



A G E N D A

REGULAR MEETING OF THE SUISUN CITY COUNCIL

SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY,

AND HOUSING AUTHORITY

TUESDAY, SEPTEMBER 1, 2015

7:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following Council/Successor Agency/Housing Authority includes teleconference participation by Councilmember Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

(Next Ord. No. – 733)

(Next City Council Res. No. 2 015 – 100)

Next Suisun City Council Acting as Successor Agency Res. No. SA2015 – 02)

(Next Housing Authority Res. No. HA2015 – 04)

ROLL CALL

Council / Board Members

Pledge of Allegiance

Invocation

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONFLICT OF INTEREST NOTIFICATION

(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)

REPORTS: (Informational items only.)

1. Mayor/Council - Chair/Boardmembers
2. City Manager/Executive Director/Staff
 - a. Emergency Preparedness Month and the Status of City Readiness – (O'Brien).

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320
FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340
SUCCESSOR AGENCY 421-7309 FAX 421-7366

PRESENTATIONS/APPOINTMENTS

(Presentations, Awards, Proclamations, Appointments).

3. Introduction and Swearing in of new Suisun City Police Communications and Records Technician Danielle Lindberg – (Mattos).
4. Introduction of new Suisun City Planning Specialist Katrina Lapira – (Garben).
5. Introduction of new Suisun City Public Works & Building Director, City Engineer Tim McSorley – (Bragdon).
6. Presentation of Proclamation to Fire Chief Mike O'Brien Proclaiming September 2015 as "National Preparedness Month" – (O'Brien).

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

City Council

7. Council Adoption of Resolution. 2015-___: Approving an Agreement with Creative Arts Collective to Lease and Operate Harbor Theater and Authorizing the City Manager to Execute the Agreement on the City's Behalf – (Bragdon).
8. Council Adoption of Resolution. 2015-___: Approving an Amendment to the California Enterprise Development Authority (CEDA) Joint Powers Agreement to Add Suisun City as an Associate Member thereby Authorizing properties within City Limits to Voluntarily Participate in the Figtree Property Assessed Clean Energy (PACE) Program – (Garben).

Joint City Council / Suisun City Council Acting as Successor Agency/Housing Authority

9. Council/Agency/Authority Approval of the Minutes of the Regular and/or Special Meetings of the Suisun City Council, Suisun City Council Acting as Successor Agency, and Housing Authority held on July 7, 2015, and July 21, 2015. – (Hobson).

Joint City Council / Suisun City Council Acting as Successor Agency

10. Council/Agency Approval of the July 2015 Payroll Warrants in the amount of \$393,754.67. Council/Agency Approval of the July 2015 Payable Warrants in the amount of \$1,412,584.75 – (Finance).

GENERAL BUSINESS**City Council**

11. Council Adoption of Resolution. 2015-___: Approving and Authorizing the City Manager to Execute a Professional Services Agreement to Assess the Feasibility of a Tax Measure for the November 2016 Ballot – (Bragdon).

PUBLIC HEARINGS

12. Public Hearing
Discussion and Direction Regarding Downtown Waterfront Specific Plan Update Policies – (Garben).

CLOSED SESSION

Pursuant to California Government Code section 54950 the City Council / Suisun City Council Acting as Successor Agency will hold a Closed Session for the purpose of:

Joint City Council / Suisun City Council Acting as Successor Agency**13. PERSONNEL MATTERS**

Pursuant to California Government Code Section 54954.5 et seq. the Suisun City Council/Successor Agency will hold a Closed Session for the purpose of Public Employee Performance Evaluation: City Manager Goals and Priorities.

CONVENE OPEN SESSION

Announcement of Actions Taken, if any, in Closed Session.

ADJOURNMENT

A complete packet of information containing staff reports and exhibits related to each item for the open session of this meeting, and provided to the City Council, are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting at Suisun City Hall 701 Civic Center Blvd., Suisun City. Agenda related writings or documents provided to a majority of the Council/Board/Commissioners, after distribution of the agenda packet, less than 72 hours prior to a Council/Agency/Authority meeting related to an agenda item for the open session of this meeting will be made available for public inspection during normal business hours. An agenda packet is also located at the entrance to the Council Chambers during the meeting for public review. The City may charge photocopying charges for requested copies of such documents. Assistive listening devices may be obtained at the meeting

PLEASE NOTE:

1. The City Council/Agency/Authority hopes to conclude its public business by 11:00 P.M. Ordinarily, no new items will be taken up after the 11:00 P.M. cutoff and any items remaining will be agendaized for the next meeting. The agendas have been prepared with the hope that all items scheduled will be discussed within the time allowed.
2. Suisun City is committed to providing full access to these proceedings; individuals with special needs may call 421-7300.
3. Agendas are posted at least 72 hours in advance of regular meetings at Suisun City Hall, 701 Civic Center Boulevard, Suisun City, CA. Agendas may be posted at other Suisun City locations including the Suisun City Fire Station, 621 Pintail Drive, Suisun City, CA, and the Suisun City Senior Center, 318 Merganser Drive, Suisun City, CA.

AGENDA TRANSMITTAL

ITEM 2.a

MEETING DATE: September 1, 2015

AGENDA ITEM: Emergency Preparedness Month and the Status of City Readiness.

FISCAL IMPACT: There would be no fiscal impact.

BACKGROUND: Each Year in September the nation recognizes Emergency Preparedness month. This year's theme is **Don't Wait. Communicate. Make your Emergency Plan Today.**

History has shown us that the federal government can't do it alone when it comes to preparing for, responding to, and recovering from disasters. FEMA is only part of our nation's emergency management team – along with our other federal partners, state and local governments, nonprofit and voluntary organizations, the private sector and most importantly, the public.

STAFF REPORT: The goal this year is to transform awareness into action by encouraging everyone to commit to doing at least one of the following:

- Make a family emergency plan for emergencies.
- Prepare a kit for the family with food, water, medicines, and shelter that will last for 72 hours.
- The citizens of Suisun City should take each week of this month to focus on emergency preparation and consider a different type of emergency.

Week 1: September 1-5 Make Your Plan, Make Your Kit

Make sure you and your family can reconnect if an emergency occurs at times when the family is out of the home at work, school, or shopping. Have a plan on where to meet, how to make contact through phone or text. Prepare a kit that will make you and the family self-sufficient for at least 72 hours. This includes food, water, medicines, shelter, for the family and your pets. Make a smaller kit that stays in the car. Additionally, basic services such as electricity, gas, water, sewage treatment and telephones may be cut off for days or even a week, or longer. Your supplies kit should contain items to help you manage during these outages.

Week 2: September 6-12 Wildfire

In Suisun City, the threat of wildfire is not as great as some parts of the county, but we still have areas that can threaten homes. The following are things you can do to protect yourself, your family and your property in the event of a fire. Design and landscape your home with wildfire safety in mind. Select materials and plants that can help contain fire rather than fuel it. Use fire-resistant or noncombustible materials on the roof and exterior structure of the dwelling, or treat wood or combustible material used in roofs, siding, decking or trim with fire-retardant chemicals evaluated by a nationally recognized laboratory, such as Underwriters Laboratories (UL). Plant fire-resistant shrubs and trees, for example, hardwood trees are less flammable than pine, evergreen, eucalyptus or fir trees.

PREPARED BY:

REVIEWED/APPROVED BY:

Mike O'Brien, Fire Chief
Suzanne Bragdon, City Manager

SB

Week 3: September 13-19 Winter Storms and Flooding

Floods are one of the most common hazards in the United States, however not all floods are alike. Some floods develop slowly, while others such as flash floods can develop in just a few minutes and without visible signs of rain. Additionally, floods can be local, impacting a neighborhood or community, or very large, affecting entire river basins and multiple states. Be aware of flood hazards no matter where you live or work, but especially if you are in low-lying areas, near water, behind a levee or downstream from a dam. Even very small streams, gullies, creeks, culverts, dry streambeds or low-lying ground that appear harmless in dry weather can flood.

The following are important points to remember when driving in flood conditions: Six inches of water will reach the bottom of most passenger cars causing loss of control and possible stalling. A foot of water will float many vehicles, two feet of rushing water can carry away most vehicles including sport utility vehicles (SUV's) and pick-ups.

Week 4: September 14-26 Power Outage

To prepare for a power outage you should do the following: Fill plastic containers with water and place them in the refrigerator and freezer if there's room. Leave about an inch of space inside each one, because water expands as it freezes. This chilled or frozen water will help keep food cold during a temporary power outage. Be aware that most medication that requires refrigeration can be kept in a closed refrigerator for several hours without a problem. Keep your car tank at least half full because gas stations rely on electricity to power their pumps.

Know where the manual release lever of your electric garage door opener is located and how to operate it. Garage doors can be heavy, so know that you may need help to lift it.

Keep a key to your house with you if you regularly use the garage as the primary means of entering your home, in case the garage door will not open.

Week 5: September 27-30 Earthquake

Earthquakes are sudden rolling or shaking events caused by movement under the earth's surface. Earthquakes happen along cracks in the earth's surface, called fault lines, and can be felt over large areas, although they usually last less than one minute. Earthquakes cannot be predicted — although scientists are working on it!

Look around places where you spend time. Identify safe places such as under a sturdy piece of furniture or against an interior wall in your home, office or school so that when the shaking starts, you Drop to the ground, Cover your head and neck with your arms, and if a safer place is nearby, crawl to it and Hold On.

Practice how to "Drop, Cover, and Hold On!"

To react quickly you must practice often. You may only have seconds to protect yourself in an earthquake.

Before an earthquake occurs, secure items that could fall and cause injuries (e.g., bookshelves, mirrors, light fixtures).

Store critical supplies (e.g., water, medication) and documents.

Plan how you will communicate with family members, including multiple methods by making a family emergency communication plan.

When choosing your home or business, check if the building is earthquake resistant per local building codes. **ITEM 2.a**

The **Local Hazard Mitigation Plan (LHMP)** is with the consultant for final tweaks to conform to some recent Federal and State requirements. We should be ready to present the final Plan to the Council and the State OES by the end of the year.

The **Emergency Operations Plan (EOP)** Organization chart has been updated with the caveat that as we get to know our new staff members we may make some adjustments. The EOP update has begun and will receive more attention once the LHMP is finalized. For the most part the plan's basic form, checklists, and procedures will stay the same. The front section will be updated to insure we are compliant with the law for things like emergency declaration procedures. The city has not needed to open our Emergency Operations Center in more than 22 years, but, we will still prepare.

New focus will be given to use of social media and spontaneous volunteer workers and their management.

Social Media

Social Media has become one of the primary ways to disseminate information. During the Napa Earthquake, the news outlets, the citizens, and the responders were able to stay on top of the developing emergency by watching the social media sources. Our EOP needs to be updated to take advantage of this resource.

As with a lot of new developments, the golden egg does not come without problems to solve. In the social media realm the city needs to decide how to control and use this media. Currently we have more than 13 separate online sources with Suisun somewhere in their name. One of the needs in an emergency is to have a single official source of information to prevent conflicting, confusing, and sometimes dangerous information given out to the public. The other problem will be the time involved to have all these sites updated with the same information.

Current Winter Season Preparedness

Predictions of a record breaking El Nino is prompting the city staff to look and assess the needs for a very wet season.

Public Works staff is looking at:

- Sand and sandbag needs. Possible the need for more than one location.
- McCoy Creek vegetation.
- Inspect the levy behind School Street.
- Check in with our utility providers.

The Fire Department will be monitoring the weather and the developing El Nino story.

STAFF RECOMMENDATION: Receive and file.

ATTACHMENTS:

1. None.

Office of the Mayor

Suisun City, California

Proclamation



WHEREAS, the City of Suisun City is committed to ensuring the safety and security of all those living in and visiting our city, and

WHEREAS, September is National Disaster Preparedness Month. This September, in addition to the ongoing disaster preparedness information we provide throughout the year. We want to stress the importance of planning **NOW**, because when a disaster strikes it's too late. The national theme is, "Don't Wait. Communicate. Make Your Emergency Plan Today"; and

WHEREAS, while many things compete for our attention and it may seem overwhelming or unimportant to get prepared, we know from experience that taking steps to prepare ahead of time can help you respond better and stay safer in an emergency; and

WHEREAS, the time and effort you invest now in preparing will help you and your family navigate through and recover more quickly from what may come our way at the most unexpected moment. The time to act is now, everyone should be prepared to survive for 72 hours before help arrives; and

WHEREAS, residents should take each week of this month to focus on emergency preparation and a different type of emergency.

- Week 1: September 1-5 Make Your Plan, Make Your Kit
- Week 2: September 6-12 Wildfire
- Week 3: September 13-19 Winter Storms and Flooding
- Week 4: September 14-26 Power Outage
- Week 5: September 27-30 Earthquake

WHEREAS, All residents should visit www.suisun.com for resources available on the Emergency Preparedness page.

NOW THEREFORE, BE IT RESOLVED, I Pete Sanchez, Mayor, do hereby proclaim September 2015 as:

"NATIONAL PREPAREDNESS MONTH"

in the City of Suisun City, and encourage all residents and businesses to develop their own emergency preparedness plan, and work together toward creating a more prepared society.

In witness whereof I have hereunto set my hand and caused this seal to be affixed.

Pete Sanchez, Mayor

ATTEST:

DATE September 1, 2015

AGENDA TRANSMITTAL

MEETING DATE: September 1, 2015

CITY AGENDA ITEM: Council Adoption of Resolution No. 2015-__: Approving an Agreement with Creative Arts Collective to Lease and Operate Harbor Theater and Authorizing the City Manager to Execute the Agreement on the City's Behalf.

FISCAL IMPACT: The initial cost to the City to address needed facility repairs is estimated to be \$70,000, which has been allocated in the current fiscal year budget. Ongoing revenue to the City from per-ticket and per-rental charges is estimated to range from \$14,000 to \$26,000 annually as programming and operations ramp up. These revenues would be dedicated to the ongoing facility maintenance and upkeep requirements of the City. Additionally, City costs to offset utility charges (electricity, gas, water and garbage) would amount to \$27,000 in the first year and \$4,500 in the second. Thereafter, the Creative Arts Collective is anticipated to cover 100% of these costs.

Indirect benefits would accrue to the City in the form of enhanced sales tax and TOT revenues due to the patrons of the various events eating and/or lodging downtown.

BACKGROUND: The construction of the Harbor Theater (Theater) was completed in 1999, and a lease was entered into at that time with Solano Community College (SCC) for its operation of the facility. SCC has indicated that it no longer wants to operate the facility and has vacated the premises. On April 3, 2015, the City issued a Request for Proposal (RFP) for the Lease/Operation of the Theater. On June 30, 2015, the City Council selected the Creative Arts Collective (CAC), and directed the City Manager to negotiate the terms of the lease.

STAFF REPORT: A long-standing priority of the City Council is to enhance activities downtown that will increase foot traffic, which in turn will support existing businesses and their expansion, while attracting new businesses. Bottom-line: we want a thriving downtown.

Great strides have been made in attracting an exciting mix of restaurateurs downtown, making us a known "restaurant hub" for the region. Professional and service businesses have followed, along with our first hotel. Retailers are starting to make a presence.

In the area of activities, daytime can't be beat including boating, fishing, walking, jogging, wine and art events, wine tastings and history. Nighttime is more limited, with a first-rate night club and lounge on Harbor Square.

This agreement with the Creative Arts Collective to lease and operate the Harbor Theater, would help to fill this nighttime niche with a mix of programming ranging from theatrical, musical, and dance performances to children's theater, comedy, vocals, readings, lectures, and other presentations. A range of classes would likewise be included including youth theater, art, rehearsals, dance, etc.

The proposed Theater Lease Agreement is attached. Highlights of key provisions include the following:

- The initial term of the agreement would be for five years. (Section 2.2)

PREPARED BY:

Ronald C. Anderson, Jr., Assistant City Manager

REVIEWED/APPROVED BY:

Suzanne Bragdon, City Manager

- If CAC has not been in default, it would have the exclusive right to negotiate a five-year extension, at which time, ongoing lease payments from CAC to the City would be, among others, a topic of negotiation. (Section 2.4)
- Rent would include: \$2 per ticket sold to all events, \$2 per student enrolled in a class, 2.5% of the gross amount paid to CAC for any facility rental (such as weddings, banquets, special meetings, etc.). CAC would be required to pay the rent quarterly and provide an accounting summary. The City would have the right to audit CAC's financial records. (Section 3.1)
- CAC would be required to meet specific performance standards which cover programming, active engagement with the business community, quarterly meetings with the City's Ad Hoc Committee, reporting and facility maintenance. (Section 3.2)
- CAC would be required to be an active member in the Business Improvement District. (Section 3.3)
- Specific authorized uses, minimum program requirements and reporting obligations are set forth in the lease agreement. (Section 4.1, Exhibit D-1, and Exhibit D-2)
- Minimum programming standards include 3 recurring monthly events each month (i.e., comedy, music and open mic) plus 4 CAC productions per year ranging from 8 to 12 shows per production.
- Minimum programming of classes includes 12 to 15 classes offered per month with sessions per class ranging from 4 times/month to 2 times/week.
- CAC would be required to make the facility available to rent for various activities including productions, entertainment and such things as banquets, meetings, receptions, etc. (Section 4.2)
- The City would have the right to use the facility up to ten days per year at no cost other than reimbursements for technical support above staff for normal building supervision and operation. (Section 4.3)
- Except for structural elements (roof, plumbing, water heater, HVAC, etc.) that the City would be responsible for, CAC would be required to maintain and repair the facilities. (Section 7.1)
- The City would be required to provide property insurance (which it currently does), and CAC would be required to provide liability, workers comp, liquor, and director & officer insurance. (Section 10)
- CAC would be required to pay for all utility costs (water, sewer, gas, electric, telephone, solid waste, etc.), including any late fees, with noted capped contributions by the City (i.e., \$3,000 per month for the first six months, \$1,500 for the second six months and up to \$750 for the next six months. (Section 14.1)
- Termination of the lease may occur at the end of the term, or by mutual consent of the parties, or in a case where the facility is not usable due to damage (such as earthquake, fire, etc.). (Section 18.5)
- CAC would have the non-exclusive right to use the parking around the theater, however CAC would be required to ensure that student parking only occurs off-site.

The intent of the agreement is to create a lease structure within which the CAC may be successful, which in turn supports the success of existing and future businesses while protecting the City and its facilities.

RECOMMENDATION: It is recommended that the City Council adopt Resolution No. 2015-__: Approving and an Agreement with Creative Arts Collective to Lease and Operate Harbor Theater and Authorizing the City Manager to Execute the Agreement on the City's Behalf.

ATTACHMENTS:

1. Resolution No. 2015-__: Approving and an Agreement with Creative Arts Collective to Lease and Operate Harbor Theater and Authorizing the City Manager to Execute the Agreement on the City's Behalf.
2. Proposed Harbor Arts Center at Harbor Theater Lease Agreement.

RESOLUTION NO. 2015-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
APPROVING AN AGREEMENT WITH CREATIVE ARTS COLLECTIVE TO
LEASE AND OPERATE HARBOR THEATER AND AUTHORIZING THE CITY
MANAGER TO EXECUTE THE AGREEMENT ON THE CITY'S BEHALF**

WHEREAS, the construction of the Harbor Theater (Theater) was completed in 1999, and a lease was entered into at that time with Solano Community College (SCC) for its operation of the facility; and

WHEREAS, SCC has indicated that it no longer wants to operate the facility and has vacated the premises; and

WHEREAS, On April 3, 2015, the City issued a Request for Proposal (RFP) for the Lease/Operation of the Theater; and

WHEREAS, On June 30, 2015, the City Council selected the Creative Arts Collective (CAC), and directed the City Manager to negotiate the terms of the lease; and

WHEREAS, the parties have met and conferred and agreed upon the proposed lease agreement attached hereto; and

WHEREAS, the proposed agreement would meet the intent of creating a lease structure within which the CAC may be successful, while protecting the City and its facilities.

WHEREAS, the attached agreement would help to fill a nighttime niche with a mix of programming ranging from theatrical, musical, and dance performances to children's theater, comedy, vocals, readings, lectures, and other presentations; and

WHEREAS, a range of classes would likewise be included including youth theater, art, rehearsals, dance, etc.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Suisun City hereby approves the attached lease agreement, and authorizes the City Manager to execute it on the City's behalf.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Suisun City held on this 1st of September, 2015 by the following vote:

AYES:	Councilmembers:	_____
NOES:	Councilmembers:	_____
ABSENT:	Councilmembers:	_____
ABSTAIN:	Councilmembers:	_____

WITNESS my hand and the seal of said Agency this 1st of September, 2015.

Linda Hobson, CMC
City Clerk

HARBOR ARTS CENTER AT HARBOR THEATER

THEATER LEASE AGREEMENT

By and Between

**CITY OF SUISUN CITY,
a municipal corporation**

“Landlord”

and

**CREATIVE ARTS COLLECTIVE,
a California non-profit corporation**

“Tenant”

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Exhibit A	Depiction of Premises
Exhibit B	Summary of Landlord's Personal Property
Exhibit C	Rent Schedule
Exhibit D-1	Minimum Program Requirements
Exhibit D-2	Reporting Obligations
Exhibit E	Maintenance Standards

THEATER LEASE AGREEMENT

THIS THEATER LEASE AGREEMENT ("**Lease**") is made this ____ day of _____, 2015, by and between the CITY OF SUISUN CITY, a municipal corporation ("**Landlord**") and CREATIVE ARTS COLLECTIVE, a California non-profit corporation ("**Tenant**"). Landlord and Tenant are sometimes individually referred to as a "**Party**" and jointly as the "**Parties**".

RECITALS:

A. Landlord owns that certain real property located in the City of Suisun City ("**City**"), County of Solano as follows: (i) that certain real property commonly identified as 720 Main Street, Suisun City (APN 032-141-140) improved as with a theater building (consisting of approximately 12,445 square feet) with adjacent landscape areas ("**Theater Building**"), and an adjoining patio ("**Adjoining Patio**") (collectively the "**Theater Parcel**"); (ii) that certain real property immediately adjacent to the west of the Theater Parcel (APN 0032-141-180) improved as a parking lot ("**West Parking Parcel**"); and (iii) that certain real property immediately adjacent to the north of the Theater Parcel (APN 0032-141-170) improved as a parking lot ("**North Parking Parcel**"). The West Parking Parcel and North Parking Parcel are hereinafter jointly referred to as the "**Parking Parcels**." The Theater Parcel and Parking Parcels are depicted on attached Exhibit A and are collectively referred to as the "**Property**".

B. Landlord also owns that certain personal property and equipment summarized on Exhibit "B" which is located in the Theater Building ("**Landlord's Personal Property**").

C. The Property is located in the historic plaza area of downtown Suisun City ("**Historic Downtown Area**").

D. Tenant is a California non-profit corporation whose purpose is the encouragement and development of artistic and performing arts through programs and classes conducted by professional performers.

E. Landlord desires to encourage the arts for the benefit of the community and concurrently draw people to the Historic Downtown Area which will assist local businesses and increase revenue to the City.

F. Pursuant to the terms of this Lease, Landlord desires to lease to Tenant and Tenant desires to lease from Landlord (i) the Theater for Tenant's sole exclusive use, (ii) the Parking Parcels and Adjoining Patio for Tenant's non-exclusive use, and (iii) the Personal Property (collectively the "**Premises**").

NOW, THEREFORE, in consideration of the above Recitals and the mutual promises of the Parties set forth in this Lease, Landlord and Tenant hereby agree as follows:

1. LEASE OF PREMISES; CONDITION OF PREMISES.

- 1.1. **Letting.** Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Premises (as defined in the Recitals) solely for the uses specified in Section 4. As material consideration for this Lease, Tenant agrees to use the Premises and conduct all its business operations on the Premises under the designation of "Harbor Theater". No other name shall be used with respect to the Premises without the prior

written consent of Landlord which may be granted or withheld in its sole discretion. Landlord has no objection to Tenant creating and using a fictitious business name of "Harbor Arts Center at Harbor Theater" in compliance with California law.

- 1.2. **Condition of Premises.** Subject to Landlord's completion of the Landlord Improvements (defined in Section 1.3) and Landlord's continuing maintenance obligations set forth in Section 7.2, Landlord shall deliver the Premises to Tenant and Tenant shall accept the Premises from Landlord, in its "AS IS" condition without representation or warranty. Pursuant to California Civil Code Section 1938, Tenant is advised that the Premises have not undergone an inspection by a Certified Access Specialist, and, therefore, Landlord is not aware if the Premises comply with the applicable construction-related accessibility standards pursuant to Civil Code Section 55.53.
- 1.3. **Landlord Improvements.** Within thirty (30) days after the Effective Date (defined in Section 2.1), Landlord shall, at Landlord's sole cost and expense, make the following repairs to the Theater Building: (i) replace the lobby carpet, and (ii) repair certain areas of the roof and make other minor repairs as previously agreed by the Parties in writing ("**Landlord Improvements**").

2. EFFECTIVE DATE; COMMENCEMENT DATE; TERM.

- 2.1. **Effective Date.** This Lease shall be deemed effective as of the date this Lease is executed by the Landlord after approval by the City Council which date is specified on the signature page ("**Effective Date**"). Except for the Minimum Program Requirements which commence as of October 1, 2015, all other Tenant's rights and obligations under this Lease shall commence as of the Effective Date.
- 2.2. **Term.** The term of this Lease shall commence on the Effective Date and automatically terminate five (5) years thereafter ("**Term**") unless otherwise amended by the Parties pursuant to Section 31.15.
- 2.3. **Right to Terminate.** Tenant is aware that, as of the Effective Date, a potential dispute exists between Landlord and a prior occupant ("**Prior Occupant**") as to ownership of any personal property in the Theater Building with a value of Ten Thousand Dollars (\$10,000) or more. In the event that it is determined that any such personal property within the Theater Building is the property of the Prior Occupant and that Prior Occupant has the right to remove same, Landlord shall promptly notify Tenant of such event ("**Determination Notice**"). Upon receipt of the Determination Notice, Tenant may request a meeting with representatives of Landlord to discuss alternatives. If a resolution is reached, such modifications shall be effective only if this Lease is amended in accordance with Section 31.15. If the Parties do not amend the Lease, then Tenant shall have the right to terminate this Lease by written notice to Landlord delivered within sixty (60) days after its receipt of the Determination Notice. If this Lease is not amended and Tenant has not elected to terminate this Lease in the time and manner specified above, then this Lease shall remain in full force and effect.
- 2.4. **Exclusive Right to Negotiate Extension.** If Tenant has not been in default of its obligations under this Lease at any time during the original Term (as defined in Section 2.2), Tenant shall have the right (but not the obligation) to enter into a ninety

(90) day period of exclusive negotiation with Landlord to extend this Lease upon mutually acceptable terms (including but not limited to rent payments) for additional period up to one (1) additional period of five (5) years ("**ENA Right**"). Tenant must exercise this ENA Right by sending a written notice to Landlord specifying its exercise of this ENA Right which notice must be delivered to Landlord not less than eight (8) months prior to the expiration of the original Term ("**ENA Notice**"). Within fifteen (15) business days of receipt of the ENA Notice, Landlord shall deliver to Tenant its standard non-binding form of exclusive negotiation agreement ("**ENA Agreement**"). Tenant may, in its sole discretion, execute the ENA Agreement and return same to Landlord within fifteen (15) business days of its receipt of the ENA Agreement. If Tenant does not execute and return the ENA Agreement within the time specified, the right under this Section 2.5 shall cease and terminate. If Tenant does execute and return the ENA in the time specified, the ENA Agreement shall become effective. If the Parties agree to an extension and other modifications, such terms shall be effective only if this Lease is amended in accordance with Section 31.15.

3. RENT & PERFORMANCE STANDARDS.

- 3.1. **Monetary Rent.** Tenant agrees to pay rent on a quarterly basis for ticket sales and student fees calculated in accordance with the Rent Summary attached hereto as Exhibit C ("**Monetary Rent**") together with an accounting summary calculating the Monetary Rent for the quarter in reasonable detail in a form reasonably acceptable to Landlord ("**Accounting Summary**"). Tenant shall pay the Monetary Rent and concurrently deliver the Accounting Summary to Landlord within ten (10) days after the end of each quarter during the Term.
- 3.2. **Performance Standards.** As material consideration for this Lease, Tenants covenants to comply with all of the following requirements (collectively the "**Performance Standards**"): (i) satisfy the Minimum Program Requirements specified in Section 4.1.2 (which include quarterly meetings with the Ad Hoc committee as set forth in Exhibit D-2); (ii) comply with the Reporting Requirements set forth in Section 4.1.2; (iii) diligently maintain and repair the Premises in compliance with Section 7.1; (iv) perform the BID Obligations (as defined in Section 3.3); and (v) comply with the requirements in Section 30. On an annual basis, Tenant shall provide a reasonably detailed written report regarding Tenant's operations and compliance with its obligations under this Lease in a form satisfactory to Landlord which will be presented and discussed at a public meeting.
- 3.3. **Business Improvement District.** Tenant covenants to: (i) be an active member of the City of Suisun Historic Waterfront Business Improvement District ("**BID**") including attending monthly meetings; and (ii) actively work with the City and the BID businesses to provide special opportunities and discounts for attendees at events and classes and Tenant shall reasonably promote such special arrangements as part of its regular marketing. Tenant's obligations under this Section are collectively referred to as "**BID Obligations**".
- 3.4. **Payment of Rent.** All Monetary Rent and all other monetary obligations to be paid by Tenant to Landlord shall be in lawful money of the United States of America at the address specified in Section 31.13, or such other address as Landlord shall notify Tenant in writing.

3.5. **Late Payment.** Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease. Accordingly, any payment of any sum to be paid by Tenant not paid when within ten (10) days of its due date shall be subject to a five percent (5%) late charge. Landlord and Tenant agree that this late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Landlord for its loss suffered by such late payment by Tenant.

3.6. **Security Deposit.** Tenant is not required to provide and has not provided a security deposit to Landlord.

4. USES.

4.1. **Authorized Uses; Minimum Program Requirements & Reporting Obligations.**

4.1.1. **Authorized Uses.** Tenant shall use the Premises solely for the following: (i) presenting its own productions; (ii) conducting classes; (iii) third party productions; and (iv) facility rentals for banquets, weddings, meetings, trainings, conferences, special events and the like. All programs, activities and classes (including those by third party production groups) shall be in nature of artistic productions including musical performances, comedy performances, high-quality films, stage plays, dance performances, concerts, children's theater, lectures, vocals, lectures on artistic topics, readings or other presentations before an audience all of which are related to the arts including visual arts, health and wellness, cultural arts, martial arts, culinary arts, career and presentation arts, literary arts, home arts and theater performances.

Tenant may operate a refreshment stand on the Premises. Tenant may also sell or cause to be sold alcoholic beverages at events provided that it obtains all necessary permits and licenses, and complies with all applicable laws, statutes and regulations concerning the sale of alcoholic beverages.

4.1.2. **Minimum Program Requirements & Reporting Obligations.** Tenant shall use the Premises to provide the minimum paying programs and classes as set forth on Exhibit D-1 ("**Minimum Program Requirements**"). Tenant's reporting obligations with respect to the Minimum Program Requirements are set forth on Exhibit D-2 ("**Reporting Obligations**"). Failure to satisfy the Minimum Programs Requirements and/or comply with the Reporting Obligations shall be a material default under this Lease.

4.1.3. **Requirements for Third Party Events.** When Tenant allows a third party to use the Premises for an authorized use as specified in Section 4.1.1 above, Tenant shall require the user to execute an appropriate agreement which shall: require user:

(a) Require user to provide liability insurance in the amount of not less than One Million Dollars (\$1,000,000) naming both the Tenant and

Landlord as insureds to be delivered to Tenant not less than three (3) days prior to the event.

(b) If alcoholic beverages will be present, require user to obtain and deliver to Tenant liability insurance (as required in subsection (a) above) together with HOST LIQUOR LIABILITY COVERAGE endorsement.

(c) If alcoholic beverages will be present, require user to obtain an alcoholic beverage license from the California Alcoholic Beverage Control Board ("**ABC License**"). A copy of the ABC license must be submitted by the user to Tenant not less than fifteen (15) days prior to the event. (Tenant must warn user in writing that (i) providing the coverage in subsection (b) above does not constitute or waive the ABC license; and (ii) ABC special licenses are only available to registered non-profit organizations.)

(d) Any event in honor of a minor must end by 10 pm and no alcohol will be permitted.

(e) To execute an appropriate agreement which will acknowledge that it is subject and subordinate to this Lease and include the indemnity obligations in favor of Landlord consistent with Section 11.

(f) Require compliance with the General Requirements set forth on Exhibit D-1.

4.2. Community Uses. When there is available space and availability, Tenant shall make the Premises available to the community for rent for administrative functions, receptions, meetings, non-profit and for-profit events and other similar activities provided such uses do not violate Section 4.4.

4.3. Landlord's Reserved Rights. Landlord shall be permitted to use the Premises for ten (10) days per year at no cost to the Landlord other than reimbursement to Tenant for costs in excess of normal building supervision and operation. The events shall be on mutually convenient dates agreed upon by the Landlord and Tenant. In addition to the foregoing, Landlord shall have the right to use the Premises every year for (i) the Chamber of Commerce BUZZ awards, and (ii) the Old Town Christmas on the Waterfront. Tenant shall advise Landlord in advance of any such special technicians needed to operate technical sound, lighting and other theater equipment at the Premises for a Landlord event. If any special technicians are required for Landlord's events, Landlord shall be responsible to pay the costs for same.

4.4. Prohibited Uses. Tenant shall not use, or permit the Premises, or any part thereof, to be used for any purpose or purposes other than those express uses specified in Section 4.1.1.

Tenant shall not sell or permit to be displayed, performed, sold, kept, or used in or about the Premises:

(a) Pornographic or sexually explicit books, magazines, programs, literature, films, drama, productions, printed material, sexual paraphernalia, or other

material or media which would be considered lewd, obscene or licentious, provided, however, that works of art of anthropological significance shall not be deemed to be within the foregoing definition. Using the Motion Picture Association of America rating system ("MPAA"), any (i) theatrical productions, films or acts that contain sexual content that would be rated NP-17 shall not be allowed, and (ii) any materials related to NC-17 productions which materials would be rated "red" by MPAA shall not be permitted. With respect to the admissions of minors, Tenant shall comply with restrictions in the MPAA rating system.

(b) Any conduct which may be prohibited by standard forms of fire insurance policies.

(c) Video or arcade game machines are prohibited, provided, however, that use of such games as a prop in a production is not prohibited.

Tenant shall comply with any and all requirements, pertaining to the use of the Premises, of any insurance organization or company necessary for the maintenance of reasonable fire and public liability insurance, covering the buildings within the Premises and appurtenances.

Tenant shall not allow any animals on the Premises except (i) service dogs as defined in federal and state law; and (ii) animals that are part of an act or program permitted under Section 4.1 provided that a special permit is obtained from the City.

Tenant shall not permit smoking or vaping on any portion of the Premises.

Tenant shall not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant or occupant of the Property or any adjacent property. Tenant shall not conduct or permit to be conducted any sale by auction in, upon or from the Premises, whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors, or pursuant to any bankruptcy or other solvency proceeding nor display any "going out of business" or similar sign.

Tenant shall not engage in any activity in, on or about the Premises that violates any Environmental Law, and shall promptly, at Tenant's sole cost and expense, take all investigatory and/or remedial action required or ordered by any governmental agency or Environmental Law for clean-up and removal of any contamination involving any Hazardous Material created or caused directly or indirectly, by Tenant. The term "Environmental Law" shall mean any federal, state or local law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environmental conditions on, under or about the Premises, including, without limitation, (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. Sections 9601, et seq.; (ii) the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901, et seq.; (iii) California Health and Safety Code Sections 25100, et seq.; (iv) the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5, et seq.; (v) California Health and Safety Code Section 25359.7; (vi) California Health and Safety Code Section 25915; (vii) the Federal Water Pollution Control Act, 33 U.S.C. Sections 1317, et seq.; (viii) California Water Code Section 1300, et seq.; and

(ix) California Civil Code Section 3479, et seq., as such laws are amended and the regulations and administrative codes applicable thereto. The term "Hazardous Material" includes, without limitation, any material or substance which is (i) defined or listed as a "hazardous waste", "extremely hazardous waste", "restrictive hazardous waste", "or "hazardous substance" or considered a waste, condition of pollution or nuisance under the Environmental Laws; (ii) petroleum or a petroleum product or fraction thereof; (iii) asbestos; and/or (iv) substances known by the State of California to cause cancer and/or reproductive toxicity. It is the intent of the Parties hereto to construe the terms "Hazardous Materials" and "Environmental Laws" in their broadest sense. Tenant shall provide all notices required pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code Section 25249.5, et seq. Tenant shall provide prompt written notice to Landlord of the existence of Hazardous Materials on the Premises and all notices of violation of the Environmental Laws received by Tenant.

4.5. Special Event Requirements. Tenant shall be solely responsible for all security measures for the Premises. Tenant shall, at its sole cost and expense, provide additional security at any events where a large attendance is expected in compliance with the standard requirements imposed by Landlord for municipal events.

4.6. Abandonment. Tenant shall not vacate or abandon the Premises at any time during the Term of this Lease. Upon termination of this Lease for any reason, any personal property belonging to Tenant and left on the Premises shall be deemed to be abandoned, at the option of Landlord, shall become the property of Landlord.

5. REAL ESTATE TAXES. Tenant shall pay any and all real property taxes applicable to Tenant's possessory interest in the Premises. All such payments shall be made at least ten (10) days prior to the due date of the applicable installment. Tenant shall promptly (at least five (5) days prior to the due date) furnish Landlord with satisfactory evidence that such taxes have been paid. If any such taxes to be paid by Tenant shall cover any period of time after the expiration or earlier termination of the Term hereof, Tenant's share of such taxes shall be equitably prorated to cover only the period of time within the tax fiscal year that this Lease is in effect, and Tenant may apply to the County for reimbursement of any overpayments after such proration. Notwithstanding anything above to the contrary, to the extent any assessment is levied against the Premises payable in installments, Tenant shall pay all installments coming due and payable during the Term of this Lease.

Tenant acknowledges that although Landlord is a municipal entity exempt from real property taxes, Tenant's possessory interest under this Lease may be subject to real property taxation.

Landlord agrees to work with Tenant to assist in providing information to the County Tax Assessor to reduce the valuation of Tenant's possessory interest in the Premises due to the (i) Performance Standards, and (ii) that Tenant is a non-profit entity. Landlord provides no assurance to Tenant that it will be successful in such efforts and that Tenant may be required to pay real property taxes.

6. PERSONAL PROPERTY TAXES. During the Term, Tenant shall pay prior to delinquency all taxes assessed against the levied upon fixtures, furnishings, equipment and all other personal property owned by Tenant (excluding Landlord's Personal Property) located in the Premises, and when possible Tenant shall cause said fixtures, furnishings, equipment and

other personal property to be assessed and billed separately from Landlord's Personal Property. In the event any or all of Tenant's fixtures, furnishings, equipment and other personal property shall be assessed and taxed with Property, Tenant shall pay its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

7. MAINTENANCE AND REPAIRS.

- 7.1. Maintenance and Repair by Tenant.** Except the specific maintenance obligations of Landlord as set forth in Section 7.2, Tenant shall at all times during the Term, and at Tenant's sole cost and expense, keep, maintain and repair the Premises, the Theater Building, the Signs (as defined in Section 13) and any improvements on the Premises, in good and sanitary order, condition, and repair, in accordance with the maintenance standards set forth on Exhibit E. Such maintenance obligations shall include, but not be limited to, any equipment installed by Tenant, the stage lighting system (including the dimmer and all lightbulb replacement, operating equipment, such as control panels and stage rigging systems), furnishings (such as seating, carpeting and drapes, mirrors, and interior repainting) and landscaping.

Tenant shall also hire a custodian to keep the Premises in good and sanitary order on a regular basis. However, Tenant may elect to have such services conducted by its own volunteers.

Tenant shall maintain a written record to evidence the regular performance of maintenance and upkeep of the facility consistent with the maintenance standards, as set forth in Exhibit E.

Upon termination of this Lease, the Premises shall be surrendered in good, clean and sanitary condition except for reasonable use and wear. Tenant agrees to surrender the Premises in its original condition, together with all additional improvements which have been approved by Landlord and installed by Tenant pursuant to Section 7.1. If Landlord wants to reserve the right to require Tenant to remove any such additional improvements upon the expiration or earlier termination of this Lease, Landlord must reserve such right in its notice of approval (which is described in Section 7.1). If Tenant is required to remove any improvements from the Premises upon termination of this Lease, Tenant shall do so at Tenant's sole cost and expense, and Tenant will repair any damage to the Premises caused by such removal. However, Landlord shall be responsible to repair the chairs to the extent of the Chair Dedication Fund as defined in Section 7.2.

Tenant shall promptly notify Landlord in writing of any condition in the Premises that require repairs by Landlord ("**Repair Notice**") which shall be made by Landlord as set forth in Section 7.2.

Tenant acknowledges that Tenant's maintenance obligations under this Section are material consideration to Landlord for this Lease and, therefore, this Section 7.1 shall be construed liberally for the protection and preservation of the Premises.

- 7.2. Limited Maintenance and Repair by Landlord.** Landlord shall only be responsible to maintain in good repair and in compliance with all applicable laws, ordinances and regulations, at Landlord's sole cost and expense, **only** (i) the physical structure of

the Theater Building such as the structural elements, roof, plumbing, water heating system, electrical systems, HVAC equipment and exterior painting, and (ii) subject to the financial limitations set forth below.

Notwithstanding the foregoing, Landlord shall not be required to make repairs necessitated by reason of (i) the negligence or willful misconduct of Tenant, or any of Tenant's staff, volunteers, students, contractors, invitees, subtenants, patrons or customers; (ii) by reason of the failure of Tenant to perform or observe and promptly report to Landlord any conditions the repair of which are Landlord's responsibility; or (iii) by reason of the failure of Tenant to perform or observe the conditions or agreements in this Lease, or caused by unauthorized alterations, additions or improvements made by Tenant or anyone claiming under Tenant (collectively the "**Tenant Caused Damages**"). Tenant shall be solely responsible, at its sole close and expense to make any Tenant Caused Damages.

Upon receipt of a Repair Notice, Landlord shall have a reasonable period of time (not to exceed five (5) business days) to commence said repairs. Upon commencement of repairs, Landlord shall use reasonable efforts to diligently complete same. Tenant and Landlord shall jointly conduct an annual inspection of the Premises within one (1) month of the end of the performing season to aid Landlord in determining if any repairs by Landlord may be necessary.

Any renovation work performed by Landlord to the Premises shall not unreasonably interfere with Tenant's operations.

Notwithstanding the foregoing, Landlord's repair obligations are **specifically limited** in that that Landlord shall not be required to make repairs the cost of which exceeds the Monetary Rent actually received by Landlord from Tenant as set forth below. During the Term, Landlord shall maintain a cumulative on-going record of all Monetary Rent received by Landlord ("**Landlord Repair Fund**"). Any repairs and maintenance costs incurred by Landlord under this Section 7.2 shall reduce the Landlord Repair Fund. If at any time when a repair or maintenance item which is Landlord's responsibility under this Section 7.2, Landlord shall only be obligated to make such repair to the extent that the current balance of the Landlord Repair Fund is sufficient to pay the cost of such repair. However, if the repair item is critical for Tenant's operation of the Premises, then Landlord shall make promptly make such repair but the cost of such shall reduce the Landlord Repair Fund. If Landlord elects, in its sole discretion, to make repairs notwithstanding the foregoing limitations, such election shall not be deemed a waiver of this limitation with respect to future repairs and the cost of such repairs shall reduce the Landlord Repair Fund.

In addition to the Landlord Repair Fund, Landlord shall maintain a cumulative on-going record of all amounts received by Landlord for the Chair Dedication (as defined on Exhibit C) ("**Chair Repair Fund**"). Upon termination of this Lease, Landlord shall use the Chair Repair Fund to repair and restore the chairs to the extent required to repair any damage due to the removal of the dedication plaques. Tenant shall remain responsible for repair or restoration of chairs for any other issues or problems. Any amount in excess of the actual costs of such repairs shall be the sole property of Landlord.

8. ALTERATIONS.

8.1. **To Premises.** Tenant shall not make any alterations to the Premises, or any part thereof, without the prior written consent of Landlord. If Tenant wishes to make additional improvements to the Premises, Tenant shall notify Landlord in writing specifying in reasonable detail the proposed alterations and the cost thereof. Within fifteen (15) days of receiving such notice from Tenant, Landlord shall send written notice to Tenant indicating whether Landlord approves or disapproves of the contemplated improvements. Landlord's approval shall not be unreasonably withheld and any disapproval shall be in writing and shall explain the reasons for the denial. However, as a condition to granting its approval to any of the improvements, Landlord may require Tenant to provide Landlord with reasonably satisfactory evidence of Tenant's financial ability to pay for the costs of the improvements and may require a completion bond be provided to Landlord or other security reasonably acceptable to Landlord. Any such alterations shall comply with all applicable laws and regulations. All improvements (excluding minor improvements as determined by Landlord) which are approved by Landlord shall be under the supervision of a licensed architect or structural engineer (at Tenant's cost) and made in accordance with plans and specifications approved in writing by Landlord prior to the commencement of such work. All work shall be done in a good and workmanlike manner, diligently prosecuted to completion and completed in compliance with Section 12. Upon completion of all work, Tenant shall promptly file for record a Notice of Completion in the office of the Solano County Recorder. All such improvements shall immediately be deemed a part of the Premises and may not be removed by Tenant. Prior to commencing any work of improvement hereunder, Tenant shall notify Landlord so that Landlord can post and record an appropriate Notice of Non-Responsibility.

8.2. **To Landlord's Personal Property.** In the event that Tenant elects to replace item of Landlord's Personal Property, such replacement item shall be deemed part of Landlord's Personal Property. Upon termination of this Lease, all of Landlord's Personal Property shall be surrendered to Landlord in good condition and repair, ordinary wear and tear excepted. In the event that Tenant purchases any personal property that is (i) not to replace an item of Landlord's Personal Property, and (ii) not attached to the Premises so as to constitute a fixture, such item shall be and remain owned by Tenant and may be removed by Tenant upon termination of this Lease.

9. **COMPLIANCE WITH LAWS.** Except as to the specific obligations of Landlord under Section 7.2, Tenant shall, at its sole cost and expense, comply with all of the requirements of all municipal, state and federal authorities now in force or which may hereafter be in force pertaining to the use of the Premises, and shall faithfully observe in said use all municipal ordinances, including, but not limited to, the general plan and zoning ordinances, state and federal statutes, or other governmental regulations now in force or which shall hereinafter be in force. The judgment of any court of competent jurisdiction, or the admission of Tenant in any action or proceeding against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any such order or statute in said use, shall be conclusive of that fact as between Landlord and Tenant.

10. INSURANCE.

10.1. Landlord to Provide Property Insurance. Landlord shall maintain, at Landlord's sole cost and expense, fire, earthquake and excess coverage insurance throughout the term of this Lease, on all buildings and improvements located on the Premises (and fixtures thereto, including, but not limited to, the drapes and seats located in the Theater), in an amount equal to one hundred percent (100%) of the replacement value of the Premises, together with such other insurance, coverages and endorsements as Landlord may determine in its sole discretion. Tenant hereby waives any right of recovery from Landlord, its officers and employees, and Landlord hereby waives any right of loss or damage (including consequential loss) resulting from any of the perils insured against as a result of said insurance.

10.2. Tenant's Insurance Obligations.

10.2.1. Liability Insurance. During the entire term of this Lease, Certificate of Coverage on annual basis, Tenant shall, at Tenant's sole cost and expense, for the mutual benefit of Landlord and Tenant, maintain comprehensive general liability insurance insuring against claims for bodily injury, death or property damage occurring in, upon or about the Premises, written on a per occurrence basis in an amount not less than either (i) a combined single limit of Five Million Dollars (\$5,000,000) for bodily injury, death, and property damage or (ii) bodily injury limits of Five Hundred Thousand Dollars (\$500,000) per person, One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) products and completed operations and property damage limits of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and One Million Dollars (\$1,000,000) in the aggregate.

10.2.2. Worker's Compensation Insurance. Tenant shall, at Tenant's sole cost and expense, maintain a policy of worker's compensation insurance in an amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both Tenant and Landlord against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by Tenant in the course of conducting Tenant's business in the Premises.

10.2.3. Liquor Insurance. Any time alcohol beverages are present at the Premises, Tenant shall provide liability insurance with Host Liquor Liability Coverage endorsement.

10.2.4. Director & Officer Insurance. Tenant shall, at Tenant's sole cost and expense, maintain a policy of director's and officer's liability insurance in an amount of not less than One Million Dollars (\$1,000,000).

10.2.5. General Provisions. All of the policies of insurance required to be procured by Tenant pursuant to this 10.2 shall be primary insurance and shall name Landlord, its employees and agents as additional insureds. All policies shall waive all rights of subrogation and provide that said insurance may not be amended or canceled without providing thirty (30)

days prior written notice by registered mail to Landlord. Prior to the Commencement Date and at least thirty (30) days prior to the expiration of any insurance policy, Tenant shall provide Landlord with certificates of insurance and full copies of the insurance policies evidencing the mandatory insurance coverages written by insurance companies acceptable to Landlord, licensed to do business in California and rated A:VII or better by Best's Insurance Guide. Landlord may require an increase in the coverage and/or the types of coverage from time to time upon written notice to Tenant. Each of the Parties, on behalf of their respective insurance companies insuring such property of either Landlord or Tenant against such loss, waive any right of subrogation that it may have against the other.

- 11. INDEMNIFICATION.** Tenant shall indemnify, protect, defend and hold harmless the Premises, Landlord and its managers, officers, directors, members, employees, agents, contractors, partners and lenders, from and against any and all claims, and/or damages, costs, liens, judgments, penalties, permits, reasonable attorneys' and consultant's fees, expenses and/or liabilities arising out of, involving, or in dealing with, the occupancy of the Premises by Tenant, the conduct of Tenant's business, any act, omission or neglect of Tenant, its officers, directors, members, employees, agents or contractors, and out of any Breach by Tenant in the performance in a timely manner of any obligation on Tenant's part to be performed under this Lease, except for matters which are the result of Landlord's gross negligence, intentional wrongful acts, or in default of this Lease. The foregoing shall include, but not be limited to, all costs of the defense or pursuit of any claim or any action or proceeding involved therein, and whether or not (in the case of claims made against Landlord) litigated and/or reduced to judgment. In case any action or proceeding is brought against Landlord by reason of any of the foregoing matters, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord and Landlord shall cooperate with Tenant in such defense. Landlord need not have first paid any such claim in order to be so indemnified. In addition, Landlord may require Tenant to pay Landlord's attorneys' fees and costs in defending against or participating in such claim, action or proceeding if Landlord shall decide, in its exercise of reasonable judgment, it is unsatisfied with the representation of its interest by Tenant or its counsel.

Landlord shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Tenant, Tenant's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, earthquake, flood, terrorism, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other any other cause, whether the said injury or damage results from conditions arising upon the Premises or from other source or places except if such injury or damage is the result of the gross negligence or willful misconduct of Landlord or Landlord's employees, contractors or agents.

- 12. NO LIENS.** Tenant shall keep the Premises, the Theater Building, and the Property, free from any liens arising out of any work performed, material furnished, or obligation incurred by Tenant or alleged to have been incurred by Tenant. If Tenant shall fail to pay any charge for which a mechanic's lien claim and suit to foreclose the lien have been filed, and shall not have obtained the release of said lien from the property subject to such lien, Landlord may (but shall not be so required to) pay said claim and any costs, and the amount so paid, together with reasonable attorneys' fees incurred in connection therewith, shall be

immediately due and owing from Tenant to Landlord, together with interest at the rate prescribed in Section 31.6, on the amount of the mechanic's lien claim.

- 13. SIGNS.** Tenant may use the marquee sign and two (2) billboards (collectively the "**Signs**") currently located on the exterior of the Premises for its business operations under this Lease. Tenant shall not place or permit to be placed any additional signs upon the exterior or in the windows of the Premises or in the Adjoining Patio without Landlord's prior written consent. Any sign installed without such approval shall be immediately removed by Tenant and, if said sign is not removed by Tenant within three (3) days of written notice from Landlord to Tenant, then Landlord may remove and destroy said sign without Tenant's approval and without any liability to Tenant. Tenant shall not modify or alter any of the Signs without the prior written approval of Landlord which approval shall not be unreasonably withheld or delayed. Landlord shall reply to any proposed alteration within fourteen (14) days from submission. Any revision shall comply with the City municipal code requirements related to signage prior to any revisions actually being made to the Signs. Tenant shall maintain the Signs in good condition and repair at all times during the Term at its sole cost and expense.

14. UTILITIES.

- 14.1. Tenant's Responsibilities.** Tenant shall pay before delinquency all charges for water, gas, heat, electricity, power, sewer, telephone service, and all other services and utilities used in, upon, or about the Premises by Tenant or any of its subtenants, licensees, or concessionaires during the Term of this Lease. Tenant acknowledges that the Premises and other properties in the vicinity are served by a series of communal solid waste collection and disposal facilities for the deposit and removal of solid waste. Tenant shall pay such fees, assessments or charges as may be levied for the operation, maintenance and service of such facilities and shall comply with reasonable rules and regulations established from time to time for use thereof. Tenant shall insure that trash and debris produced by the activities on Premises do not accumulate on the Premises.

- 14.2. Landlord Reimbursement.** Provided that Tenant is not in default under this Lease, Landlord agrees to reimburse Tenant for payment of Standard Utility Services (as defined below) as follows:

- a. For the first six (6) months of the Term, actual cost of Standard Utility Services incurred by Tenant to a maximum of Three Thousand Dollars (\$3,000) per month.
- b. For the following six (6) months of the Term, actual cost of Standard Utility Services incurred by Tenant to a maximum of One Thousand Five Hundred Dollars (\$1,500) per month; and
- c. For the following six (6) months of the Term, actual cost of Standard Utility Services by Tenant to a maximum of Seven Hundred Fifty Dollars (\$750) per month.

"Standard Utility Services" include only electricity, gas, water and garbage but excluding computer or internet services. To obtain reimbursement from Landlord, Tenant shall submit on a monthly basis a written request for reimbursement

summarizing the actual utility costs incurred by Tenant together with a copy of the actual utility bills and proof of payment. Upon receipt of the reimbursement request with the required documentation, Landlord shall promptly process such payment to Tenant in accordance with Landlord's standard processing procedures.

Tenant had originally requested that Landlord provide financial assistance of Three Thousand Dollars (\$3,000) per month to offset Standard Utility Services for the first twelve (12) months of the Term so that Tenant could establish a strong financial base for its operations. Although this Lease provides the some financial assistance as specified above, Landlord does have an interest in Tenant's success. Accordingly, during the quarterly meetings with the City's Ad Hoc Committee (which are part of the Reporting Requirements as set forth on Exhibit D-2), Tenant can indicate any financial challenges that Tenant may be experiencing as a result of utility costs and propose solutions for consideration by the Ad Hoc committee.

15. ENTRY AND INSPECTION. Tenant shall permit Landlord and its employees and agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same or for the purpose of maintaining the Theater Building, or for the purpose of making repairs, alterations or additions or performing the improvements to any portion of said building(s), including the erection and maintenance of such scaffolding, canopy, fences and props as may be required, or for the purpose of posting notices of non-responsibility for alterations, additions or repairs, or for the purpose of placing upon the Property in which the Premises are located any usual or ordinary "For Sale" signs or any signs for public safety as determined by Landlord. Landlord shall be permitted to do any of the above without any rebate of rent and without any liability to Tenant for any loss of occupation or quiet enjoyment of the Premises thereby occasioned. Landlord shall make reasonable efforts to coordinate times for any repairs deemed necessary with Tenant to reduce to the extent practicable any interference with Tenant's use of the Premises. Tenant shall permit Landlord, at any time within six (6) months prior to the expiration of this Term to place upon the Premises any usual or ordinary "For Lease" or "For Sale" signs, and during such six (6) month period Landlord or its agents may, during normal business hours, enter upon said Premises and exhibit same to prospective tenants or purchasers.

16. DAMAGE AND DESTRUCTION.

16.1. Notice to Landlord. Tenant shall give prompt notice to Landlord in case of any fire or other damage to the Premises or the Theater Building.

16.2. Partial Casualty to Premises. If the Premises shall be damaged by any casualty including, but not limited to, civil unrest, vandalism, a fire, flood or earthquake, such that (i) the cost of replacement or repair of the Theater Building is less than or equal to fifty percent (50%) of the total replacement cost thereof; or (ii) the cost of replacement or repair of damage to the Theater, and any other structures comprising the Premises, when aggregated together is less than or equal to fifty percent (50%) of the total replacement cost thereof, then Landlord shall promptly repair and restore the same to substantially the condition thereof immediately prior to said damage or destruction. If insurance proceeds are forthcoming, Landlord shall not be obligated to commence the restoration and/or repair until Landlord has received said insurance proceeds. Landlord shall take all reasonable steps necessary so as to obtain such insurance proceeds promptly so as to prevent delay in restoring and/or repairing the Premises to its prior condition.

- 16.3. Substantial Damage to Premises.** If the Premises shall be damaged or destroyed by any casualty (or the other matters described above), such that (i) the cost of replacement or repair of the Theater exceeds fifty percent (50%) of the total replacement cost thereof; or (ii) the cost of replacement or repair of damage to the Theater Building, and any of the other structures comprising the Premises, when aggregated together exceeds fifty percent (50%) of the total replacement cost thereof, then Landlord may elect to either replace or repair the damage as aforesaid, or to cancel this Lease by written notice of cancellation given to Tenant within ninety (90) days after the date of the casualty. This Lease shall cease and terminate twenty (20) days following Tenant's receipt of Landlord's cancellation notice, and Tenant shall vacate and surrender the Premises to Landlord in accordance with the terms of this Lease. In determining the cost of replacement of the Theater or any other portion of the Premises, the cost of foundations and footings shall not be included, except to the extent of the cost of repair thereto required by such casualty damage or destruction.
- 16.4. Reconstruction.** In the event of any reconstruction of the Premises under this Section 16, Landlord shall be obligated to reconstruct the Premises to the extent of the condition of the Premises prior to the damage.
- 16.5. Rent Abatement.** In the event that any casualty to the Premises is such that performances are impossible or impractical during the reconstruction as determined by Tenant, Tenant shall be entitled to abatement of the Monetary Rent for actual performances canceled based on a ratio of total performances and classes required for the year under the Minimum Program Requirements bears to the number canceled.
- 16.6. Termination.** Upon any termination of this Lease under any of the provisions of this Section 16, the Parties shall be released thereby without further obligations to the other Party coincident with the surrender of possession of the Premises to Landlord, except for obligations which have theretofore accrued and be then unpaid.
- 16.7. Determination of Percentage of Damage or Destruction.** If either Landlord or Tenant contends that the percentage of the damage or destruction referred to above exceeds fifty percent (50%) and the other Party disagrees, the determination of the percentage shall be made in writing by a senior officer of the insurance company that is to make insurance proceeds available for replacement or repair. If said insurance company elects not to render such a determination in a timely manner, then, in such event, either Landlord or Tenant may by written notice to the other elect to have the determination made by binding mediation in accordance with the mediation provisions of this Lease.

17. ASSIGNMENT AND SUBLETTING.

- 17.1. Assignment and Subletting.** Tenant shall not sublet the Premises or assign this Lease without the prior written consent of Landlord. Landlord shall not unreasonably withhold its consent to an assignment or sublease to a proposed assignee or subtenant. In no event shall Landlord be required to approve of any assignment or sublease which would result in a violation of any other agreements to which Landlord is a party and/or for which all of the following criteria are not met:

- a. The proposed assignee or subtenant has submitted to Landlord financial statements showing that the proposed assignee's or subtenant's financial condition, including net worth and liquidity, is equal to or greater than Tenant's financial condition;
- b. The proposed assignee or subtenant is morally and financially responsible;
- c. Tenant is not in default in the payment of rent or the performance of any obligations under this Lease; and
- d. The proposed assignee or subtenant, in Landlord's judgment, has adequate experience in the operation of a theater and comply with the Minimum Program Requirements.

Any such assignment shall be subject to all of the terms and conditions of this Lease, including, but not limited to, the use restrictions, and the proposed assignee or subtenant shall assume the obligations of Tenant under this Lease in writing in form satisfactory to Landlord. The proposed assignee or subtenant shall simultaneously provide to Landlord an estoppel certificate in the form described in Section 21. Consent by Landlord to one assignment or subletting shall not be deemed to be consent to any subsequent assignment or subletting. Any assignment or subletting without the prior written consent of Landlord shall be void, shall constitute a material breach of this Lease, and shall, at the option of Landlord, terminate this Lease. Neither this Lease nor any interest therein shall be assignable as to the interest of Tenant by operation of law.

Landlord shall be under no obligation to consider a request for its consent to an assignment or sublease until Tenant shall have submitted in writing to Landlord a request for Landlord's consent to such assignment or sublease, a history of the proposed assignee's or subtenant's business experience and financial viability and such other information as required by Landlord to verify that the criteria set forth herein are met.

- 17.2. Temporary Uses by Third Parties.** Notwithstanding Section 17.1, Tenant may, from time to time, sublease on a short term basis all or a portion of the Theater Building to valid theatrical companies for specific productions which comply with the use restrictions set forth in Section 4. Tenant shall control or otherwise monitor the sale of all tickets to any productions by such temporary subtenant and which sales shall be included in the calculation of Monetary Rent.

18. DEFAULT AND REMEDIES; TERMINATION.

- 18.1. Default by Tenant.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

- (i) Failure to pay any Monetary Rent or other monetary payment required hereunder to Landlord within five (5) days after receiving notice from Landlord of Tenant's failure to pay any such obligation when due under this Lease.

- (ii) Failure to perform any provision of this Lease (other than the payment of money), if the failure to perform is not cured within thirty (30) days of receiving written notice of the default from Landlord. If the default cannot be reasonably cured within thirty (30) days, Tenant shall not be in default of this Lease if Tenant commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.
- (iii) Failure of Tenant to meet or comply with the Performance Standards.
- (iv) Vacation or abandonment of the Premises by Tenant.
- (v) Making a general assignment for the benefit of creditors.
- (vi) Filing of a voluntary petition in bankruptcy or the adjudication of Tenant as a bankrupt.
- (vii) Appointment of a receiver to take possession of all or substantially all the assets of Tenant located at the Premises or of Tenant's leasehold interest in the Premises.
- (viii) Filing by any creditor of Tenant of an involuntary petition in bankruptcy which is not dismissed within sixty (60) days after filing.
- (ix) Attachment, execution or other judicial seizure of all or substantially all of the assets of Tenant or Tenant's leasehold where such an attachment, execution or seizure is not discharged within sixty (60) days.

In the event of any such default or breach by -Tenant, Landlord may at any time thereafter, without further notice or demand, rectify or cure such default, and any sums expended by Landlord for such purposes shall be paid by Tenant to Landlord upon demand and as additional Rent hereunder. In the event of any such default or breach by Tenant, Landlord shall have the right to continue the lease in full force and effect and enforce all of its rights and remedies under this Lease, including the right to recover the Rent as it becomes due under this Lease or Landlord shall have the right at any time thereafter to elect to terminate the Lease and Tenant's right to possession thereunder. Upon such termination, Landlord shall have the right to recover from Tenant:

(a) The worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(b) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant proves could have been reasonably avoided; and

(c) The worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such Rent loss that Tenant proves could be reasonably avoided.

The "worth at the time of award" of the amounts referred to in subparagraphs (i), (ii), and (iii) above shall be computed by allowing interest (or by discounting in the case of subparagraph (iii)) at three percent (3%) over the prime rate then being charged by Bank of America, N.A. but in no event greater than the maximum rate permitted by law.

"Rent" shall include all sums payable pursuant to this Lease on a regular basis; including "Monetary Rent," Additional Rent," reimbursement of real estate taxes and any similar amounts. The payment shall be computed on the basis of the average monthly amount thereof accruing during any preceding twelve (12) month period selected by Landlord, except that if it becomes necessary to compute such Rent before such a twelve (12) month period has occurred, then such Rent shall be computed on the basis of the average monthly amount hereof accruing during such shorter period.

Such efforts as Landlord may make to mitigate the damages caused by Tenant's breach of this Lease shall not constitute a waiver of Landlord's right to recover damages against Tenant hereunder.

Notwithstanding any of the foregoing, the breach of this Lease by Tenant, or an abandonment of the Premises by Tenant, shall not constitute a termination of this Lease, or of Tenant's right of possession hereunder, unless and until Landlord elects to do so, and until such time Landlord shall have the right to enforce all of its rights and remedies under this Lease, including the right to recover rent, and all other payments to be made by Tenant hereunder, as they become due. Failure of Landlord to terminate this Lease shall not prevent Landlord from later terminating this Lease or constitute a waiver of Landlord's right to do so.

- 18.2. No Waiver.** Acceptance of any payment under this Lease shall not be deemed a waiver of any default or a waiver of any of Landlord's remedies.
- 18.3. Landlord's Default.** Except as may be elsewhere expressly provided in this Lease, Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be deemed in default if Landlord commences performance within the thirty (30) day period and thereafter diligently prosecutes the same to completion.
- 18.4. Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.
- 18.5. Termination.**
- 18.5.1.** The Parties acknowledge that this Lease shall be terminated immediately at the occurrence of any of the following events:
- a.** By expiration of the Lease;

b. By mutual agreement of both Parties; or

c. In the case of casualty as provided for in Section 16.6.

18.5.2. The Parties acknowledge that this Lease may be terminated by Landlord upon five (5) days written notice if Tenant fails to meet the Performance Standards.

18.5.3. Termination of this Lease shall not extinguish Tenant's obligations to pay Rent or its other obligations including indemnification of Landlord.

19. SURRENDER OF PREMISES. The voluntary or other surrender of the Premises by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases or licensees, or may, at the option of Landlord, operate as an assignment to it of any or all of such subleases or licenses.

20. FORCE MAJEURE. If either Party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws or regulations or other cause without fault and beyond the control of the Party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay; provided, however, nothing in this Section 20 shall excuse Tenant from the prompt payment of any Monetary Rent.

21. ESTOPPEL CERTIFICATE. Tenant shall, at any time and from time to time upon not less than twenty (20) days prior notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and is in full force and effect, and the dates to which the Minimum Rent has been paid, and stating whether or not to the best knowledge that Landlord is in default under this Lease, and, if in default, specifying in reasonable detail each such default, and such other matters as Landlord may reasonably request, it being intended that any such statement delivered by Tenant may be relied upon by Landlord or any prospective purchaser of the fee or any prospective mortgagee or encumbrancer thereof.

If Landlord desires to refinance or transfer the Premises, Tenant agrees to deliver to Landlord or any lender or transferee designated by Landlord such financial information concerning Tenant as may be reasonably required by such lender or transferee and is reasonably available to Tenant. All such financial information shall be received by Landlord in confidence.

22. SUBORDINATION. The rights of Tenant shall be and are subject and subordinate at all times to the lien of any mortgage now or hereafter in force against the Theater Building, and Tenant shall promptly execute and deliver such further instruments subordinating this Lease to the lien of any such mortgage as shall be requested by Landlord.

23. CONDEMNATION. In the event a condemnation or transfer in lieu thereof results in a taking of any substantial and/or material portion of the Premises, Landlord or Tenant may, upon written notice given to the other Party within thirty (30) days after such taking or transfer in lieu thereof, terminate this Lease. In connection therewith, Landlord and Tenant acknowledge that:

- a. Landlord (acting as the City of Suisun City) possesses the power to take the Premises through eminent domain proceedings; and
- b. The business to be conducted by Tenant upon the Premises is not a viable business without financial assistance from Landlord, therefore if Tenant must vacate the Premises, it will be extremely impractical, if not impossible, for Tenant to operate its business elsewhere.

Therefore, upon such termination Tenant shall have the right to claim and recover from Landlord and/or the condemning authority only the amount equal to the value of any improvements installed by Tenant. Tenant shall **not** receive any value related to the leasehold value of the property which shall be paid solely to Landlord.

24. **USE OF LANDLORD'S NAME.** Tenant shall not use Landlord's name for advertising or promotion without Landlord's prior written consent which may be granted or withheld in its sole discretion.
25. **TRADE FIXTURES.** Tenant has the right to use the Landlord's Personal Property but Tenant shall, at its own cost and expense, install and equip the Premises with all furniture, fixtures, trade fixtures, equipment and personal property reasonably required for the operation of Tenant's business. Any and all fixtures and appurtenances installed by Tenant shall conform with the requirements of all applicable laws and regulations. All furniture and trade fixtures installed by Tenant shall remain the property of Tenant during the Term of this Lease but Tenant shall not be remove any trade fixtures during the Term hereof without Landlord's prior written consent, which consent may be withheld or granted in Landlord's sole discretion. On termination of this Lease, Tenant may, provided Tenant is not in default of this Lease, remove at its own expense all trade fixtures, equipment and its personal property. At termination of this Lease, if Tenant has left any merchandise, furniture, equipment, signs, trade fixtures or other personal property in the Premises, Landlord may give Tenant written notice to remove such property. In the event such property is not removed within five (5) days of the date of said notice, Landlord may dispose of said property in any manner whatsoever and Tenant hereby waives any claim or right to said property or any proceeds derived from the sale thereof. Any damage to the Premises resulting from the installation or removal of any of said trade fixtures or equipment shall be repaired by Tenant at Tenant's sole cost and expense.
26. **PARKING.** Tenant has the non-exclusive right to use the Parking Parcels. Furthermore, public parking is available at other locations near the Premises. Tenant is acknowledges that parking on the Parking Parcels and the public parking is also utilized by and important to the businesses in the Historic Downtown Area.

Student parking shall be off-site in the public parking area adjacent to the Galleria as may be designated by Landlord ("**Student Parking**") Tenant shall require and enforce the use of the Student Parking by its students.
27. **QUIET ENJOYMENT.** As long as Tenant is not in default under this Lease, Tenant shall have quiet enjoyment of the Premises during the Term.
28. **RECORDING MEMORANDUM.** Within ten (10) business days of the Commencement Date (as defined in Section 2.2), the Parties shall execute a memorandum of this Lease in the form reasonably acceptable which Landlord shall cause to be recorded in the Official

Records of Solano County ("**Memorandum of Lease**"). Upon termination or exercise of any rights under this Lease or an amendment of this Lease, the Parties shall execute and record an amendment to the Memorandum of Lease. Tenant shall cooperate with executing any documents reasonably required to effect this provision. Upon termination of the Lease, Tenant shall execute and acknowledge any documents reasonably requested by Landlord in order to terminate the Memorandum of Lease.

29. HOLDOVER. Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. Any holding over after the expiration of the term of this Lease, with the consent of Landlord, express or implied, shall be construed to be a tenancy from month to month, cancelable upon thirty (30) days written notice, and at a monthly rent equal to Four Thousand Dollars (\$4,000) and upon terms and conditions as existed during the last year of the term hereof.

30. SPECIAL REQUIREMENTS. Tenant represents and warrants to Landlord that, as of the Effective Date, it is a non-profit corporation and has applied for tax exempt status. Tenant covenants and agrees that at all times during the Term of this Lease as may be extended by the parties, Tenant shall remain a non-profit corporation in good standing with the State of California. Tenant agrees to provide Landlord with open access to all its corporate records upon request. Tenant shall promptly notify Landlord in writing of any change in its corporate officers, articles, bylaws or non-profit status. As of the Effective Date, Tenant's single point of contact for interaction with Landlord under this Lease shall be the President of the Board. Tenant may change this designation from time to time upon written notice delivered to Landlord together with reasonable documentation confirming corporate authorization for such appointment. Tenant acknowledges that the covenants under this Section 30 are material consideration for this Lease.

31. MISCELLANEOUS.

31.1. Binding Effect; Choice of Law. This Lease shall be binding upon the Parties, their successors and assigns and be governed by the laws of the State of California. Any litigation between the Parties hereto concerning this Lease shall be initiated in the Superior Court of the State of California for the County of Solano.

31.2. Attorney's Fees. In any action between the Parties seeking enforcement of any of the terms and provisions of this Lease, or in connection with the Premises, the prevailing Party in such action shall be entitled, to have and to recover from the other Party its reasonable attorney's fees and other reasonable expenses in connection with such action or proceeding, in addition to its recoverable court costs.

31.3. Partial Invalidity. If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereof.

31.4. Successors in Interest. The covenants herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all the Parties hereto; and all of the Parties hereto shall be jointly and severally liable hereunder.

- 31.5. **No Oral Agreements.** This Lease covers in full each and every agreement of every kind or nature whatsoever between the Parties hereto concerning this Lease, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein, and there are no oral agreements. Tenant acknowledges that no representations or warranties of any kind or nature not specifically set forth herein have been made by Landlord or its employees, agents or representatives.
- 31.6. **Interest.** Any sum due to Landlord under this Lease shall bear interest from and after its due date at a rate equal to three percent (3%) over the reference rate being charged by Bank of America, N.A. per annum until paid to Landlord but not in excess of the maximum rate permitted by law.
- 31.7. **Authority.** Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation in accordance with a duly adopted resolution of the Board of Directors and that this Lease is binding upon said corporation in accordance with its terms.
- 31.8. **Time.** Time is of the essence of this Lease.
- 31.9. **Consistency.** Each provision herein shall be interpreted so as to be consistent with every other provision.
- 31.10. **Relationship of Parties.** The relationship of the Parties is that of Landlord and Tenant, and it is expressly understood and agreed that Landlord does not in any way or for any purpose become a partner of Tenant in the conduct of Tenant's business or otherwise, or a joint venturer with Tenant.
- 31.11. **Non-Discrimination.** Tenant herein covenants by and for Tenant, Tenant's successors, heirs, executors, administrators and assigns, and all persons claiming under or through Tenant, and this Lease is made and accepted upon and subject to the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Premises, nor shall the Tenant, or any person claiming under or through Tenant, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Tenants, subtenants, subtenants or vendees of the Premises.
- 31.12. **Non-Collusion.** No official, officer, or employee of Landlord has any financial interest, direct or indirect, in this Lease, nor shall any official, officer, or employee of Landlord participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or "non interest" pursuant to California Government Code Sections 1091 and 1091.5. Tenant represents and warrants that (i) it has not paid or given, and will not pay or give, to any third party including, but

not limited to, Tenant or any of its officials, officers, or employees, any money, consideration, or other thing of value as a result or consequence of obtaining this Lease; and (ii) it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any official, officer, or employee of Landlord, as a result or consequence of obtaining this Lease. Tenant is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Lease void and of no force or effect.

- 31.13. Notices.** Wherever in this Lease it shall be required or permitted that notice and demand be given or served by either Party to this Lease to or on the other, such notice or demand shall be given or served in writing and shall not be deemed to have been duly given or served unless in writing, and personally served or forwarded by certified mail, postage prepaid, addressed as specified below. Either Party may change the address set forth below by written notice by certified mail to the other. Any notice or demand given by certified mail shall be effective one (1) day subsequent to mailing.

Landlord:	Suisun City 701 Civic Center Blvd. Suisun City, CA 94585 Attn: City Manager
With a copy to:	Aleshire & Wynder, LLP 18881 Von Karman Avenue, Suite 400 Irvine, CA 92612 Attn: Anthony Taylor, City Attorney
Tenant:	Creative Arts Collective _____ _____ Attn: President
With a copy to:	_____ _____ _____

- 31.14. Not an Offer.** The submission of this Lease and any ancillary documents to Tenant shall not constitute an offer to lease, and Landlord shall have no obligation of any kind, express or implied, to lease the Premises to Tenant until Landlord has approved, executed and returned to Tenant a fully signed copy of this Lease.
- 31.15. Amendments.** This Lease may be modified or amended only in writing executed by both Parties and approved by Landlord in accordance with applicable law.
- 31.16. Exhibits.** Exhibits A, B, C, D-1, D-2, and E attached hereto are incorporated herein by reference.

IN WITNESS WHEREOF, the Parties have duly executed this Lease on the day and year first above written in Suisun City, California.

LANDLORD:

CITY OF SUISUN CITY,
a municipal corporation

By: _____
Pete Sanchez, Mayor

_____, 2015

ATTEST:

Linda Hobson, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Anne Nelson Lanphar
City Attorney

TENANT:

CREATIVE ARTS COLLECTIVE, a
California non-profit corporation

By: _____
_____, President

EXHIBIT A
DEPICTION OF PREMISES

(TO BE COMPLETED PRIOR TO EXECUTION)

EXHIBIT B

SUMMARY OF LANDLORD'S PERSONAL PROPERTY

(TO BE COMPLETED PRIOR TO EXECUTION)

EXHIBIT C

MONETARY RENT & OTHER PAYMENTS SCHEDULE

Monetary Rent: Monetary Rent shall include all of the following:

- \$2 per ticket sold to all events.
 - Complimentary tickets shall not be included.
 - Sales under 2-for-1 promotions shall be viewed as the sale of only one ticket.
- \$2 per student enrollment in a class.
- 2.5% of the gross amount paid to Tenant for any facility rental or use (i.e. such as banquet, wedding, special events. etc.) that is not included in the foregoing fees for ticket sales and students fees. This requirement shall not apply to meetings or rehearsals only if Tenant does not receive any compensation for same.

Chair Dedication Amounts: To reflect and thank a donor for their contribution to Tenant, Tenant may attached plaques to the chairs in the Premises with the donor's name. For each such plaque, Tenant shall pay Five Dollars (\$5) to Landlord which shall be used to create the Chair Repair Fund as specified in Section 7.2. Tenant shall pay such amounts to Landlord concurrently with the Mandatory Rent along with reasonable summary of information regarding such donations.

Landlord Audit Rights: Landlord may audit Tenant's books and records with respect to Mandatory Rent and the Chair Dedication Funds upon ten (10) days prior written notice to Tenant. Any audit conducted by Landlord shall be completed within sixty (60) days after commencement of same. Tenant and Landlord shall cooperate as may be reasonably necessary in order to facilitate the timely completion of any audit. Landlord's audit will be conducted only during regular business hours at the office where Tenant maintains its business records. If such audit determines that an additional sum is due to Landlord, Tenant shall promptly pay such amount to Landlord together with interest thereon in accordance with Section 31.6. If the audit determines that the amount of underpayment exceeds five percent (5%) of the amount which should have been paid, then Tenant shall also promptly reimbursed Landlord for the cost of the audit. If the audit discloses that any underpayment of Monetary Rent is negligent or careless and amount underpaid exceeds ten percent (10%) of the amount due, such shall constitute a material default by Tenant. In the event the audit determines that Tenant has overpaid Monetary Rent, the amount overpaid shall be applied as a credit to future Monetary Rent due under this Lease.

EXHIBIT D-1

MINIMUM PROGRAM REQUIREMENTS

Live Theater Productions:

- Three (3) recurring regularly scheduled monthly events.
- 4 full theatrical productions per year, each with a minimum of 8-12 performances.
- Cumulative minimum attendance of 450 paying attendees per month.

Classes:

- Provide classes such as art, poetry, youth theater, dance, vocal training, high-quality films, acting, instructor, etc.
- Twelve (12) classes offered per month (on an average) each with a minimum of 1 session per week for not less than 4 consecutive weeks.
- Cumulative minimum of 150 students enrolled per month.

ADDITIONAL REQUIREMENTS:

(a) Commencement of Minimum Program Requirements: Tenant shall commence the Minimum Program Requirements as of the Commencement Date.

(b) General Requirements: In conjunction with operating its business operations (including the Minimum Programs Requirements) and any other special events, Tenant work with the City (as the appropriate public agency) at Tenant's sole cost and expense to:

- Secure all required permits.
- Arrange for additional security for traffic and crowd control if necessary.
- Parking (off site if necessary) and transportation to the Premises.
- Any other reasonable requirements to facilitate the event which may vary depending on expected attendance.

EXHIBIT D-2

REPORTING OBLIGATIONS REGARDING MINIMUM PROGRAM REQUIREMENTS

**(Need to detail monthly reporting to monitor compliance
with Minimum Program Requirements on Exhibit D-1)**

On a quarterly basis, Tenant shall meet with an Ad Hoc Committee of the City Council responsible for economic development activities in the Waterfront District to report on activities, initiatives, accomplishments and the like as well as Tenant's compliance with the Minimum Program Requirements. Such quarterly meetings shall occur at a time and location mutually acceptable to both Parties. However, at any time, Tenant may request a special meeting with the Ad Hoc Committee to discuss special issues and interests. Tenant is aware that all actions of the Ad Hoc Committee are not legally binding on Landlord unless and until approved by the City Council in accordance with applicable law.

EXHIBIT E

TENANT MAINTENANCE STANDARDS

Exhibit F
Tenant Maintenance Standards & Obligations

Mandatory Standards Maintenance Schedule		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
ID	Task Name												
DAILY TASKS W/ANY USE													
1	Trash pickup - Take to dumpster	x	x	x	x	x	x	x	x	x	x	x	x
2	Clean restrooms and stock	x	x	x	x	x	x	x	x	x	x	x	x
3	Mop & sweep building	x	x	x	x	x	x	x	x	x	x	x	x
4	Clean concession	x	x	x	x	x	x	x	x	x	x	x	x
5	Sweep theatre and clean seats	x	x	x	x	x	x	x	x	x	x	x	x
6	Store all maintenance equipment	x	x	x	x	x	x	x	x	x	x	x	x
WEEKLY TASKS													
7	Clean trash cans	x	x	x	x	x	x	x	x	x	x	x	x
8	Litter pick-up parking lot	x	x	x	x	x	x	x	x	x	x	x	x
9	Sweep around building	x	x	x	x	x	x	x	x	x	x	x	x
QUARTERLY TAKS													
10	Wash around building	x	x	x	x	x	x	x	x	x	x	x	x

AGENDA TRANSMITTAL

MEETING DATE: September 1, 2015

CITY AGENDA ITEM: Council Adoption of Resolution No. 2015-__: Approving an Amendment to the California Enterprise Development Authority (CEDA) Joint Powers Agreement to Add Suisun City as an Associate Member thereby Authorizing properties within City Limits to Voluntarily Participate in the Figtree Property Assessed Clean Energy (PACE) Program.

FISCAL IMPACT: There would be no fiscal impact to the City by consenting to the inclusion of properties within the City of Suisun City in the Figtree Program. There would be no cost to the City to become an Associate Member of the JPA or by opting into the PACE program described in this report. The City would have no administrative responsibilities, marketing obligations, or financial obligations associated with the Figtree PACE program.

BACKGROUND: The California Enterprise Development Authority (CEDA) Figtree program is a Property Assessed Clean Energy (PACE) program operating via a Joint Powers Authority (JPA) sponsored by the CEDA. The goal of the program is to provide funding for energy efficiency, resource conservation, and renewable energy generation projects on a voluntary participation basis to local property owners. Funding would be in the form of loans that are repaid through special assessments levied on the affected property owner's property tax bill.

The City of Suisun City currently participates in PACE programs sponsored and managed by CaliforniaFIRST, HERO, and Ygrene. All provide similar services on a nonexclusive basis. The implementation of the CEDA Figtree program is intended to further the reach and flexibility of PACE programs in general, while fostering healthy competition among local PACE providers. Approval of the Figtree PACE program would provide more options for Suisun City property owners. It would not add to, or require any additional responsibilities on the City.

STAFF REPORT: Assembly Bill (AB) 811 was signed into law on July 21, 2008. Subsequently AB 474, effective January 1, 2010, amended Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California ("Chapter 29") and authorizes a legislative body to designate an area within which authorized public officials and free and willing property owners may enter into voluntary contractual assessments to finance the installation of distributed generation renewable energy sources, energy efficiency, and/or water conservation improvements that are permanently fixed to real property, as specified. The financing for these improvements has come to be known as PACE.

If a property owner chooses to participate, the installed improvements will be financed by the issuance of bonds by CEDA. The bonds are secured by a voluntary contractual assessment levied on such owner's property, with no recourse to the local government or other participating jurisdictions. Participation in the program is 100% voluntary.

The Figtree PACE program provides 100% upfront financing to residential and commercial property owners for a wide range of eligible property improvements. Repayment is made

PREPARED BY:
REVIEWED BY:
APPROVED BY:

Trishia Caguiat, Assistant Planner
 Kathy Lawton, Housing Manager
 Suzanne Bragdon, City Manager

through an owner's annual property tax payment with flexible repayment terms ranging from 5 to 20 years. PACE may also allow payments to be passed on to a new property owner if the property is sold before the PACE financing is paid in full. By encouraging City residents and business owners to use energy and water more efficiently, and by developing and supporting renewable energy to power buildings, the Figtree PACE program supports the City's ongoing efforts to bolster the local economy, create new jobs, and promote energy and water efficiency.

Figtree incorporates the following measures and requirements into its residential PACE program to reduce the risk of credit default:

- **Maintains a 15% Equity Requirement:** Maintaining minimum equity requirements for participating property owners limits the risk to lenders by ensuring that there is sufficient equity in the property from which a PACE assessment can be paid in the event of default. This equity cushion ensures that both lenders and PACE programs will be able to recover their investments.
- **Limits Assessments to 10% of Property Value:** Limiting the assessment amount is another way to limit the risk to lenders. Combined with equity requirements, the 10% limitation provides a great deal of protection to lenders.
- **Evaluates Past Payment History:** Looking at a property owners past property tax payment history screens out many of the property owners who are likely to default on their property tax payments in the future. This screening also reduces the risk exposure to both PACE bondholders and mortgage lenders.
- **Checks Borrower Credit Histories for Bankruptcies:** Again, this type of screening eliminates from eligibility, property owners who are likely to default on their property tax payments in the future.
- **Will Participate in California's Loan Loss Reserve Program:** The State's Loan Loss Reserve Program will provide additional protection to mortgage lenders for any lost cash outflows as a result of PACE assessment payments. Figtree will participate in the Loan Loss Reserve Program, as soon as Figtree's statewide residential program launches in 2015.

Figtree has prepared a "Program Report" in compliance with Section 5898.22 and 5898.23 of Chapter 29 of the California Streets and Highways Code that provides additional detailed information about the program. The current version of the Program Report, dated September 3, 2014, is available for review and is on file with the City Clerk's office.

Approval of the attached Resolution would allow the City of Suisun City to join the Figtree program, along with Solano County, the City of Vacaville and other California member cities. The Figtree program would provide Suisun City residents many economic and environmental benefits without creating an additional administrative burden on City staff.

RECOMMENDATION: It is recommended that the City Council adopt Resolution No. 2015-__: Approving an Amendment to the California Enterprise Development Authority (CEDA) Joint Powers Agreement to Add Suisun City as an Associate Member thereby Authorizing properties within City Limits to Voluntarily Participate in the Figtree Property Assessed Clean Energy (PACE) Program.

ATTACHMENTS:

1. Resolution No. 2015-__: Approving an Amendment to the California Enterprise Development Authority (CEDA) Joint Powers Agreement to Add Suisun City as an Associate Member thereby Authorizing properties within City Limits to Voluntarily Participate in the Figtree Property Assessed Clean Energy (PACE) Program.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
APPROVING AN AMENDMENT TO THE CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY (CEDA) JOINT POWERS AGREEMENT TO ADD
THE CITY AS AN ASSOCIATE MEMBER THEREBY AUTHORIZING
PROPERTIES WITHIN CITY LIMITS TO VOLUNTARILY PARTICIPATE IN THE
FIGTREE PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM**

WHEREAS, the City of Suisun City, California (the "City"), is a municipal corporation, duly organized and existing under the Constitution and the laws of the State of California; and

WHEREAS, the City, upon authorization of the City Council, may pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, commencing with Section 6500 (the "JPA Law") enter into a joint exercise of powers agreement with one or more other public agencies pursuant to which such contracting parties may jointly exercise any power common to them; and

WHEREAS, the City and other public agencies wish to jointly participate in economic development financing programs for the benefit of businesses and nonprofit entities within their jurisdictions offered by membership in the California Enterprise Development Authority (the "Authority") pursuant to an associate membership agreement and Joint Exercise of Powers Agreement Relating to the California Enterprise Development Authority (the "Agreement"); and

WHEREAS, under the JPA Law and the Agreement, the Authority is a public entity separate and apart from the parties to the Agreement and the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of the City or the other members of the Authority; and

WHEREAS, the form of Associate Membership Agreement (the "Associate Membership Agreement"), as shown in Exhibit A, between the City and the Authority is attached; and

WHEREAS, the City is willing to become an Associate Member of the Authority subject to the provisions of the Associate Membership Agreement; and

WHEREAS, CEDA has adopted the Figtree Property Assessed Clean Energy (PACE) and Job Creation Program (the "Program" or "Figtree PACE"), to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements (the "Improvements") through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code ("Chapter 29"), and the issuance of improvement bonds or other evidences of indebtedness (the "Bonds") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 et seq.) (the "1915 Act") upon the security of the unpaid contractual assessments; and

WHEREAS, Chapter 29 provides that assessments may be levied under its provisions only with the free and willing consent of the owner of each lot or parcel on which an assessment is levied at the time the assessment is levied; and

WHEREAS, the Board of Supervisors (the "Board of Supervisors") of the County of Solano, a political subdivision of the State of California (the "County"), has adopted Figtree PACE pursuant to the Act; and

WHEREAS, the parameters of Figtree PACE are set forth in the Program Report and such Report has been prepared pursuant to Section 5898.22 of the Act and approved by the CEDA Board of Directors; and

WHEREAS, the Program Report is on file with the City Clerk available for review; and

WHEREAS, the City of Suisun City (the "City") desires to participate with the County in Figtree PACE, and provide for participation in Figtree PACE by property owners located within City limits; and

WHEREAS, pursuant to Chapter 29, the City authorizes CEDA to levy assessments, pursue remedies in the event of delinquencies, and issue bonds or other forms of indebtedness to finance the Improvements in connection with Figtree PACE; and

WHEREAS, to protect the City in connection with operation of the Figtree PACE, Figtree Energy Financing, the program administrator, has agreed to defend and indemnify the City; and

WHEREAS, the City will not be responsible for the levy of assessments, any required remedial action in the case of delinquencies, the issuance, sale or administration of the bonds or other indebtedness issued in connection with Figtree PACE.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Suisun City, hereby finds, determines and declares as follows:

Section 1. The City Council hereby specifically finds and declares that the actions authorized hereby constitute public affairs of the City. The City Council further finds that the statements, findings and determinations of the City set forth in the preambles above are true and correct.

Section 2. The Associate Membership Agreement presented to this meeting and on file with the City Clerk is hereby approved. The Mayor of the City, the City Manager, the City Clerk and other officials of the City are each hereby authorized and directed, for and on behalf of the City, to execute and deliver the Associate Membership Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The officers and officials of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate, carry out, give effect to and comply with the terms and intent of this resolution and the Associate Membership Agreement. All such actions heretofore taken by such officers and officials are hereby confirmed, ratified and approved.

Good Standing. The City is a municipal corporation in good standing.

Public Benefits. On the date hereof, the City Council hereby finds and determines that the Program and issuance of Bonds by CEDA in connection with Figtree PACE will provide significant public benefits, including without limitation, savings in effective interest rates, bond preparation, bond underwriting and bond issuance costs and reductions in effective user charges levied by water and electricity providers within the boundaries of the City.

Resolution of Intention. The City Council ratifies the resolution adopted by the CEDA Board of Directors on _____, 20__ declaring the Board's intention to order the implementation of a contractual assessment program to finance Improvements pursuant to the Act.

Boundaries. The City Council hereby approves the inclusion in Figtree PACE all of the properties in the incorporated area within the City, as same may be amended through annexation from time to time, the acquisition, construction and installation within City limits of the energy and water efficiency measures set forth in the Report upon the request and agreement of the affected property owner, and the assumption of jurisdiction thereof by CEDA for the aforesaid purposes. The adoption of this Resolution by this City Council constitutes the approval by the City to participate in Figtree PACE. This City Council further authorizes CEDA to set the terms of, and implement, Figtree PACE and take each and every action necessary or desirable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance of bonds, notes or other forms of indebtedness secured by such contractual assessments as authorized by Chapter 29.

Appointment of CEDA. The City hereby appoints CEDA as its representative to (i) record the assessment against the Participating Parcels, (ii) administer the District in accordance with the Improvement Act of 1915 (Chapter 29 Part 1 of Division 10 of the California Streets and Highways Code (commencing with Section 8500 et seq.) (the "Law"), (iii) prepare program guidelines for the operations of the Program and (iv) proceed with any claims, proceedings or legal actions as shall be necessary to collect past due assessments on the properties within the District in accordance with the Law and Section 6509.6 of the California Government Code. The City is not and will not be deemed to be an agent of Figtree or CEDA as a result of this Resolution.

Program Report. The City Council hereby acknowledges that pursuant to the requirements of Chapter 29, CEDA has prepared and will update from time to time the "Program Report" for Figtree PACE (the "Program Report") and associated documents, and CEDA will undertake assessment proceedings and the financing of Improvements as set forth in the Program Report.

Foreclosure. The City Council hereby acknowledges that the Law permits foreclosure in the event that there is a default in the payment of assessments due on a property. The City Council hereby designates CEDA as its representative to proceed with collection and foreclosure of the liens on the defaulting properties within the District, including accelerated foreclosure pursuant to the Program Report.

Indemnification. The City Council acknowledges that Figtree has provided the City with an indemnification agreement, as shown in Exhibit B, for negligence or malfeasance of any type as a result of the acts or omissions of Figtree, its officers, employees, subcontractors and agents. The City Council hereby authorizes the appropriate officials and staff of the City to execute and deliver the Indemnification Agreement to Figtree.

City Contact Designation. The appropriate officials and staff of the City are hereby authorized and directed to make applications for Figtree PACE available to all property owners who wish to finance Improvements. The following staff persons, together with any other staff designated by the City Manager from time to time, are hereby designated as the contact persons for CEDA in connection with Figtree PACE: Kathy Lawton, Housing Manager/Solano BayREN Representative, (707) 421-7332, Klawton@suisun.com. The City Clerk is directed to provide a certified copy of this Resolution to Figtree Energy Financing.

CEQA. The City Council hereby finds that adoption of this Resolution is not a "project" under the California Environmental Quality Act ("CEQA"), because the Resolution does not involve any commitment to a specific project which may result in a potentially significant

physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4)).

Effective Date. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to Figtree Energy Financing.

Costs. Services related to the formation and administration of the assessment district will be provided by CEDA at no cost to the City.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Suisun City held on this 1st of September, 2015 by the following vote:

AYES:	Councilmembers:	_____
NOES:	Councilmembers:	_____
ABSENT:	Councilmembers:	_____
ABSTAIN:	Councilmembers:	_____

WITNESS my hand and the seal of said Agency this 1st of September, 2015.

Linda Hobson, CMC
City Clerk

ASSOCIATE MEMBERSHIP AGREEMENT

by and between the

CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY

and the

CITY OF SUISUN CITY, CALIFORNIA

THIS ASSOCIATE MEMBERSHIP AGREEMENT (this "Associate Membership Agreement"), dated as of August 11, 2015 by and between CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY (the "Authority") and the CITY OF SUISUN CITY, CALIFORNIA, a municipal corporation, duly organized and existing under the laws of the State of California (the "City");

WITNESSETH:

WHEREAS, the Cities of Selma, Lancaster and Eureka (individually, a "Member" and collectively, the "Members"), have entered into a Joint Powers Agreement, dated as of June 1, 2006 (the "Agreement"), establishing the Authority and prescribing its purposes and powers; and

WHEREAS, the Agreement designates the Executive Committee of the Board of Directors and the President of the California Association for Local Economic Development as the initial Board of Directors of the Authority; and

WHEREAS, the Authority has been formed for the purpose, among others, to assist for profit and nonprofit corporations and other entities to obtain financing for projects and purposes serving the public interest; and

WHEREAS, the Agreement permits any other local agency in the State of California to join the Authority as an associate member (an "Associate Member"); and

WHEREAS, the City desires to become an Associate Member of the Authority;

WHEREAS, City Council of the City has adopted a resolution approving the Associate Membership Agreement and the execution and delivery thereof;

WHEREAS, the Board of Directors of the Authority has determined that the City should become an Associate Member of the Authority;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the Authority and the City do hereby agree as follows:

Section 1. Associate Member Status. The City is hereby made an Associate Member of the Authority for all purposes of the Agreement and the Bylaws of the Authority, the provisions of which are hereby incorporated herein by reference. From and after the date of execution and delivery of this Associate Membership Agreement by the City and the Authority, the City shall be and remain an Associate Member of the Authority.

Section 2. Restrictions and Rights of Associate Members. The City shall not have the right, as an Associate Member of the Authority, to vote on any action taken by the Board of Directors or by the Voting Members of the Authority. In addition, no officer, employee or representative of the City shall have any right to become an officer or director of the Authority by virtue of the City being an Associate Member of the Authority.

Section 3. Effect of Prior Authority Actions. The City hereby agrees to be subject to and bound by all actions previously taken by the Members and the Board of Directors of the Authority to the same extent as the Members of the Authority are subject to and bound by such actions.

Section 4. No Obligations of Associate Members. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of the City.

Section 5. Execution of the Agreement. Execution of this Associate Membership Agreement and the Agreement shall satisfy the requirements of the Agreement and Article XII of the Bylaws of the Authority for participation by the City in all programs and other undertakings of the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Associate Membership Agreement to be executed and attested by their proper officers thereunto duly authorized, on the day and year first set forth above.

**CALIFORNIA ENTERPRISE
DEVELOPMENT AUTHORITY**

By: _____
Gurbax Sahota, Chair
Board of Directors

Attest:

Michelle Stephens, Asst. Secretary

CITY OF SUISUN CITY, CALIFORNIA

By: _____
Suzanne Bragdon, City Manager

Attest:

City Clerk

INDEMNIFICATION AGREEMENT

BY AND BETWEEN

THE CITY OF SUISUN CITY AND

FIGTREE COMPANY, INC.

This Indemnification Agreement (the "Agreement") is entered into by and between the City of Suisun City, a municipal corporation or political subdivision, duly organized and existing under the laws of the State of California (the "Public Entity") and Figtree Company, Inc., a California corporation, the administrator of the Figtree Property Assessed Clean Energy and Job Creation Program (the "Administrator"), which is a program of the California Enterprise Development Authority, a California joint exercise of powers authority (the "Authority").

RECITALS

WHEREAS, the Authority is a joint exercise of powers authority whose members include the Public Entity in addition to other cities and counties in the State of California; and

WHEREAS, the Authority established the Figtree Property Assessed Clean Energy and Job Creation Program (the "Figtree PACE Program") to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements that are permanently affixed to real property through the levy of assessments voluntarily agreed to by the participating property owners pursuant to Chapter 29 of Division 7 of the Streets and Highways Code ("Chapter 29") and the issuance of improvement bonds, or other forms of indebtedness, under the Improvement Bond Act of 1915 upon the security of the unpaid assessments; and

WHEREAS, the Authority has conducted or will conduct proceedings required by Chapter 29 with respect to the territory within the boundaries of the Public Entity; and

WHEREAS, the legislative body of the Public Entity adopted or will adopt a resolution authorizing the Public Entity to join the Figtree PACE Program; and

WHEREAS, the Public Entity will not be responsible for the formation, operation and administration of the Figtree PACE Program as well as the sale and issuance of any bonds or other forms of indebtedness in connection therewith, including the conducting of assessment proceedings, the levy and collection of assessments and any remedial action in the case of such assessment payments, and the offer, sale and administration of any bonds issued by the Authority on behalf of the Figtree PACE Program; and

WHEREAS, the Administrator is the administrator of the Figtree PACE Program and agrees to indemnify the Public Entity in connection with the operations of the Figtree PACE Program as set forth herein;

NOW, THEREFORE, in consideration of the above premises and of the Public Entity's agreement to join the Figtree PACE Program, the parties agree as follows:

1. **Indemnification.** Figtree has provided the CEDA with an indemnification for negligence or malfeasance of any type as a result of the acts or omissions of Figtree, its officers, employees, subcontractors and agents, arising from or related to the Figtree PACE Program, the assessments, the assessment districts, the improvements or the financing and marketing thereof. Figtree agrees to defend, indemnify and hold harmless the Public Entity, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all actions, suits, proceedings, claims, demands, losses, costs and expenses, including legal costs and attorneys' fees, for injury or damage due to negligence or malfeasance of any type claims as a result of the acts or omissions of Figtree, except for such loss or damage which was caused by the sole negligence or willful misconduct of the Public Entity. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by Figtree.

2. **Amendment/Interpretation of this Agreement.** This Agreement represents the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. This Agreement shall not be interpreted for or against any party by reason of the fact that such party may have drafted this Agreement or any of its provisions.

3. **Section Headings.** Section headings in this Agreement are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

4. **Waiver.** No waiver of any of the provisions of this Agreement shall be binding unless in the form of writing signed by the party against whom enforcement is sought, and no such waiver shall operate as a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. Except as specifically provided herein, no failure to exercise or any delay in exercising any right or remedy hereunder shall constitute a waiver thereof.

5. **Severability and Governing Law.** If any provision or portion thereof of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

6. **Notices.** All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand, against receipt, or mailed certified or registered mail and addressed as follows:

If to the Administrator

Figtree Company, Inc.
9915 Mira Mesa Blvd., Suite 130
San Diego, California 92131
Attn: Chief Executive Officer

If to the Public Entity:

City of Suisun City
701 Civic Center Blvd.
Suisun City, California 94585
Attn: Kathy Lawton

7. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, which together shall constitute the same instrument.

8. **Effective Date.** This Agreement will be effective as of the date of the signature of Public Entity's representative as indicated below in the signature block.

IN WITNESS HEREOF, the parties hereto duly executed this Agreement as of the date below.

APPROVED AS TO FORM:

Aleshire & Wynder, LLP
Attorneys for the City of Suisun City

City of Suisun City

By _____
Name:
Title:

Date: _____

Figtree Company, Inc., a California corp.

By _____
Name: Mahesh Shah
Title: CEO

Date: _____

MINUTES

REGULAR MEETING OF THE SUISUN CITY COUNCIL

SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY, AND HOUSING AUTHORITY TUESDAY, JULY 7, 2015

7:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following Council/Successor Agency/Housing Authority includes teleconference participation by Councilmember Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

ROLL CALL

Mayor Sanchez called the meeting to order at 7:00 PM with the following Council / Board Members present: Day, Segala, Wilson, and Sanchez. Council / Board Member Hudson was absent.

Pledge of Allegiance was led by Council Member Segala.

Invocation was given by Assistant City Manager Anderson.

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

Doyle King expressed concern about only two days of watering and weed enforcement.

7:07 PM – Council Member Hudson arrived.

George Guynn commented on shooting and killing of lady in San Francisco by an illegal person who had been deported five times and expressed concern about fireworks and drought.

CONFLICT OF INTEREST NOTIFICATION - None

(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)

REPORTS: (Informational items only.)

1. Mayor/Council - Chair/Board Members

Council Member Day reported 4th of July was wonderful and encouraged citizens to attend July 17, 9:00 AM court hearing on sex offender, Frasier.

Council Member Segala thanked staff involved in July 4th event, reported increase in bicycle thefts and suggest re-establishing registration of bicycles.

Council Member Hudson commended staff for the 4th event, encouraged attendance at court hearing and suggested addressing bike thefts.

Council Member Wilson commented on the great turn out for the 4th event and reported attending the Children's Network regarding youth employment, and expressed concern about bike issue.

Mayor Sanchez commented on illegal fireworks and on Suisun City bikeways being funded through the State.

2. City Manager/Executive Director/Staff

Commander White reported police statistics on the 4th of July, no arrests during event and 54% increase in calls regarding fireworks.

PRESENTATIONS/APPOINTMENTS

(Presentations, Awards, Proclamations, Appointments).

3. Introduction of new Suisun City Marina/Waterfront Recreation Supervisor Justin Houde– (Jessop)

Recreation Director Jessop introduced Justin Houde who was happy to be hired to serve as the Marina/Waterfront Recreation Supervisor.

4. Appointment of Voting Delegate and Alternate(s) for the League of California Cities Annual Conference

Motioned by Council Member Segala and seconded by Council Member Day to appoint Mayor Pro Tem Wilson for voting delegate and Mayor Sanchez for alternate. Motion carried unanimously by the following roll call vote:

AYES: Council Members Day, Hudson, Segala, Wilson, Sanchez

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

City Council

5. Setting Ad Valorem Tax Rates for Voter-Approved Debt Service Issues – (Anderson).

a. Council Adoption of Resolution No. 2015-82 Approving the Debt Service Rate for the North Bay Aqueduct Bond Issue for Fiscal Year 2015-16.

b. Council Adoption of Resolution No. 2015-83: Approving the Debt Service Rate for the Highway 12 Bond Issue for Fiscal Year 2015-16.

6. Council Adoption of Resolution No. 2015-84: Acting as the Legislative Body of Community Facilities District No. 1, Peterson Ranch, Providing for the Levy and Collection of Special Taxes for Fiscal Year 2015-16 – (Kasperson).

7. Council Adoption of Resolution No. 2015-85: Providing for the Levy and Collection of Special Taxes for Community Facilities District (CFD) No. 2 for Fiscal Year 2015-16 – (Kasperson).

8. Council Adoption of Resolution No. 2015-86: Authorizing the City Manager to Execute a Professional Services Agreement on the City's behalf with Michael Baker International (formerly known as PMC) for Planning Services – (Garben).

9. Elimination of the Remaining 2.5 Percent Pay Cut and Reduced Working Hours – (Anderson).
 - a. Council Adoption of Resolution No. 2015-87: Approving an Amendment to the Memorandum of Understanding (MOU) with the Suisun City Employees' Association (SCEA) and Authorizing the City Manager to Execute it on Behalf of the City; and
 - b. Council Adoption of Resolution No. 2015-88: Approving an Amendment to the Memorandum of Understanding (MOU) with the Suisun City Management and Professional Employees' Association (SCMPEA) and Authorizing the City Manager to Execute it on Behalf of the City; and
 - c. Council Adoption of Resolution No. 2015-89: Approving an Amendment to the Memorandum of Understanding (MOU) with the Suisun City Police Officers' Association (SCPOA) and Authorizing the City Manager to Execute it on Behalf of the City; and
 - d. Council Adoption of Resolution No. 2015-90: Authorizing Unrepresented Executive Management and Confidential Employees to Receive Pay and Benefits Comparable to those Received by Represented Employees; and
 - e. Council Adoption of Resolution No. 2015-91: Amending the Salary Resolution No. 2015-81 to Adjust Salaries of Employees Covered by the Two Approved Memorandums of Understanding, as well as for Unrepresented Employees.

Joint City Council / Suisun City Council Acting as Successor Agency

10. Authorizing the City Manager/Executive Director to Execute a Loan Agreement between the City of Suisun City and the Successor Agency to the Former Redevelopment Agency of the City of Suisun City – (Garben).
 - a. Council Adoption of Resolution No. 2015-92: Authorizing Execution of a Loan Agreement between the City of Suisun City and the Suisun City Redevelopment Agency Regarding Collection of Equity Participation Payment Associated with the One Harbor Center Office Property.
 - b. Agency Adoption of Resolution No. SA 2015-93: Authorizing the Execution of a Loan Agreement with the City of Suisun City Regarding Collection of Equity Participation Payment Associated with the One Harbor Center Office Property.

Joint City Council / Suisun City Council Acting as Successor Agency/Housing Authority

11. Council/Agency/Authority Approval of the Minutes of the Regular and/or Special Meetings of the Suisun City Council, Suisun City Council Acting as Successor Agency, and Housing Authority held on June 30, 2015 – (Hobson).

Motioned by Council / Board Member Day and seconded by Council / Board Member Segala to approve the Consent Calendar. Motion carried unanimously by the following roll call vote:

AYES: Council / Board Member Day, Hudson, Segala, Wilson, Sanchez

PUBLIC HEARINGS

City Council

12. PUBLIC HEARING

Potential Expansion of the Montebello Vista Maintenance Assessment District (MAD) and Enhancement of the Levy to Improve Service Delivery – (Kasperson).

- a. Council Adoption of Resolution No. 2015-__: Declaring the Results of the Assessment Ballot Tabulation, Approving the Engineer's Report, Increasing Assessments and Inclusion of Additional Property for the Montebello Vista Maintenance Assessment District, Ordering Maintenance Work Therein, Confirming the Diagram and Assessments, and Providing for the Levy of an Annual Assessment Therein; OR
- b. Council Adoption of Resolution No. 2015-94: Declaring the Results of the Assessment Ballot Tabulation for the Montebello Vista Maintenance Assessment District, Determining the Existence of a Majority Protest, and Abandoning the Proceedings to Increase Such Assessments Therein.

Mayor Sanchez opened the public hearing.

George Guynn expressed concern about ballots being sent to all property owners rather than just the 199 that were not included in the assessment district.

Hearing no further comments, Mayor Sanchez closed the public hearing.

Mayor Sanchez asked City Clerk Hobson to canvass the ballots. After the ballots were canvassed, City Clerk Hobson advised the following:

685 assessment ballots were mailed to the owners of property within the boundaries of the Assessment District and 234 assessment ballots were received prior to the close of the public hearing. 98 assessment ballots were submitted in support of the levy of the proposed assessments within the Assessment District. 132 assessment ballots were submitted in opposition to the levy of the proposed assessments within the Assessment District. 4 assessment ballots were deemed invalid.

Motioned by Council Member Segala and seconded by Council Member Day to adopt Resolution No. 2015-94 determining the existence of a majority protesting and abandoning the proceedings to increase such assessment. Motioned carried unanimously by the follow roll call vote:

AYES: Council Members Day, Hudson, Segala, Wilson, Sanchez

ADJOURNMENT

There being no further business, Mayor Sanchez adjourned the meeting at 9:08 PM.

Linda Hobson, CMC
City Clerk

MINUTES

SPECIAL MEETING OF THE SUISUN CITY COUNCIL

TUESDAY, JULY 21, 2015

5:30 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

TELECONFERENCE NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following City Council meeting includes teleconference participation by Council/Board Member Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

ROLL CALL

Mayor Sanchez called the meeting to order at 5:30 PM with the following Council / Board Members present: Day, Hudson, Wilson, and Sanchez. Council Member Segala was absent.

PUBLIC COMMENT - None

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONFLICT OF INTEREST NOTIFICATION

(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)

Council Member Day advised a conflict with Item 2.

CLOSED SESSION

Pursuant to California Government Code section 54950 the Suisun City Council will hold a Closed Session for the purpose of:

City Council

1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to California Government Code Section 54956.8., the Suisun City Council will hold a Closed Session for the purpose of Conference with Real Property Negotiator.

Property Under Negotiation: Assessor Parcel Numbers 0173-010-210 and 0173-010-220.

Agency Negotiator: Suzanne Bragdon, City Manager, Ronald C. Anderson, Jr, Assistant City Manager/Administrative Services, Jason Garben, Development Services Director

Negotiating Parties: Ted Caldwell

Under Negotiations: Terms and payment

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to California Government Code Section 54956.8., the Suisun City Council will hold a Closed Session for the purpose of Conference with Real Property Negotiator.

Property Under Negotiation: Harbor Theater, 720 Main Street

Agency Negotiator: Suzanne Bragdon, City Manager, Ronald C. Anderson, Jr,
Assistant City Manager/Administrative Services, Jason Garben, Development
Services Director

Negotiating Parties: Creative Arts Council

Under Negotiations: Terms and payment

5:32 PM – Mayor Sanchez recessed the Council to Closed Session.

5:36 PM – Council Member Segala arrived.

CONVENE OPEN SESSION

Announcement of Actions Taken, if any, in Closed Session.

**6:54 PM – Mayor Sanchez reconvened the Council and stated no decisions had been made
in Closed Session.**

ADJOURNMENT

There being no further business, Mayor Sanchez adjourned the meeting at 6:55 PM.

Linda Hobson, CMC
City Clerk

MINUTES

REGULAR MEETING OF THE SUISUN CITY COUNCIL

SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY, AND HOUSING AUTHORITY TUESDAY, JULY 21, 2015

7:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following Council/Successor Agency/Housing Authority includes teleconference participation by Councilmember Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

(Next Ord. No. – 733)

(Next City Council Res. No. 2 015 – 93)

Next Suisun City Council Acting as Successor Agency Res. No. SA2015 – 02)

(Next Housing Authority Res. No. HA2015 – 04)

ROLL CALL

Mayor Sanchez called the meeting to order at 7:00 PM with the following Council / Board Members present: Day, Hudson, Segala, Wilson, and Sanchez.

Pledge of Allegiance was led by Council Member Segala.

Invocation was given by Salvation Army Lt. Tersey.

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

William Hampton suggested a management plan for Montebello Park.

Pam Pracht expressed concern about traffic violations on Walters and Highway 12.

George Guynn reported attending a Proposition 13 meeting in San Francisco and state roads and safety were the main concerns of government.

CONFLICT OF INTEREST NOTIFICATION

(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)

REPORTS: (Informational items only.)

1. Mayor/Council - Chair/Boardmembers

Council / Board Member Day commented on sex offender Frasier's placement hearing was cancelled on July 17 and has been rescheduled for September 25 at 9:00 AM.

Council / Board Member Segala reported attending Travis AFB Regional meeting and commented on Hearts of Heart, and stated today is Guam Liberation Day.

Council / Board Member Hudson expressed concern about weed control on Grizzly Island.

Council / Board Member Wilson reported attending Travis AFB Regional meeting and complimented Police Chief Mattos for cleaning up the homeless camp.

Mayor Sanchez reported attending the following: 7/8 STA Executive Board meeting voting to support Senate Bill 16 about transportation infrastructure funding, teleconferenced meeting with the League of California Cities, 7/13 special meeting of the Solano Water Authority approving 2015-16 budget and discussed ways to conserve water consumption by 28%, 7/17 Solano Transit Board meeting as alternate member of the STA discussed transportation center at Portola Way in Vallejo, and 7/20 Fairfield-Suisun Sewer District Executive Board meeting.

2. City Manager/Executive Director/Staff

a. PICH Grant Status Reports – (Caguiat)

Tricia Caguiat reported on the Partners for Improving Community Health Grant – increase access to tobacco free environments, healthier eating habits, promote mobility and exercise. And increase access to healthier food and drink options.

8:12 PM – Mayor Sanchez left the meeting.

b. Emergency Management Plan Report – (O'Brien)

8:17 PM – Mayor Sanchez returned.

PRESENTATIONS/APPOINTMENTS

(Presentations, Awards, Proclamations, Appointments).

3. Introduction of new Suisun City Interim Recreation and Community Services Director Randy Davis – (Bragdon)

City Manager Bragdon introduced and stated Randy Davis would be working a twenty hour week.

4. Presentation of a Proclamation Proclaiming August 4, 2015 as "National Night Out".

Mayor Sanchez read and Council Member Hudson presented the proclamation to Pam Green and Michael Brito.

5. Presentation of Proclamation to Dan Kasperson, Building and Public Works Director, retiring after 26 Years of Service (April 1989 – July 2015).

Mayor Sanchez read and Mayor Pro Tem Wilson presented the proclamation to Dan Kasperson. Mr. Kasperson reminded the City Council that the people who work for them are here for more than just a job, they are here because they care about this place and they need to be cared for in return, honor them and recognize them as much as you can and then he thanked the City Council.

Mayor Sanchez went back to Item 2b Emergency Management Plan Report.

- 2.b Fire Chief O'Brien reported revising the plan twice and it would be revised again probably early next year

CONSENT CALENDAR

City Council

6. Council Adoption of Resolution No. 2015-: Authorizing the City Manager to Recruit and Appoint a Police Officers – (Mattos).
7. Council Adoption of Resolution No. 2015-97: Authorizing the City Manager to Recruit and Appoint Communications and Records Technicians, and Approve Provisional Hires When Warranted – (Mattos).
8. Council Adoption of Resolution No. 2015-95: Approving the Final Map for Zephyr Estates, Accepting all Offers of Dedication, Aproving the inclusion of Zephyr Estates in the Suisun-Solano Water Authority Joint Service Agreement, and Authorizing the City Manager to Sign the Subdivision Improvement Agreement with Seecon Homes, Inc. – (Lozano).
9. Council Adoption of Resolution No. 2015-96: Adopting the First Amendment to the Annual Appropriation Resolution No. 2015-79 to Appropriate Funds for the Partnerships to Improve Community Health (PICH) Grant – (Garben).

Joint City Council / Suisun City Council Acting as Successor Agency/Housing Authority

10. Council/Agency/Authority Acceptance of the Investment Report for the Quarter Ending June 30, 2015 – (Finance).

Joint City Council / Suisun City Council Acting as Successor Agency

11. Council/Agency Approval of the June 2015 Payroll Warrants in the amount of \$340,772.08.
Council/Agency Approval of the June 2015 Payable Warrants in the amount of \$703,418.32 – (Finance).

Items 6 and 7 removed from Consent Calendar.

**Motioned by Council Member Wilson and seconded by Council Member Segala to approve Consent Calendar Items 8-11. Motion carried unanimously by the following roll call vote:
AYES: Council Members Day, Hudson, Segala, Wilson, Sanchez**

Item 6

Discussion was held regarding Item 6 and 7 should not have been on the Consent Calendar.

William Hampton commented on Item 6 stating the City Council should stay in control and should on future hires reduce retirement contributions for employees by 20%.

Motioned by Council Member Wilson and seconded by Mayor Sanchez to approve the hiring of two officers to fill the current vacancies but to have the hiring freeze policy brought back for further discussion. Motion carried by the following roll call vote:

AYES: Council Members Segala, Wilson, Sanchez

NOES: Council Members Day, Hudson

Item 7

Motioned by Council Member Wilson to approve the two provisional hires and bring the policy back for discussion. Council Member Wilson withdrew her motion.

8:59 PM – Council Member Hudson left Council Chambers.

9:03 PM – Council Member Hudson returned

Motioned by Council Member Day and seconded by Council Member Hudson to adopt Resolution No. 2015-97 and directed staff to bring the policy back for a future discussion.

Motion carried by the following roll call vote:

AYES: Council Members Day, Hudson, Segala

NOES: Council Members Wilson, Sanchez

9:31 PM – Mayor Sanchez left the Council Chambers.

GENERAL BUSINESS

City Council

12. Award of the Construction Contract for the Lawler Ranch Park Phase II Project and Approval of the Second Amendment to the Annual Appropriation Resolution to the Fiscal Year 2015-16 Budget - (Davis/Lozano)

- a. **Council Adoption of Resolution No. 2015-98: Authorizing the City Manager to Enter into a Construction Contract on the City's Behalf with Sansei Gardens, Inc. for the Lawler Ranch Park Phase II Project.**
- b. **Council Adoption of Resolution No. 2015-99: Adopting the Second Amendment to the Annual Appropriation Resolution No. 2015-79 to Appropriate Funds for the Lawler Ranch Park Phase II Project.**

9:36 PM – Mayor Sanchez returned.

George Guynn expressed concern about sod being placed in park during a drought.

Motioned by Council Member Segala and seconded by Council Member Day to Adopt Resolution No. 2015-97 amending the Additive Bid Alternates to A through C and Resolution No. 2015-98. Motion carried unanimously by the following roll call vote:

AYES: Council Members Day, Hudson, Segala, Wilson, Sanchez

PUBLIC HEARINGS

ADJOURNMENT

There being no further business, Mayor Sanchez adjourned the meeting at 9:48 PM.

Linda Hobson, CMC
City Clerk

AGENDA TRANSMITTAL

MEETING DATE: September 1, 2015

CITY AGENDA ITEM: Council Adoption of Resolution No. 2015-__: Approving a Professional Services Agreement to Assess the Feasibility of a Tax Measure for the November 2016 Ballot and Authorizing the City Manager to Execute It.

FISCAL IMPACT: The fiscal impact to retain The Lew Edwards Group, with polling support by Godbe Research, is \$29, 510. This money has been allocated in the current fiscal year budget.

BACKGROUND: The City of Suisun City, like most cities throughout the State, has been hit hard financially by the great recession, followed closely by the State's dissolution of redevelopment. Pending litigation with the State over actions of the State Department of Finance tied to the dissolution of redevelopment, has frozen new development activity on 12 core parcels in the downtown area. Additionally, \$1.75 million of the City's General Fund is at risk. If the outcome of this litigation is not favorable to the City, our reserves will drop to \$440,000 against a General Fund operating budget of nearly \$11 million.

The opening of Walmart this past spring staved off further staffing and operating cuts, which has been the "norm" over the past four to five years. Staffing levels remain 20% below core levels, including two frozen sworn positions in the Police Department; a 25% reduction of our Public Works Maintenance staff resulting in only one crew to address street/sidewalk/storm drain/sewer issues and two crews to address landscaping; and the consolidation of multiple operating departments and divisions resulting in five additional frozen professional and management positions. The City's Fire Department remains staffed by three paid sworn positions and a part-time clerical position, with the rest of the staffing handled by volunteers.

Maintenance and upkeep of capital infrastructure is another area that continues to be a challenge for Suisun City as it is for cities, counties and states everywhere. The linkage between costs to maintain/replace aging infrastructure and revenues to pay for such maintenance/replacement is broken – assuming it ever was in sync in the first place. As an example, GasTax revenues, which most see as the source of revenue to address the maintenance of our streets, continues to decline over time, because it is a flat-fee per gallon of gasoline versus a percentage of price. These revenues dropped by 25% to \$620,000 in the past year alone. To put this figure in perspective, it would take roughly \$5 million to \$7million annually to improve the Pavement Condition Index (PCI) rating of our streets from 55 PCI ("bad") to 60 PCI ("fair"). Beyond streets, funding shortfalls exist for the maintenance of facilities, storm drains and sidewalks, and dredging.

The Fiscal Year 2015-16 budget provides greater detail on the funding challenges the City faces.

STAFF REPORT: One of the Council's priorities is longer-term financial stability and sustainability. Economic development plays a piece of this; however, with the loss of redevelopment, there is no longer a funding source to help facilitate development that is overburdened with off-site infrastructure requirements.

PREPARED BY:

Ronald C. Anderson, Jr., Assistant City Manager

REVIEWED/APPROVED BY:

Suzanne Bragdon, City Manager

As such, staff has been asked to determine the feasibility of community support for increased taxes to address the unmet service demands and unmet capital needs that the City faces. To assist in this undertaking, proposals were solicited and received from four different professional services firms that have experience in this area including:

- The Lew Edwards Group
- TWBW Strategies
- FM3
- Godbe Research.

Based on a review of work program, experience, references and cost, staff is recommending that The Lew Edwards Group be retained to provide initial Fiscal Sustainability Strategic Planning Services, which will include the following:

- Project-manage initial strategic efforts, including developing project timeline, meeting agendas, and facilitating/coordinating with city staff and professionals assigned to this project;
- Review past opinion research results completed by the City, City budgets and revenue information, service needs, demographic information;
- Review and analyze media clips about the City and its service and revenue challenges;
- Advise the City on current Fiscal Sustainability strategies other cities are utilizing and the viability of different revenue options;
- Identify strategic decisions or considerations the City should consider in its planning;
- Oversee development of opinion research survey to be conducted by City's designated subcontractor (Godbe Research.)
- Independently review opinion research results and provide Strategic Recommendations to the City, including:
 1. The viability of different revenue options;
 2. Recommended project timing for your project;
 3. Project risks and opportunities;
 4. Recommended communications techniques and messaging; and
 5. Recommended project budget for communications and education support.
- Provide additional strategic advice as needed during the initial project period.

Consultant will work closely with the City Attorney as legal services and opinions are not within the Consultant's scope of services.

The overarching objective of this work is to determine the services that are important to the community, whether the City is meeting expectations or not relative to these services, and if we are not because of the fiscal constraints we have to work within, is there interest and support to increase taxes to enhance service levels. Research objectives include such things as:

- Identifying and ranking issues of important to Suisun City residents.

- Evaluate spending priorities of residents relative to public sector services.
- Evaluate perceptions of the City's financial management.
- Explore voter concerns regarding impacts locally from State actions.
- Determine baseline support for a potential revenue measure to fund priorities.

Both of these firms, The Lew Edwards Group and Godbe Research, have worked extensively across California and more specifically in Solano County. Recent clients of The Lew Edwards group include the Cities of Benicia, Fairfield, Vallejo, and Solano Community College. Godbe has worked with Fairfield and the Solano County Library. The Lew Edwards Group is a leader in working with local government clients to assess the feasibility and viability of revenue measures to meet the community's interests. Their success includes facilitating the passage of 65 sales tax measures and 34 utility user tax measures.

The cost to retain the services of The Lew Edwards Group, with subcontracting services from Godbe Research, is \$29,510. Of this amount, \$24,510 is for the research work undertaken by Godbe Research. Representatives from both organizations will be attending the Council Meeting, and available to answer questions.

RECOMMENDATION:

1. Retain services of The Lew Edwards Group, with Godbe Research as a subcontractor, to assess the feasibility of a tax measure for the November 2016 ballot; and
2. Adopt Resolution No. 2015-__: Approving a Professional Services Agreement to Assess the Feasibility of a Tax Measure for the November 2016 Ballot and Authorizing the City Manager to Execute It.

ATTACHMENTS:

1. Resolution No. 2015-__: Approving a Professional Services Agreement to Assess the Feasibility of a Tax Measure for the November 2016 Ballot and Authorizing the City Manager to Execute It.

RESOLUTION NO. 2015-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
APPROVING A PROFESSIONAL SERVICES AGREEMENT TO ASSESS THE
FEASIBILITY OF A TAX MEASURE FOR THE NOVEMBER 2016 BALLOT AND
AUTHORIZING THE CITY MANAGER TO EXECUTE IT**

WHEREAS, Suisun City, like most cities through the State, has been hit hard financially by the great recession, followed closely by the State's dissolution of redevelopment; and

WHEREAS, pending litigation with the State over actions of the State Department of Finance, tied to the dissolution of redevelopment, has frozen new development activity on 12 core parcels in the downtown area; and

WHEREAS, pending litigation against the State has put at risk \$1.75 million of the City's reserves; if the outcome of such litigation is not favorable to the City, reserves drop to \$440,000 against a General Fund operating budget of nearly \$11 million; and

WHEREAS, staffing levels have been reduced by roughly 20% over the past five years, impacting the quality of services that staff is able to provide to its residents; and

WHEREAS, maintenance and upkeep of capital infrastructure is another area that continues to be a challenge for the City, as for cities, counties and states across the Country; and

WHEREAS, with the elimination of redevelopment, there is no longer a funding source to help facilitate new revenue-generating development; and

WHEREAS, a top priority of the Council is long-term financial stability and sustainability; and

WHEREAS, there is interest to determine the feasibility of community support for increased taxes to address unmet service demands and capital needs that the City faces; and

WHEREAS, The Lew Edwards Group and its subcontractor, Godbe Research, have the expertise, experience, and successful track record to undertake this feasibility assessment.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Suisun City hereby approves a Professional Service Agreement to Assess the Feasibility of a Tax Measure for the November 2016 Ballot and authorizes the City Manager to execute it.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Suisun City held on this 1st of September, 2015 by the following vote:

AYES:	Councilmembers:	_____
NOES:	Councilmembers:	_____
ABSENT:	Councilmembers:	_____
ABSTAIN:	Councilmembers:	_____

WITNESS my hand and the seal of said Agency this 1st of September, 2015.

Linda Hobson, CMC, City Clerk

AGENDA TRANSMITTAL

MEETING DATE: September 1, 2015

CITY AGENDA ITEM: PUBLIC HEARING: Discussion and Direction Regarding Downtown Waterfront Specific Plan Update Policies.

FISCAL IMPACT: The Downtown Waterfront Specific Plan Update project is fully funded through a \$163,000 grant. The City's required match for this project is \$21,118. Staff time to administer the grant, manage the work of outside consultants and lead public outreach activities is being used to meet the match requirement.

BACKGROUND: Since the inception of the Downtown Waterfront Specific Plan Update project, the following key milestones have been achieved:

- November 13, 2014, staff held a Community Involvement Meeting at the Suisun Harbor Theater to solicit input on updates of the General Plan and Downtown Waterfront Specific Plan, respectively.
- April 6, 2015, staff held a second Community Involvement Meeting at the Suisun Harbor Theater to discuss the progress of the project as well as to conduct an exercise with the attendees regarding land use alternatives in the Downtown Waterfront Specific Plan area.
- June 9, 2015, the City Council adopted a Vision Statement and Preferred Land Use Alternative for the Downtown Waterfront Specific Plan. Attached are both of these documents for reference (Attachments 1 and 2).
- August 18, 2015, the Planning Commission held a Public Hearing and made policy recommendations to the City Council on four topics: Land Use Designations, Streetscape, Urban Design, and Signage.

At this point in the process, staff is seeking policy input on a handful of focused topics. The direction will allow the consultant to prepare a Draft Specific Plan Update. The Planning Commission and City Council will then consider the draft plan in late 2015. The Specific Plan must be completed and adopted by the City Council by May of 2016, pursuant to the requirements of the grant that is funding this effort.

STAFF REPORT: The update of the Downtown Waterfront Specific Plan (the "Plan") is intended to retain its current core structure. However, there is a need for clarification and updated to the Plan as it was last amended in 1999. One of the primary objectives of the update is to increase both the function and user-friendliness of the Plan. At this point in the project, it is important to receive direction on certain key elements of the Plan, including:

- Land Use Designations.
- Streetscape.
- Urban Design.
- Signage.

Appropriate questions have been posed to facilitate discussion on each of the aforementioned areas. Further, staff has included the Commission's recommendation for each of these areas for consideration of the Council.

PREPARED BY:
REVIEWED BY:
APPROVED BY:

John Kearns, Associate Planner
 Jason Garben, Development Services Director
 Suzanne Bragdon, City Manager

Land Use Designations

As previously mentioned, the intent of the Plan is to retain the current core structure of the 1999 Plan. However, it was clear through the adopted Preferred Land Use Alternative that there is potential for land use change in certain areas, as well as opportunities to maximum development potential in other areas. In an attempt to address some of the key areas, staff would like the Council to focus on the table below, as well as Attachment 3 which is a map that identifies each of the proposed land use changes. The table includes information on proposed districts compared to the existing Plan and adds some comments clarifying the proposed changes, as well as specific questions in which staff feels additional direction is necessary.

Table 1: Land Use Change

Existing Plan	Proposed Plan	Comments	Commission Recommendation
General Commercial	Downtown Mixed Use	Potential for Residential and maximum height change from 35 feet to 65 feet. Any thoughts?	Commission split on maximum height of 50 feet or 65 feet in this district.
Main Street Commercial	Main Street Mixed Use	Promote residential uses on upper floors. Provides uniform height guidelines for North and South of Morgan Street (minimum 2-stories and maximum 50 feet). Is this appropriate?	Commission was unanimous on the name change and minimum of 2-stories. See Urban Design discussion regarding maximum height.
Historic Limited Commercial	Historic Limited Commercial	Name of district remains the same. Staff would appreciate input from the Council on the triangular property along West Street and how to consider it in the Plan.	The triangular portion of land abutting West Street and railroad tracks should be changed to residential consistent with the Crystal Middle School site.
Commercial Service (Northwest corner of Marina and Highway 12)	Downtown Commercial	This area is new to the Plan. The proposed maximum height is changing from 35 feet to 50 feet. The direction received for the site has been for solely commercial.	Commission was split in allowing residential in this area.

Council Question

Using the site at the northwest corner of Marina Boulevard and Highway 12 as an example, would the Council consider an incentive zoning policy to promote commercial development? As an example, a hypothetical scenario might be a developer proposes a revenue-generating retail project on half site, but needs higher-density professional housing on the other half of the site to make the retail/revenue generating component of the project feasible. Is the Council interested in exploring a policy that would allow this type of flexibility to leverage revenue generating commercial development?

Streetscape

Since Main Street is a primary roadway through the Specific Plan area, staff has chosen to focus discussion on the streetscape design along this roadway. Treatment of this area is significant, due to the fact that many commercial establishments are located on (or in close proximity) to Main Street. Furthermore, Main Street is the face of the Specific Plan area due to its geographic location in relation to where City events are located (Waterfront and Harbor Plaza). Below is a table of existing streetscape conditions along Main Street for reference.

Table 2: Existing Streetscape Conditions

Streetscape Component	West	East
Sidewalk	11 feet	13 feet
Trees	Sporadic, mixed species	Uniform spacing, London Plane/Sycamores
Parking	On-street	On-street and surface lot

Commission Recommendations

The Commission had the following recommendations for Streetscape:

- There should be a plan to address streetscape on the west side of Main Street.
- Landscaping shall not block businesses.
- Street furniture/hardscape such as benches, as well as landscape features (i.e. awnings or trellises) should be considered to make streetscape more interesting, pedestrian-friendly, and consistent with existing hardscape improvements on the east side of Main Street.

Council Questions

The following questions/comments are intended to focus the City Council on certain key items that require more input:

- Flexibility to expand the sidewalk into the parallel parking zone (outdoor cafes/dining) along Main Street?
- For street tree palette, what characteristics are important?
 - Color? Where?
 - Drought tolerance?
 - Maintenance?
 - Is there a particular preference of street tree?

Urban Design

Urban design and architectural components of the Specific Plan are not the focus of this update. However, as a part of the Specific Plan it is important that this area be consistent with the rest of the Plan. The Specific Plan area has a lot of historic character. Staff has received direction to retain the historic character with the update of this plan. Keeping this in mind, policies are needed in order to accommodate new development.

Commission Recommendations

The Commission had the following recommendations for Urban Design:

- Historic building shall be preserved whenever possible; however, when this is not possible, architectural elements (such as bricks, tile, or other façade elements) should be required.

- New construction should be harmonious with adjacent buildings.
- New construction along Main Street shall not be any taller than three stories or 35 feet. This height would be consistent with the Masonic Building.
- Along Main Street and south of Morgan Street, the front setbacks shall remain a minimum of 10 feet.

Council Questions

The following comments and questions are posed as a means of discussing policies of the 1999 Plan and whether they are still appropriate:

1. Should there be stylistic character or development themes? Or focus on characteristics of traditional building form and design elements (as in current DWSP), allowing variety, so long as new development blends in?
2. Should the height limit along Main Street be limited to 35 feet as directed by the Planning Commission?
3. Certain historic buildings along Main Street may be proven to be infeasible to save or retrofit. Given the interest expressed to balance the historic character with maximizing development potential, is there interest in a policy that maintains the historic character of Main Street frontage (i.e. use of forensic architecture, preserving certain components of building or reusing certain materials, etc.), but still allowing for new construction? If so, sites of historically significant character should be identified.

Signage

The City is undertaking significant revisions to the signage provisions of the Title 18 "Zoning" update for the entire City. With that said, the Downtown Specific Plan is more explicit and the 1999 Plan specifies types of signage that is prohibited, as an example. There have been recurring issues over the last decade with implementation of the signage provisions of the Plan. The existing Plan does clearly prohibit:

- A-Frame signs (however many business utilize this type of advertisement; especially at the pedestrian scale); and
- Interior lit signs are not permitted. The intent of the current plan was to focus more on indirect lighting such as "goosed necked" light fixtures. Is there an interest to retain this policy?
- Window signage is limited to 25% coverage of the storefront. Is the stated policy of 25% adequate?

Existing Specific Plan Guidance:

- Interior illuminated signs are disallowed.
- A-frame signs are prohibited.
- Under canopy signs and signs painted on canvas awnings are permitted.
- 1 square foot of sign area is permitted per linear square foot of frontage, 40 square foot max with and 1/2 square foot per lineal foot for secondary frontages.
- Temporary banner or promotional signs may be displayed for no more than 30 days and temporary signs displayed in display windows shall not cover more than 25% of the window area.

Commission Recommendations

The Commission had the following recommendation for signage:

- Interiorly illuminated signage should be allowed particularly with the interest of bringing people to the area at night.

- The Plan should retain the prohibition of “A-Frame” signage.
- Coverage of windows should remain at a maximum of 25%.
- The Plan should place a specific maintenance standard on all signage.
- With the emphasis on multi-story building along Main Street, a new signage standard should be considered for 2nd and 3rd story buildings.
- There should be a consistent signage theme along Main Street.
- The “Core Historic Area” of the Plan should have different standards than the other commercial areas in the Plan.

Council Questions

- Should interiorly illuminated signs remain disallowed?
- Should A-frame signs remain disallowed?
- Should the signage allotment be increased for second stories of buildings?
- Should guidance be different for core historic area and more flexible for other parts of Downtown?
- Should awnings and signage on awnings be permitted, considering maintenance issues? Should cloth a material that is allowed to utilize on awnings?

Conclusion

Staff will take the input from this meeting and combine it with the input received throughout the update process to generate a draft plan. The draft plan will come to the Planning Commission and City Council for consideration later this year. The plan is to be adopted by May 2016 in order to comply with the grant funding source.

RECOMMENDATION: Staff recommends that the City Council:

- Receive Staff Presentation; and
- Open the Public Hearing; and
- Take any Public Comments; and
- Close Public Hearing; and
- Provide Staff with Discussion, Direction, and Comments.

ATTACHMENTS:

1. Adopted Vision Statement, City Council June 9, 2015.
2. Adopted Preferred Land Use Alternative, June 9, 2015.
3. Refined Land Use Concept.
4. Land Use Change Exhibit.

Downtown Waterfront Specific Plan "Vision Statement"

1. Historic Downtown Waterfront Suisun City is a unique waterfront community with a marina; traditional Downtown commercial main street and historic residential neighborhoods within "Old Town," and a South Waterfront district under development, west of the marina; and a civic center area and the Whispering Bay and Victorian Harbor residential neighborhoods, east of the marina.
2. Historic Downtown Waterfront Suisun City is pleasant to live in and at the same time serves as a local and regional destination, supporting shopping, entertainment, hospitality, tourism, and recreation. The changes in the region around Suisun City have created the opportunity for the Downtown to evolve and develop into a place that attracts new residents, jobs, businesses, and shoppers.
3. The entire Historic Downtown Waterfront needs to be focused on maximizing waterfront access on the Suisun Channel, which is its major and central feature and on improving public access to the train depot, another key asset in Historic Downtown Suisun City.
4. The Waterfront should maintain its extraordinary mix of natural wetlands and urban edge.
5. The historic Suisun City train depot and Amtrak station, on the north end of Main Street, should serve as a transit gateway into Historic Downtown Suisun City.
6. The circulation system should be enhanced to support safer and more convenient access between homes and destinations and between Historic Downtown Waterfront Suisun City and Downtown Fairfield – for pedestrians, cyclists, transit users, and motorists.
7. The Historic Downtown Waterfront needs a cohesive Open Space system that enhances the pedestrian experience and supports community access.
8. Gateways to the Historic Downtown Waterfront area, including from Highway 12 and from the Amtrak station should be enhanced to ensure a positive visual first impression.
9. Development adjacent to the historic residential area should be compatible in scale and architectural themes.
10. Where feasible and consistent with building codes, existing buildings should be repurposed with more economically viable uses that contribute to Downtown vibrancy.

- Low-Density Residential
- Park / Open Space
- Community Gateways



Preferred Land Use Alternative Direction

Planning District A	
This area contains approximately 10 acres of land including the former Crystal Middle School site and vacant property south of Cordelia Street. The district is largely surrounded by the Historic Residential neighborhood and high-density housing South of Cordelia Street.	
General Plan Designation	Residential Medium; EIR Analyzed
1999 Specific Plan	Public Facility/Open Space
Development Concepts	1. Gateway from Cordelia; Medium-Density single-family homes similar to Old Town & Harbor Park; green-space.

Planning District B	
This area contains approximately 6 acres of land including area west of Main Street that largely consists of tilt-up buildings and/or yard space and parking (commonly referred to as Benton Ct.)	
General Plan Designation	Mixed-Use/High-Density Housing to support Housing Element
1999 Specific Plan	Commercial Service
Development Concepts	1. Four to six stories, vertical Mixed-Use with housing above retail/service/artisan-crafters; public parking garage.

Planning District C - North	
This area contains approximately 6 acres of land. The <u>northern portion</u> includes undeveloped property (commonly referred to as "Denver Curve"). The southern portion includes the Park 'n Ride property; currently owned by CalTrans, the development of this property would require maintaining the current parking spaces (here or elsewhere) to support the Train Depot.	
General Plan Designation	Mixed Use; EIR Analyzed
1999 Specific Plan	N/A; area added to updated Specific Plan
Development Concepts	1. Three to four story condominiums/townhouses; public parking garage.
Planning District C - South	
This area contains approximately 6 acres of land. The northern portion includes undeveloped	

property (commonly referred to as “Denver Curve”). The southern portion includes the Park ‘n Ride property; currently owned by CalTrans, the development of this property would require maintaining the current parking spaces (here or elsewhere) to support the Train Depot.

General Plan Designation	Mixed Use/High Density Housing to support Housing Element
1999 Specific Plan	Public Facility/Open Space
Development Concepts	<ol style="list-style-type: none"> 1. Three to four story Mixed Use Development above public parking including residential and a mix of other uses (i.e., visitor-serving lodging, retail, service and/or office uses.)

Planning District D

Identified as a potential at-grade connection between the downtowns of Fairfield and Suisun City (Union Avenue to Main Street.) Vehicular connection would improve development viability of vacant and underdeveloped parcels within the PDA.

General Plan Designation	N/A
1999 Specific Plan	N/A
Development Concepts	<ol style="list-style-type: none"> 1. At-grade vehicular, pedestrian and bicycle crossing. 2. At-grade pedestrian and bicycle crossing. 3. No change. Maintain pedestrian/bicycle overpass.
<u>*Further Discussion Needed</u>	

Planning District E

This area encompasses 30+/- acres. Owned by the City’s Housing Authority, this site is commonly referred to as “the thirty acre site.” A majority of the site is developable, with the exception of the far western portion. Future circulation includes the extension of Railroad Avenue from Marina Boulevard to Main Street.

General Plan Designation	Mixed Use Commercial; EIR analyzed 100% commercial
1999 Specific Plan	N/A; area added to update Specific Plan
Development Concepts	<ol style="list-style-type: none"> 1. Lifestyle Center; 2. Priority uses – boutique grocery, restaurants, independent movie theater; or 3. “Big Box” (sales tax focus).

Planning District F	
This area includes approximately 10 acres of land at the southwest corner of Highway 12 and Marina Boulevard; adjacent to the Marina Center and across from medium density residential.	
General Plan	Mixed Use/High Density Residential to support Housing Element
1999 Specific Plan	General Commercial
Development Concepts	1. Two to three stories, Horizontal Mixed Use (i.e., High-Density Housing, with design transition consistent with look of houses south of Lotz Way, and retail/service.

Planning District G	
This area includes approximately 6 acres of land east of Marina Boulevard and between Highway 12 and Driftwood Drive.	
General Plan Designation	Single-Family Residential; EIR Analyzed
1999 Specific Plan	Low-Density Residential
Development Concepts	1. Single-Family Residential.

Planning District H - West	
This area includes approximately 22 acres south of the terminus of Civic Center Boulevard, Whispering Bay Boulevard, and Marina Boulevard. Currently, there is a mix of undeveloped property (<u>west-side</u>) and underutilized (i.e. storage) on the eastern-side.	
General Plan Designation	Medium-Density Residential; EIR Analyzed
1999 Specific Plan	Low-Density Residential
Development Concepts	1. Three-story Medium-Density Residential to maximize water views; extension of public promenade.
Planning District H - East	
This area includes approximately 22 acres south of the terminus of Civic Center Boulevard, Whispering Bay Boulevard, and Marina Boulevard. Currently, there is a mix of undeveloped	

property (west) and underutilized (i.e. storage) on <u>eastern edge</u> . Opportunity to support City's "Bay Area Water Trail" designation.	
General Plan Designation	Medium-Density Residential/Destination Tourism; EIR Analyzed
1999 Specific Plan	Low-Density Residential
Development Concepts	1. Three-story Medium-Density "higher end" Residential to maximize water views; extension of public promenade.

Planning District I	
This area includes 6 acres south of the Delta Cove Subdivision and west of the Suisun Slough. The land includes the boat launch parking lot. Opportunity to support "Bay Water Trail" designation.	
General Plan Designation	Destination Tourism; EIR Analyzed
1999 Specific Plan	Waterfront Commercial and Public Facilities/Open Space
Development Concepts	1. Mix of restaurants and services catering to those launching vessels; facilities to expand leisure enjoyment of the water (i.e., fishing docks, facilities for non-motorized boat uses, showers, etc.); and extension of public promenade. Lodging also works if destination draw.

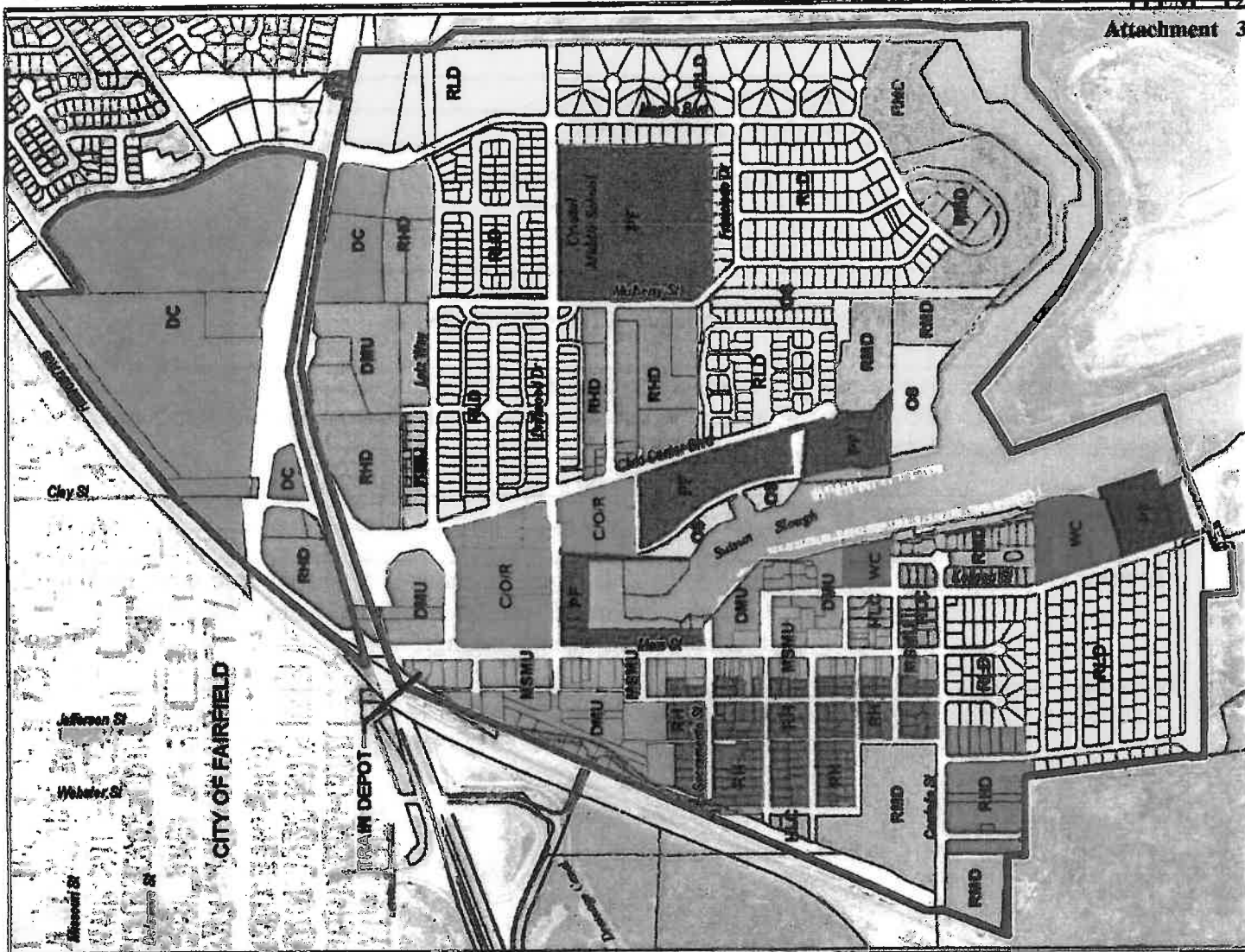
Planning District J – North (east of current hotel)	
This area includes approximately 5 acres of land south of Lotz Way and west of Civic Center Boulevard. <u>North side</u> is east of Hampton Inn hotel and south side is directly adjacent to waterfront. The area also includes the north basin.	
General Plan Designation	Mixed Use; EIR Analyzed
1999 Specific Plan	Commercial/Office/Retail
Development Concepts	1. Full-Service Hotel with Conference/ Meeting Space. Commercial/Office/Retail if supporting above.

Planning District J – South (east of water)	
This area includes approximately 5 acres of land south of Lotz Way and west of Civic Center Boulevard. North side is east of Hampton Inn hotel and <u>south side</u> is directly adjacent to waterfront. The area also includes the north basin.	


General Plan Designation	Mixed Use; EIR Analyzed
1999 Specific Plan	Commercial/Office/Retail
Development Concepts	1. Medium-Density residential.

Planning District J – Water/North Basin	
This area includes approximately 5 acres of land south of Lotz Way and west of Civic Center Boulevard. North side is east of Hampton Inn hotel and south side is directly adjacent to waterfront. The area also includes the north basin.	
General Plan Designation	N/A
1999 Specific Plan	Marina Berths
Development Concepts	1. Any of the following: Visitor dock to support non-motorized boating; expand leisure uses of the water, Expansion of Marina Berths, "Boat Lodging."













Refined Land Use Concept



LEGEND

 Specific Plan Area

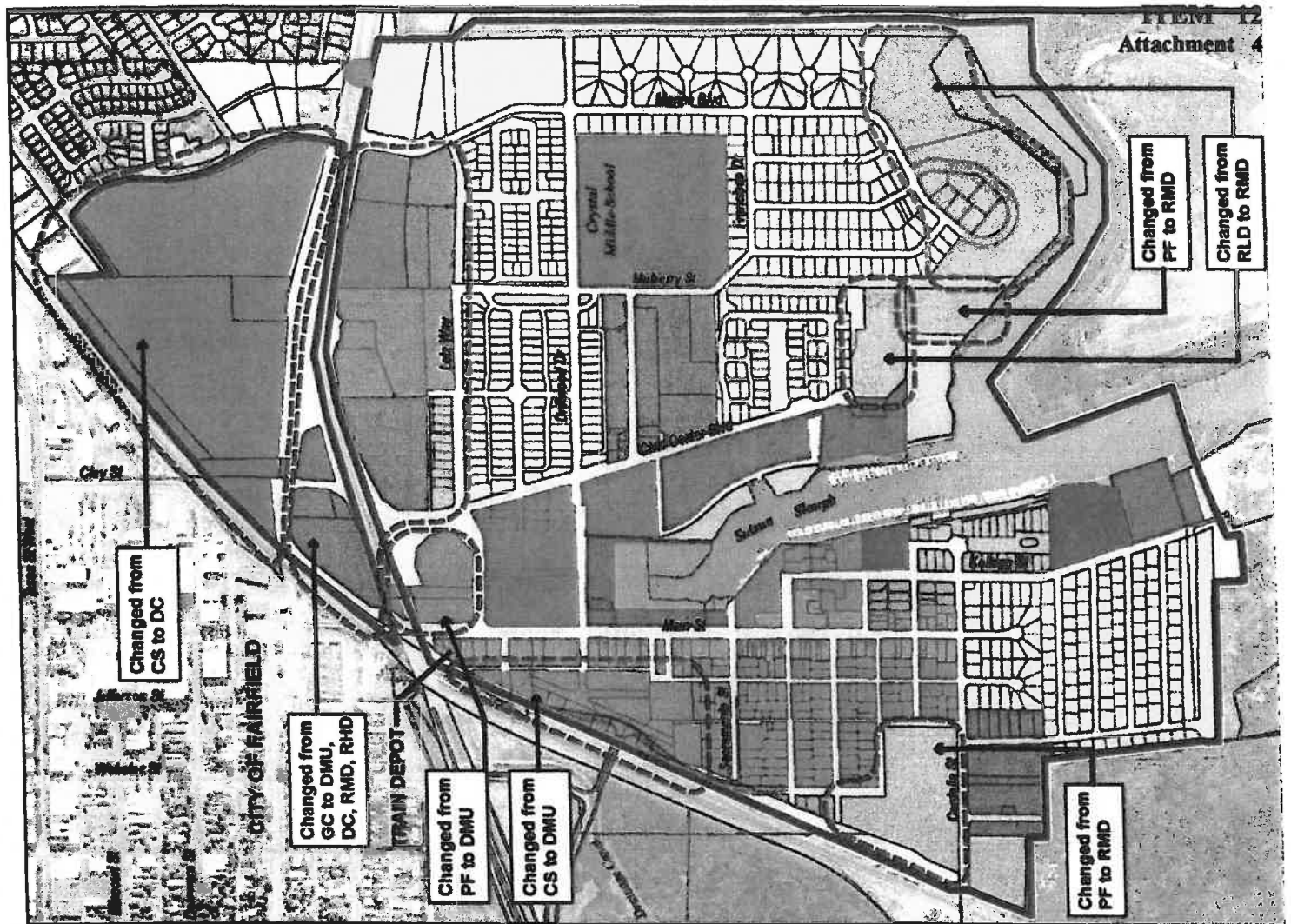
Land Use Districts

	Commercial/Office/Residential (C/O/R)		Residential High Density (RHD)
	Downtown Commercial (DC)		Residential Medium Density (RMD)
	Downtown Mixed Use (DMU)		Residential Low Density (RLD)
	Historic Limited Commercial (HLC)		Residential Historic (RH)
	Main Street Mixed Use (MSMU)		Public Facilities (PF)
	Waterfront Commercial (WC)		Open Space (OS)

Land Use Changes:

Major Themes

- Minor changes to existing Specific Plan
- Allow uses directed by City Council (5/5/2015)
- Add 30-acre parcel north of SR 12
- Add flexibility to encourage development
- Marina becomes Public Facilities



LEGEND

	Specific Plan Area
	Land Use Districts
	Commercial/Office/Residential (CO/R)
	Downtown Commercial (DC)
	Downtown Mixed Use (DMU)
	Historic Limited Commercial (HLC)
	Main Street Mixed Use (MSMU)
	Waterfront Commercial (WC)
	Residential High Density (RHD)
	Residential Medium Density (RMD)
	Residential Low Density (RLD)
	Residential Historic (RH)
	Public Facilities (PF)
	Open Space (OS)

*Note: The General Commercial (GC), Commercial Service (CS), and HLC designations are proposed to be phased out of the DWSP.

