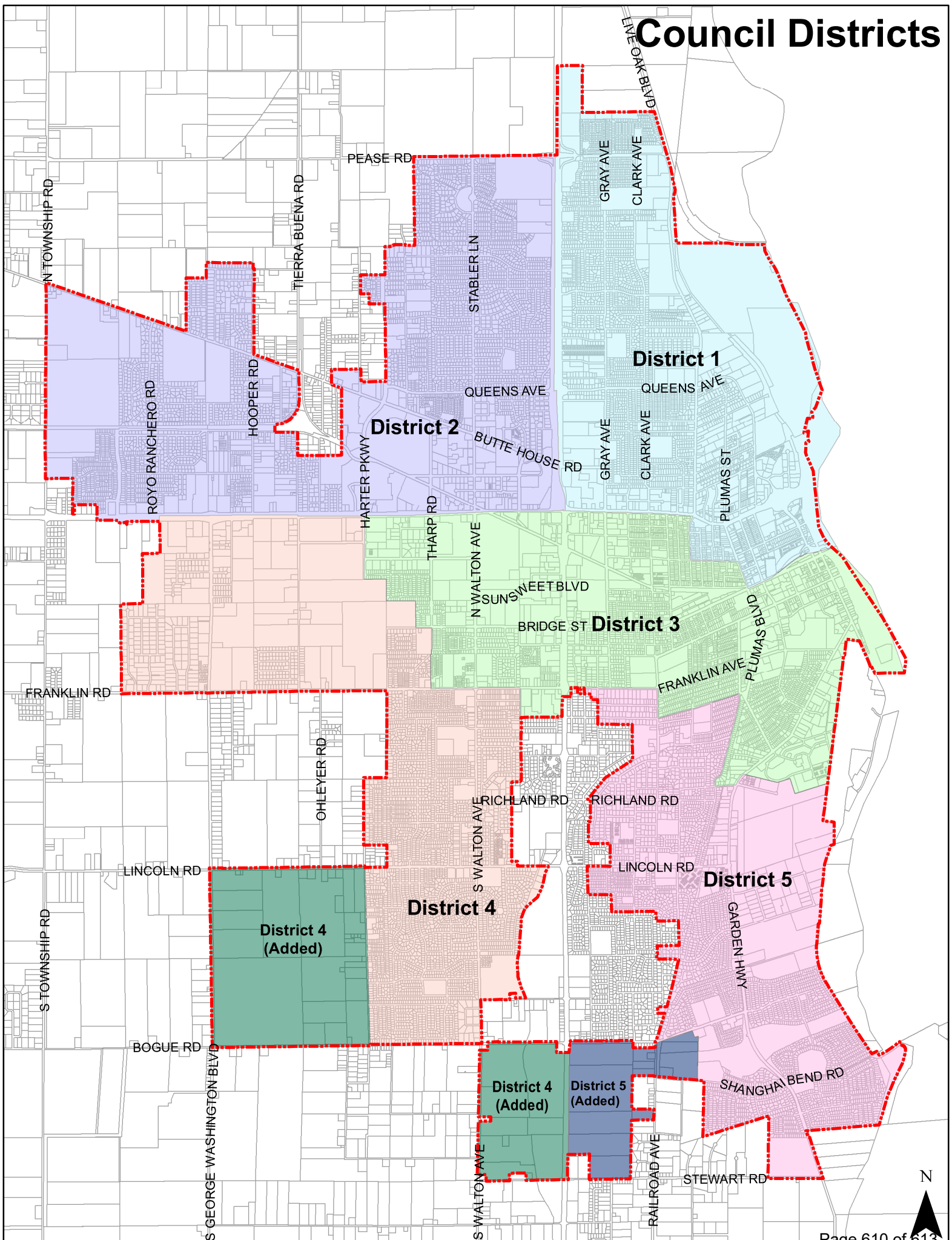
Doug Libby, AICP
Deputy Development Services Director

Submitted By:

Diana Langley
City Manager

Attachment 1

Council Districts



CITY OF YUBA CITY

Future Agenda Items

- Councilmember Kirchner
- Councilmember Pasquale
- Councilmember Cole
- Vice Mayor Boomgaarden
- Mayor Shaw

CITY OF YUBA CITY

Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

City Manager's Report

CITY OF YUBA CITY

Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

City Council Reports

- Councilmember Kirchner
- Councilmember Pasquale
- Councilmember Cole
- Vice Mayor Boomgaarden
- Mayor Shaw

Adjournment