CITY COUNCIL Lori Wilson, Mayor Michael A. Segala, Mayor Pro-Tem Anthony Adams Jane Day Wanda Williams



CITY COUNCIL MEETING

First and Third Tuesday Every Month

AGENDA

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, DECEMBER 17, 2019

6:30 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 meeting includes teleconference participation by: Council/Board Member Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

(Next Ord. No. – 765) (Next City Council Res. No. 2019 – 124) Next Suisun City Council Acting as Successor Agency Res. No. SA2019 - 06) (Next Housing Authority Res. No. HA2019 – 08)

ROLL CALL

Council / Board Members Pledge of Allegiance Invocation

PUBLIC COMMENT

(Request by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3. Comments are limited to no more than 3 minutes unless allowable by the Mayor/Chair. Speaker cards are available on the table near the entry of the meeting room and should be given to the City Clerk. By law, no prolonged discussion or action may be taken on any item raised during the public comment period, although informational answers to questions may be given and matters may be referred for placement on a future agenda.)

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.)

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

<u>REPORTS:</u> (Informational items only.)

PRESENTATIONS/APPOINTMENTS

(Presentations, Awards, Proclamations, Appointments).

City Council

- 1. Proclamation: Not Presented (Wilson: <u>lwilson@suisun.com</u>).
 - a. Proclamation Proclaiming City Hall will be closed on December 24, 2019
- 2. Committee Appointments (Wilson/Adams: <u>lwilson@suisun.com / aadams@suisun.com</u>).
 - a. Public Safety and Emergency Management Committee

CONSENT CALENDAR

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

City Council

- 3. Council Adoption of Resolution No. 2019-___: Nominate Both Gentry PPA and East Side PPA to the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for Adoption as a Priority Production Area (PPA). (Folsom/Kearns: gfolsom@suisun.com/jkearns@suisun.com).
- 4. Council Adoption of Resolution No. 2019-___: Reaffirming the Necessity of the Development Impact Fees, and Accepting the Annual Report on Development Impact Fees. (Luna: <u>eluna@suisun.com</u>).
- 5. Council Adoption of Resolution No. 2019-___: Accepting the Pierce Island Vegetation Removal and Mouse Exclusion Fence Installation Project as Complete, and Authorizing the City Manager to Record the Notice of Completion for the Project (Lofthus: <u>klofthus@suisun.com</u>).

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

 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 November 26, 2019 – (Hobson: <u>clerk@suisun.com</u>).

Suisun City Council Acting as Successor Agency

 Agency Adoption of Resolution No. SA 2019-___: Receiving and Accepting a Recognized Obligation Payment Schedule 20/21 (ROPS) for the Period of July 1, 2020 through June 30, 2021 – (Luna: <u>eluna@suisun.com</u>).

Joint City Council / Suisun City Council Acting as Successor Agency

8. Council/Agency Approval of the November 2019 Payroll Warrants in the Amount of \$454,932.90. Council/Agency Approval of the November 2019 Accounts Payable Warrants in the Amount of \$1,671,353.06 – (Finance).

PUBLIC HEARINGS

City Council

9. PUBLIC HEARING - (CONTINUED TO JANUARY 14, 2020)

Council Introduction and Waive Reading of Ordinance No.____: Amending Section 13.04.470 of the City of Suisun City Municipal Code Regarding Residential Water Shutoff Procedures to be in Conformance with the California Water Shut Off Protection Act – (Dingman/Luna: jdingman@suisun.com / eluna@suisun.com).

10. PUBLIC HEARING

Consideration of the Following for the Historic Waterfront Business Improvement District – (Kearns: <u>jkearns@suisun.com</u>).

- a. Council Adoption of Resolution No. 2019-___: Reauthorizing and Renewing the Historic Waterfront Business Improvement District and the Assessment Levy for the District; and
- b. Council Adoption of Resolution No. 2019-___: Approving the Proposed Calendar-Based Fiscal Year 2020 Operating Budget for the Suisun City Historic Waterfront Business Improvement District.

11. PUBLIC HEARING

Council Adoption of Resolution No. 2019-___: Approving an Update of the Master Fee Schedule – (Folsom/Vincent/Kearns: <u>gfolsom@suisun.com</u> / <u>jvincent@suisun.com</u> / <u>jkearns@suisun.com</u>).

12. PUBLIC HEARING

Council Adoption of Resolution No. 2019-___: Approving a 60-Foot-Tall Pylon Sign at the Heritage Park Shopping Center (Assessor Parcel Number 0173-010-380) – (Kearns: jkearns@suisun.com).

Housing Authority Council

13. PUBLIC HEARING

Confirming Intent and Approving Sale of Two Parcels Owned by the Housing Authority of the City of Suisun City (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) located along the north side of Highway 12 and east of Sunset Avenue – (Folsom: <u>gfolsom@suisun.com</u>).

- a. Housing Authority Board Adoption of Resolution No. HA2019-___: A Resolution of Intent to Sell Two Parcels Owned by the Housing Authority (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North Side of Highway 12 and East of Sunset Avenue; and
- b. Housing Authority Board Adoption of Resolution No. HA2019-___: Authorizing the Executive Director to Execute the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Jointly with Sutter Retail Development, Inc., and Take Any and All Actions Necessary to Move Forward with the Sale of the Property.

GENERAL BUSINESS

City Council

14. Council Adoption of Resolution No. 2019-____: Adopting Certain Findings and the Policy Directives to Implement the Sales and Use of Safe and Sane Fireworks for 2020 as Provided in Chapter 8.04 of the Suisun City Code – (Vincent/Maio: Jvincent@suisun.com / cmaio@suisun.com).

REPORTS: (Informational items only.)

- 15. a. Council/Boardmembers
 - b. Mayor/Chair
- 16. City Manager/Executive Director/Staff

PUBLIC COMMENT

(Additional time for request by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda limited to no more than 3 minutes.)

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 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 10:00 P.M. Ordinarily, no new items will be taken up after the 10:00 P.M. cutoff and any items remaining will be agendized 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:
 - Suisun City Fire Station, 621 Pintail Drive, Suisun City, CA;
 - Suisun City Senior Center, 318 Merganser Drive, Suisun City, CA;
 - Joe Nelson Center, 611 Village Drive, Suisun City, CA;
 - Harbor Master Office, 800 Kellogg Street, Suisun City, CA.

I, Donna Pock, Deputy City Clerk for the City of Suisun City, declare under penalty of perjury that the above agenda for the meeting of December 17, 2019 was posted and available for review, in compliance with the Brown Act.

Office of the Mayor Suisun City, California

Proclamation



WHEREAS, Suisun city Personnel Rules Chapter 8, Section 8.6.13, allows any day proclaimed by the Mayor of Suisun City to be a holiday.

NOW, THEREFORE, by the authority vested in me as Mayor of the City of Suisun City I hereby proclaim Christmas Eve Day, Tuesday, December 24, 2019, to be closed and authorize eight hours of holiday time for Suisun City employees.

The City manager shall take such actions as may be necessary to implement this proclamation.



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

Lori D. Wilson, Mayor

ATTEST:

DATE:

December 6, 2019

AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: Adoption of Council Resolution No. 2019 - ____: A Resolution of the City Council of the City of Suisun City to Nominate Both Gentry PPA and East Side PPA to the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for Adoption as a Priority Production Area (PPA).

FISCAL IMPACT: This action would not initially cause a fiscal impact; however, staff believes that with the PPA designation a higher likelihood of development will occur which could have great impacts on job creation and sales tax production.

STRATEGIC PLAN GOAL: Develop a Sustainable Economy.

BACKGROUND: Together, Priority Development Areas, Priority Conservation Areas and the new Priority Production Areas will comprise *Plan Bay Area 2050*'s Regional Growth Framework, the Bay Area's strategy for coordinating housing and job growth. This Framework will shape the investments and growth pattern to be detailed in *Plan Bay Area 2050*.

MTC to date has invested more than \$800 Million in PDAs. MTC and ABAG in May 2019 established a pilot program for PPAs, and adopted revised definitions and eligibility criteria for PDAs and PCAs. As part of the update, MTC and ABAG directed staff to open an application window for new priority areas, and to work with city and county governments, as well as county transportation agencies (CTAs), to ensure all PDAs meet program criteria.

STAFF REPORT: After receiving information from Bay Area Metro staff regarding PPAs, staff submitted a Letter of Interest (LOI) for two areas to be considered for designation. This coincides with the Plan Bay Area 2050 effort taking place regionally which also includes furthering the focus on both PDAs and PCAs. The two areas staff provided LOI's for included areas immediately outside the current city limits, but within the city's sphere of influence. The first is the "Gentry" property to the west of the downtown area and the second is located east of Walters Road, south of Peterson Road, and north of Highway 12. Both of these areas lend themselves to industrial development and job creation which seems to directly align with the intent of the PPA designation.

Since these areas are in the city's sphere of influence, staff asked Solano LAFCO if they would support the designation. LAFCO staff indicated they would likely support the Gentry PPA designation, but would likely not support the East Side PPA designation, due to the proximity to Travis Air Force Base, without more specific information on the type of development proposed.

Staff has contacted ABAG/MTC staff on multiple occasions to understand whether there will be future opportunities to nominate properties for PPA designation. As of the distribution of the staff report, staff has not been provided a response. In an abundance of caution, staff has kept both PPAs

in the agenda item. If staff does hear back prior to the December 17 City Council meeting, that information will be provided to the Council.

STAFF RECOMMENDATION: It is recommended that the City Council:

1. Adopt Council Resolution 2019-___: A Resolution of the City Council of the City of Suisun City to Nominate Both Gentry PPA and East Side PPA to the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for Adoption as a Priority Production Area (PPA).

ATTACHMENTS:

- 1. Council Resolution 2019-___: A Resolution of the City Council of the City of Suisun City to Nominate Both Gentry PPA and East Side PPA to the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for Adoption as a Priority Production Area (PPA).
- 2. Letters of Interest, Suisun City PPAs
- 3. Priority Production Areas (PPAs), Frequently Asked Questions (FAQ's)

			Attachr	ltem 3 nent 1	
1		RESO	LUTION NO. 2019-		
2	A RESOLU	TION OF THE CITY	COUNCIL OF THE CITY OF SUISUN	CITY TO	
3			A AND EAST SIDE PPA TO THE ASSO & METROPOLITAN TRANSPORTAT		
4			PRIORITY PRODUCTION AREA	non rok	
5 6	of Bay Area G	overnments (ABAG) are	Transportation Commission (MTC) and the e preparing Plan Bay Area 2050 (the Plan), of the nine-county San Francisco Bay Area	a long-range	
7			ve as the Bay Area's Regional Transportat		
8	Sustainable Co year 2050; and	61	tlining strategies for growth and investmen	t through the	
9			MTC are creating a Regional Growth Fran	nework to be	
10	used in the Pla	,	· 1 1 1 11 · . 1 D · . D 1		
11 12	(PPAs) as indu		includes locally nominated Priority Products the vitality of the region's economy and expectors; and		
13	WHEF support PPAs;		n PPAs may have access to future regiona	al funding to	
14			n City is seeking to build from the long-rat	nge planning	
15		the Gentry PPA and East			
16 17		omination to ABAG and	RESOLVED by the Council of the City of d the MTC to designate the Gentry PPA a		
			a Regular Meeting of the City Council o	f the City of	
18			f December, 2019 by the following vote:	2	
19 20	AYES: NOES:	Council Members: Council Members:			
21	ABSENT: ABSTAIN:	Council Members: Council Members:			
22					
23	WITNESS my	y hand and the seal of sai	id City this 17 th of December, 2019.		
24					
25	Donna Pock, CMC				
26			Deputy City Clerk		
27					
28					
-					

Letter-of-Interest: Priority Production Area

Use this form to express jurisdictional interest in establishing a <u>Priority</u> <u>Production Area (PPA)</u> through the PPA Pilot Program.

Instructions: Complete this form and send it to ppas@bayareametro.gov along with a GIS shapefile indicating the boundaries of the proposed PPA by September 16, 2019. Forms may be signed by planning directors or city managers/administrators. For PPAs proposed by multiple jurisdictions, please indicate in "City and County" the names of all jurisdictions that land in the proposed PPA would encompass. Please also provide a primary contact. Following review of this form by MTC/ABAG staff and additional discussion with applicants if needed, City Council or Board of Supervisors resolutions nominating the proposed PPA will be required by January 15, 2020. For additional information, refer to the FAO that follows this form, or contact

For additional information, refer to the FAQ that follows this form, or contact ppas@bayareametro.gov

For other forms, including Priority Development Area (PCAs) or Priority Production Area (PPAs) Letters of Interest, and for Letters of Confirmation for PDA Planning, Transit Service, and VMT-Reduction Policies, go here: https://www.planbayarea.org/priority

		1: GENERAL PPA INFO	JRMATION			
		ity of Suisun City		Date:	9/10/19	
		ast Side PPA		Acres:	355+ acre	s
Staff Contact/Ti	tle:	Tim McNamara, Develop	ment Service	es Director		
Email:	1	tmcnamara@suisun.com	Phone:	(707 421-7	7347	

2: LOCATION

Step One: Locate the area you would like to designate a PPA on this map<Insert weblink>.

Step Two: Respond to the questions below by checking the appropriate box: Is the proposed PPA:

Within an urbanized area?		Yes	□ X	No
Beyond ½ mile of a regional rail station*?	CXX	Yes		No
Outside of a PDA	X	Yes		No
If inside a PDA, is this PDA proposed for re- designation to a PPA?		Yes		No

*Heavy, commuter, or intercity rail, including Caltrain, SMART, ACE, and Amtrak/Capitol Corridor

3: PRIORITIZED FOR INDUSTRIAL USE				
ls the PPA:				
Zoned for industrial use?		Yes	Х	No
A concentration or cluster of industrial uses or activities			Х	, No
engaged in production, manufacturing, distribution, goods				
movement, or repair?				

If the area includes a high concentration of industrial uses, describe the predominant industries: The land is currently vacant, but within the City's Sphere of Influence (SOI). The City views the site as a future annexation.

Describe any industries or key employers at risk of displacement, or prioritized for retention: N/A

Describe key industries envisioned for expansion in the PPA:

The property is viewed a future light industrial land use. Currently within the 2035 General Plan the property is designated "Special Planning Area". The goals and policies of this area are attached.

The jurisdiction has a certified* Housing Element: 🛛 🕮 Yes 🛛 No

If yes, year of most recent Housing Element: 2015

In no, explain status of the Housing Element and anticipated certification:

5: OPTIONAL - REGIONAL SIGNIFICANCE

Please describe the role of the area in sustaining or expanding the Bay Area economy and creating middle-wage jobs, and/or improving jobs/housing balance: There is quite a jobs/housing imbalance in Suisun City. This property, as well as lands within the City's Western Sphere of Influence, are the primary opportunities for job creation.

6: OPTIONAL - PLANNING

Please describe any adopted, in-progress, or anticipated planning efforts to advance the PPA: The General Plan provides for the property as "Special Planning Area". See applicable goals and policies.

Name & Title:	Greg Folsom, City Manager	
Signature:	A	
Date:	September 11, 2019	

Item 3 Attachment 2

Map of Proposed East Side PPA





Downtown Waterfront Specific Plan

The Land Use Diagram and Land Use Designations provided on the previous pages will guide development and conservation efforts over the long term throughout the City. In addition, the City has developed a plan to guide development and conservation in the historic downtown area: the Downtown Waterfront Specific Plan (DWSP).

The DWSP regulates land use and design downtown, with the intent of facilitating rehabilitation and revitalization of Old Town and the Waterfront, while preserving important elements of the historic character and protecting natural resources. The DWSP identifies residential, commercial, public, and mixed-use Land Use Districts that allow a range of uses at different densities and intensities. Please refer to the DWSP, under separate cover, for more detail.

Special Planning Area

The City has identified a "Special Planning Area" for follow-on planning consistent with the General Plan (Exhibit 3-3). The City prepared the following guidelines for the Special Planning Area, to be implemented through a program provided later in this Element.

- I. Promote development that enhances existing opportunities and builds on community vision and goals.
 - a. Encourage development that takes advantage of the Suisun Marsh, such as lodging and tourism activities.
 - b. Encourage development that takes advantage of traffic on Highway 12 and Jepson Parkway, resulting in spending by non-residents, such as a travel center or other transportation-related or visitor-serving uses.
 - c. Encourage development that assists Travis AFB, such as providing a travel center for truckers serving the Base.
 - d. Encourage development that provides job creation.
 - e. Encourage development of commercial and professional uses that support the nearby residential neighborhoods.
 - f. Consider the balance of land uses in the City at the time of proposed development and encourage development that addresses uses that are lacking.
- II. Foster development that benefits the City over the long term.
 - a. Demonstrate that proposed development either provides significant on-going revenue generation or provides other positive quantifiable benefits to the City.
 - b. Design future development that enhances the City's gateway, creating a sense of "arrival."
 - c. Focus efforts on developing retail opportunities that bring sales tax revenue and address retail leakage.
- III. Protect Travis AFB and its mission, while encouraging development that benefits the Base.
 - a. Demonstrate that proposed uses and physical development are likely to sustain the Base's mission and minimize negative impacts.
 - b. Design development to be consistent with the Travis Airport Land Use Compatibility Plan.
 - c. Design development that meets all security requirements of the Base.
- IV. Identify infrastructure needed to serve development anticipated through 2035.

- a. Design site access and internal circulation as part of initial development.
- b. Design infrastructure, such as water system, sewer system, and stormwater system as part of initial development.
- V. Plan development with sensitivity to environmental resources.
 - a. Encourage uses that are not only compatible with, but enhanced by the environmental resources on site.
 - b. Encourage clustering of development to minimize environmental impacts.
 - c. Encourage on-site mitigation, where possible.
- VI. Streamline the development application and entitlement review process.
 - a. Provide clear and complete information regarding the entire application and entitlement process, including impact fees and other costs.
 - b. Provide help to developer in negotiating the LAFCO annexation process.
 - c. Serve as the liaison between the City's various departments and Special Planning Area developer/s.
 - d. Foster an open and objective dialogue with Special Planning Area developer/s regarding City's interests and development requirements.

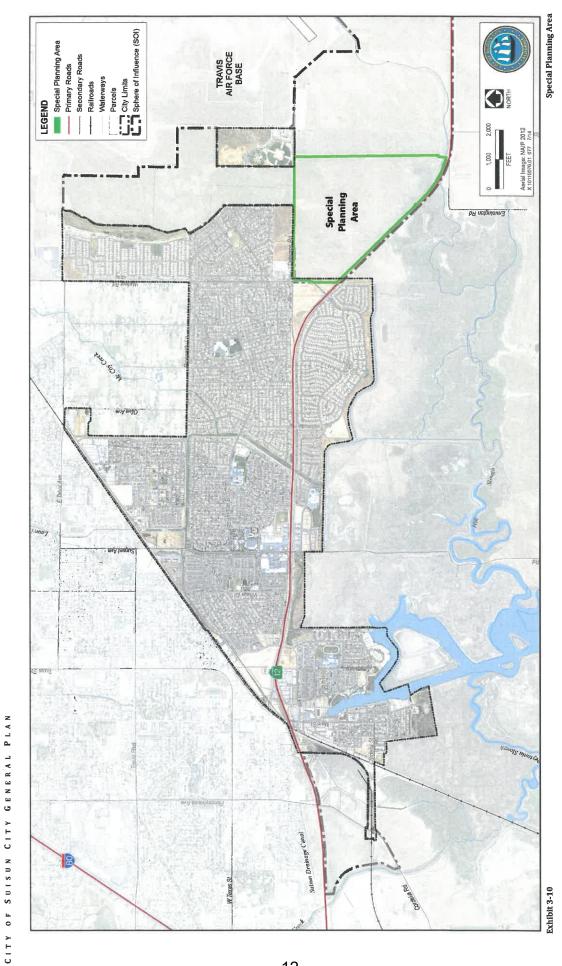
General Plan Buildout Estimates

The City has provided land with the appropriate designations to accommodate housing needs, jobs, and commercial and civic services through 2035. The 2035 General Plan could accommodate a total population of approximately 32,400, 11,300 dwelling units, 10,900 local jobs, and 5.8 million square feet of non-residential development at buildout of the Land Use Diagram (Exhibit 3-3). In addition, the 2035 General Plan accommodates additional parks and recreational facilities, school facilities and expansions, open space for conservation and for passive recreational use, open space buffers, drainage areas and non-vehicular trails, public infrastructure, and other improvements.

New development under the 2035 General Plan could add approximately 200 lowerdensity dwelling units, 500 medium-density dwelling units, and 1,100 higher-density dwelling units. The 2035 General Plan accommodates a wide range of non-residential development, as well, which could include 500,000 additional square footage of office space, more than 3 million additional mixed commercial square footage, and 500,000 square feet of new light industrial/assembly uses.

The estimates of future population, housing units, local jobs, and square footage of development are not City policy. Rather, these assumptions are derived strictly for the purposes of analysis. Demographic changes, environmental constraints, the land economic context, infrastructure availability and costs, regulatory guidance, and other factors outside the City's control will dictate, to some extent, the actual buildout figures.

Certain areas designated for urban use may or may not be developed between present and 2035. Some areas might be developed at the upper end of the density ranges, while other areas might develop at the lower end. Although the City has used the best available land use change assumptions, the information used to guide these assumptions will change. These changes, in part, create the need for future General Plan updates. The City may update land use change assumptions from time to time, either in the context of a General Plan amendment or update, or as separate exercise for planning purposes.



PAGE 3.18

	per-square footage basis). In general, fees are anticipated to be lower for higher-density and higher-intensity projects (on a per-EDU basis) (Exhibit 3-11).
	Fair-share commercial traffic impact fees will take into account the location, scale, and orientation of the subject development project. Traffic generation rates have been shown to be higher for projects that have a more automobile-oriented location, orientation, density, and design. Smaller-scale retail, office, and service establishments located Downtown or integrated into neighborhoods and designed to promote pedestrian, transit, and bicycle access should have lower traffic impact fees (per square foot).
Program LU-4.4	Pre-Zoning
	The City will pre-zone land within the Sphere of Influence but outside of the City limits consistent with the 2035 General Plan prior to annexation.
Program LU-4.5	Municipal Services Review and Comprehensive Annexation Plan
	The City will collaborate with Solano LAFCO to update the City's Municipal Services Review and annexation planning, consistent with the 2035 General Plan.
Program LU-4.6	Special Planning Area – Comprehensive Suitability Analysis and Planning
	The City will collaborate with landowners and responsible and trustee agencies on comprehensive planning for the Special Planning Area in the eastern portion of the City's Planning Area.
	This planning process will occur through the following steps:
	 Analyze and survey on-site constraints;
	 Provide a conceptual map and a narrative description of basic project objectives, consistent with the 2035 General Plan;
	 Prepare a basic land use and circulation plan framework that implements the 2035 General Plan;
	 Conduct detailed site analysis, master planning, and infrastructure and service finance plans;
	 Identify and provide planning response to each major constraint affecting this portion of the Planning Area;
	 Publish and required studies to support LAFCO actions;
	 Identify and mitigate Special Planning Area impacts consistent with the 2035 General Plan through up-front planning and, as necessary, follow-on mitigation and monitoring; and
	 Prepare and certify/adopt plans and environmental documents in support of Special Planning Area development.
	Long-term planning could be in the form of one or more Specific Plans, one or more master plans, or another mechanism approved by the

LAND USE

City. Suitability analysis and planning for this area shall address key opportunities and constraints, including but not limited to:

- Truck traffic, including Travis Air Force Base traffic;
- Access management along Peterson Road and State Route 12;
- Parking management and public transit planning, particularly for Lambrecht Sports Park and other recreational facilities proposed in Special Planning Area 1;
- Planning to identify, survey, avoid, and mitigate biological resources impacts consistent with the City's Open Space and Conservation Element;
- Coordinated drainage/wetlands/bike and pedestrian planning that takes advantages of opportunities to preserve drainages, while also adjacent multi-use trails;
- Travis Air Force Base land use compatibility planning and opportunities for mutually beneficial biological resources mitigation planning in areas near Travis Air Force Base;
- Fiscal and economic impact analysis with a coordinated development phasing plan; and
- Coordinated public services and infrastructure planning involving the City and other relevant services agencies, consistent with City and LAFCO policies.

During preparation of the 2035 General Plan, the City has coordinated with LAFCO and other responsible agencies. For certain impact areas, much of the required LAFCO analysis may have been completed addressed in the analysis and planning that has supported the 2035 General Plan Update. In other areas, more detailed on-site analysis may be needed.

Letter-of-Interest: Priority Production Area

Use this form to express jurisdictional interest in establishing a Priority Production Area (PPA) through the PPA Pilot Program.

Instructions: Complete this form and send it to ppas@bayareametro.gov along with a GIS shapefile indicating the boundaries of the proposed PPA by September 16, 2019. Forms may be signed by planning directors or city managers/administrators. For PPAs proposed by multiple jurisdictions, please indicate in "City and County" the names of all jurisdictions that land in the proposed PPA would encompass. Please also provide a primary contact. Following review of this form by MTC/ABAG staff and additional discussion with applicants if needed, City Council or Board of Supervisors resolutions nominating the proposed PPA will be required by January 15, 2020.

For additional information, refer to the FAQ that follows this form, or contact ppas@bayareametro.gov

For other forms, including Priority Development Area (PCAs) or Priority Production Area (PPAs) Letters of Interest, and for Letters of Confirmation for PDA Planning, Transit Service, and VMT-Reduction Policies, go here: https://www.planbayarea.org/priority

1. GENERAL PPA INFORMATION

City or County:	City of Suisun City	Date:	9/10/19	
PPA Name:	Gentry PPA		Acres:	75+ acres
Staff Contact/Tit	le: Tim McNamara, Developme	ent Servic	es Director	
Email:	tmcnamara@suisun.com	Phone:	(707 421-7	7347

2: LOCATION

Step One: Locate the area you would like to designate a PPA on this map<Insert weblink>.

Step Two: Respond to the questions below by checking the appropriate box: Is the proposed PPA:

Within an urbanized area?		Yes	X	No
Beyond ½ mile of a regional rail station*?	X	Yes		No
Outside of a PDA	X	Yes		No
If inside a PDA, is this PDA proposed for re- designation to a PPA?		Yes		No

*Heavy, commuter, or intercity rail, including Caltrain, SMART, ACE, and Amtrak/Capitol Corridor

	3: PRIORITIZED FOR INDUSTRIAL USE					
Is the PPA:						
Zoned for industrial use?						
	on or cluster of industrial uses or activities oduction, manufacturing, distribution, goods r repair?		Yes	Х	No	
If the area incl	ludes a high concentration of industrial uses, descri	be th	e pred	omin	ant	
	he land is currently vacant, but within the City's Sp lews the site as a near-term annexation.	here	of Influ	uenc	e (SOI).	
	ndustries or key employers at risk of displacement, a	or pri	oritize	ed for		

Describe key industries envisioned for expansion in the PPA: The property is viewed as a future light industrial hub with a focus on job creation.

4: HOUSING	ELEMENT	

The jurisdiction has a certified* Housing Element: \Box_X Yes No

If yes, year of most recent Housing Element: 2015

In no, explain status of the Housing Element and anticipated certification:

5: OPTIONAL - REGIONAL SIGNIFICANCE

Please describe the role of the area in sustaining or expanding the Bay Area economy and creating middle-wage jobs, and/or improving jobs/housing balance: There is quite a jobs/housing imbalance in Suisun City. This property, as well as lands within the City Eastern Sphere of Influence, are the primary opportunities for job creation.

6: OPTIONAL - PLANNING

Please describe any adopted, in-progress, or anticipated planning efforts to advance the PPA: The General Plan provides for the property as commercial in nature.

Name & Title:	Greg Folsom, Gity Manager	
Signature:	7-	
Date:	September 11, 2019	

Map of Proposed Gentry PPA



Priority Production Areas (PPAs):

Frequently Asked Questions (FAQs)

WELCOME. IS YOUR JURISDICTION CONSIDERING SUBMITTING A LETTER OF INTEREST (LOI) FOR THE PRIORITY PRODUCTION AREA PILOT PROGRAM? LET US TELL YOU MORE.

THE PROGRAM IS INTENDED TO:

- Support strong clusters of the region's economy by enhancing and protecting selected industrial areas through supportive resources and implementation actions.
- Encourage middle-wage job growth close to affordable housing.
- Support networks of production, distribution and repair services, including advanced manufacturing.

ABAG/MTC'S PILOT PPA PROGRAM OFFERS THE FOLLOWING BENEFITS TO SELECTED SITES:

- Priority Production Areas will be identified in the region's long-range plan Plan Bay Area 2050 which may help to position these areas for future planning and investment.
- Based on the success of this initial pilot program, ABAG and MTC anticipate working to identify funding opportunities and/or technical assistance to support planning and infrastructure for PPAs.

WHAT DOES MY CITY/JURISDICTION NEED TO KNOW PRIOR TO APPLYING?

- 1. Zoning & Land Use: PPAs need to be zoned for industrial use or have a high concentration of industrial activities such as production, advanced manufacturing, distribution, or related activities.
- 2. Location: PPAs cannot be within ½ mile of a regional rail station or overlap with a PDA.
- **3.** Designation Flexibility: Jurisdictions may redesignate as a PPA all or part of an existing PDA that is beyond $\frac{1}{2}$ mile of a regional rail station.
- 4. Housing: The jurisdiction must have a certified housing element.

HOW DO I SUBMIT AN LOI?

- Fill out the form available by clicking on this link
- \circ ~ Submit a shapefile for the site you have selected as a potential PPA
- Submit your application via email to <u>ppas@bayareametro.gov</u> and CC your ABAG/MTC county coordinator when you submit the application (county coordinators are listed at the end of this document)
- o Submit any relevant planning documents associated with your PPA

Priority Production Areas (PPAs):

Frequently Asked Questions (FAQs)

CAN MY CITY/JURISDICTION HAVE BOTH A PRIORTY DEVELOPMENT AREA (PDA) DESIGNATION AND A PPA DESIGNATION?

Yes, cities can have both PDA and PPA designations, so long as the two geographies do not overlap, and the PPA is not within ½ mile of a regional rail station.

For cities/jurisdictions with established PDAs, you can request a modification to your current PDA boundaries to avoid any potential overlap with a new proposed PPA that meets the regional rail criteria.

PPA OR PDA? HOW DO I MAKE THIS DECISION?

This decision may be best discussed with ABAG/MTC staff. A primary consideration in designating a PPA would be if the area is either a historic industrial area or if it is currently zoned industrial and the jurisdiction plans for the area to have primarily industrial rather than office or residential uses in the area. An area with strong transit connectivity and an existing or planned mix of uses may be better planned as a PDA.

WHAT IS A REGIONAL RAIL STATION?

BART, Caltrain, SMART, and Amtrak stations are all regional rail stations. Light rail stations such as MUNI and VTA rail stations are not considered regional rail stations. Sites along light rail and bus corridors may be eligible to be designated as PPAs. Please note that a ferry terminal is not considered a regional rail station.

CAN A PPA INCLUDE MULTIPLE JURISDICTIONS?

Multiple jurisdictions can submit an application for a PPA, provided that the PPA forms a single cluster, all local governments with land use authority are included, and the area meets all other program criteria. The area must be geographically contiguous.

WHAT IS A "CERTIFIED HOUSING ELEMENT"?

Certified housing refers to following the California Housing and Community Development Department's requirements.

WOULD THE PPA REQUIRE A SPECIFIC PLAN?

Unlike the PDA Program, the PPA Pilot Program does not require a specific plan for the PPA.

WHAT HAPPENS IF A CITY SUBMITS AN LOI AND DECIDES NOT TO MOVE FORWARD IN THE DESIGNATION OF A PPA?

Should a PPA not be approved by a city council, the city may choose not to pursue a PPA designation after the LOI is submitted.

WHERE CAN I FIND PLAN BAY AREA 2050 INFORMATION ON PDAS, PCAS, AND PPAS? <u>Plan Bay Area 2050: Regional Growth Framework Update</u> – Overview of Existing and Updated Geographies

Regional Growth Framework Update: What's Next for Local Jurisdictions- Plan Bay Area 2050 Webinar

Regional Growth Framework Webinar: Focus on Transit- Plan Bay Area 2050 Webinar

Priority Production Areas (PPAs):

Frequently Asked Questions (FAQs)

WHO DO I CONTACT IF I HAVE QUESTIONS?

Please contact <u>PPAs@bayareametro.gov</u> with questions about submitting an LOI for the Pilot PPA Program. You can also **contact the economic development staff** for questions on the PPA program or other economic development initiatives. Your **ABAG/MTC county coordinator** can answer questions on the growth framework and the range of PDA, PCA and PPA programs.

Economic development staff	Johnny Jaramillo	jjaramillo@bayareametro.gov
Economic development staff	Bobby Lu	blu@bayareametro.gov
County Coordinators		
Alameda and Contra Costa	Christy Leffall	cleffall@bayareametro.gov
Marin and Napa	Bobby Lu	blu@bayareametro.gov
San Francisco	Krute Singa	ksinga@bayareametro.gov
San Mateo	James Choe	jchoe@bayareametro.gov
Santa Clara	Pilar Lorenzana	plorenzana@bayareametro.gov
Solano and Sonoma	Ada Chan	achan@bayareametro.gov

AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: Council Adoption of Resolution No. 2019-____: Reaffirming the Necessity of the Development Impact Fees, and Accepting the Annual Report on Development Impact Fees.

FISCAL IMPACT: There would be no fiscal impact associated with the adoption of the proposed Resolution.

STRATEGIC PLAN IMPACT: Provide Good Governance.

BACKGROUND: AB 1600 (codified as California Government Code Section 66000 *et seq.*) requires that local agencies prepare annual reports on all development impact fees collected to finance "public facilities" if those fees were established, increased, or imposed on or after January 1, 1989. It does not include fees charged for processing development applications, development agreements, or reimbursement agreements. The report is due 180 days after the close of each fiscal year and requires that a report concerning each fee fund be made available to the public.

To be in full compliance with State Law, the City must:

- Spend or commit development impact fees within five years of collecting them; or
- Adopt a resolution that makes a finding that a reasonable relationship remains between the current need for the fees and the purpose for which they were originally proposed.

The City currently collects five different categories of impact fees which are described in the attached report. Below is the finding for the one impact fee that requires accumulation beyond five years to complete projects:

• <u>Off-Site Street Improvement Program (OSSIP) Fee</u> - A portion of the Off-Site Street Improvement Program fees collected have not yet been spent within five years of collection. These revenues have been set aside to design and construct the planned improvements which have not yet been accomplished. This is to ensure that the projects can benefit from the economies of scale of a few larger projects, rather than a piecemeal approach consisting of numerous smaller projects. It will also ensure that there will be fewer disruptions of the select street system during construction.

In 2015, the City Council appropriated funds to update the Development Impact Fee Study. Through a competitive process, the consulting firm TischlerBise was selected to perform this work. The study was completed in January 2017 and was accepted by the City Council through Resolution No. 2017-01 passed and adopted on January 3, 2017. The study has resulted in the need to diversify the fees beyond those that were adopted in 1993. The current three fees are proposed to be divided into five fees to better determine the associated costs of each category of

PREPARED BY: REVIEWED BY: APPROVED BY: services and to more accurately collect the associated revenue. The City currently imposes the following fees:

- Fire Facilities & Equipment Fee.
- Municipal Facilities & Equipment Fee.
- Off-Site Street Improvements Program Fee.
- Park Improvement Program Fee.
- Police Facilities & Equipment Fee.

A copy of this report of required information will be available at the Finance Department by December 31, 2019, thereby satisfying the law's requirement that the report be available to the public by that date. In addition, public contact will be made through posting of the City Council Agenda on the City's official website.

STAFF RECOMMENDATION: It is recommended that the City Council adopt Resolution No. 2019-____: Reaffirming the Necessity of the Development Impact Fees, and Accepting the Annual Report on Development Impact Fees.

ATTACHMENTS:

- 1. Resolution No. 2019-____: Reaffirming the Necessity of the Development Impact Fees, and Accepting the Annual Report on Development Impact Fees.
- 2. Exhibit A Annual Report on Development Impact Fees

		Item 4 Attachment 1
1		RESOLUTION NO. 2019-
2		UTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
3		ING THE NECESSITY OF THE DEVELOLOPMENT IMPACT FEES PTING THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES
4 5	1	EAS, the City of Suisun City imposes fees to mitigate the impact of development vernment Code section 66000 et seq.; and
6		EAS, said fees collected are deposited into a special revenue and separate capital the type of improvement funded by development fees; and
7 8	1	EAS, the City maintains separate funds for off-site street improvement program lopment program fees, police facility, fire facility and municipal vehicle and and
9 10	make available	EAS , the City is required within 180 days after the last day of each fiscal year to to the public information for the fiscal year regarding these fees pursuant to de section 66006; and
11	WHER	EAS, the documents reflecting the balance in each development impact fee fund
12 13	or account, accrued interest in said fund or account and the amount of expenditure by public facility for the fiscal year have been made available for public review as required by Code Section 66006, a copy of which is attached hereto as Exhibit A.	
14	NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Suisun	
15	City hereby as follows: <i>Section 1.</i> That the recitations above are true and correct.	
16	Section 1. That the recitations above are true and correct. Section 2. That the following findings are made pursuant to California Government	
17	Code Section 66001:	
18 19	to achiev	-Site Street Improvement Program fee has been accumulated beyond five years ve economies of scale for projects in the adopted Capital Improvement Program. s collected are being accumulated to build large projects rather than being used
20	in a piecemeal fashion.	
21	BE IT FURTHER RESOLVED that the Annual Report on Development Impact Fees attached hereto as Exhibit A and incorporated by this reference is hereby accepted by the City Council.	
22	PASSED AND ADOPTED at a Regular Meeting of the City Council of the City of	
23	Suisun City held on Tuesday the 17 th of December, 2019 by the following vote:	
24	AYES:	Council Members:
25 26	NOES: ABSENT:	Council Members:
20 27	ABSTAIN:	Council Members:
28	WITNESS my	hand and the seal of said City this 17 th of December, 2019.
		Donna Pock, CMC Deputy City Clerk
		25

Annual Report on Development Impact Fees, Per Government Code 66000	AB 1600 Statement	Analysis of Changes in Fund Balance	it A
Annual Repo	AB 1600 Stat	Analysis of C	Exhibit A

		OSSIP Fund (120)	-	Parks Dev. Fund (300)	Fac	Fire Facility Fund (310)	Ľ	Police Facility Fund (312)	Veh	Municipal Veh/Equip Fund (314)
Beginning Fund Balance, 07/01/2018	\$	4,288,841	÷	156,962	÷	(275)	\$	186,177	ŝ	290,953
REVENUE										
Developer Fees	÷	76,812	θ		θ	27,198	θ	39,120	φ	2,433
SSWA Portion of ERP									φ	15,815
Transfer In from General Fund					θ	42,000	θ	22,668	θ	87,344
Investment Income (at market value)	÷	124,273	θ	4,230	φ	60	θ	6,211	φ	7,010
Miscellaneous/Return of Unused Funds	\$	-					¢	(209,377)	¢	(195,838)
	÷	201,085	φ	4,230	φ	69,258	φ	(141,378)	φ	(83,236)
EXPENDITURES										
Animal Shelter Facility-City Contribution to County									φ	39,867
Railroad Extension/Sunset Evaluation	в	4,495								
Police Facility & Equipment							ф	25,868		
Police -Hi-Crime Cameras							θ	3,881		
City Hall Repair									φ	76,220
Corp Yard Facility Repairs									θ	9,870
Enterprise Resource Planning System (ERP)									θ	63,259
Fire Facility					θ	70,318				
Cost Allocation	÷	11,600	φ	24,500						
	φ	16,095	φ	24,500	φ	70,318	φ	29,749	φ	189,216
Excess Revenue Over/(Under)										
Expenditures	θ	184,990	φ	(20,270)	ŝ	(1,060)	θ	(171,127)	φ	(272,452)
Ending Fund Balance , 06/30/2019	ŝ	4,473,831	ŝ	136,692	÷	(1,335)	φ	15,050	ŝ	18,501
<i>Five Year Revenue Test Using First In First Out Method</i> Fees collected in FY2015 Fees collected in FY2016 Fees collected in FY2017 Fees collected in FY2018 Fees collected in FY2019		4,977 178,899 182,092 28,757 76,812		3,594 130,848 134,364 32,433 32,433		- 624 15,437 27,198		- 558 12,279 39,120		- - 19,556 2,433

Result: A resolution has been adopted to make a finding that there remains a reasonable relationship between the current need for the **Off-Site Street Improvement** fees and the purpose for which they were originally proposed to continue fee collection. Note: The Police Facility and Municipal Vehicle /Equipment fund received monies as transfers in from General Fund in aid of completing the much needed projects. However, the planned projects have been deferred, thus the unused monies were returned to General Fund. The funds will be available upon budget request.

23,418

51,957

43,259

301,239

471,537

Total Revenue for Last Five Years

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: Adoption of Council Resolution No. 2019-__: Accepting the Pierce Island Vegetation Removal and Mouse Exclusion Fence Installation Project as Complete, and Authorizing the City Manager to Record the Notice of Completion for the Project.

FISCAL IMPACT: The total appropriation for Dredging Phase II includes the projected cost of vegetation removal and mouse exclusion fence installation project. There is sufficient funding appropriated to the Dredging Fund (Fund 340) for Fiscal Year 2019-20 to pay for this contract. Early this year the State's Department of Finance approved City's Recognized Obligation Payment Schedule (ROPS), which includes \$2,772,500 in FY2019-20 for the Dredging Project. There is no fiscal impact to the General Fund.

STRATEGIC PLAN IMPACT: Provide Good Governance.

BACKGROUND: In the early 1990s Pierce Island was constructed as a disposal site for sediment dredged from the Suisun City Marina and the Suisun Slough, including the Marina Village channel. In November 2018, the rehabilitation of the levee surrounding the east basin on Pierce Island levee was completed as preparatory work for the 2019 dredging episode. The completion of this levee rehabilitation project provides the necessary storage capacity for the dredge material.

Additionally, prior to the 2019 dredging activities and as required by the CDFW permit, the vegetation within the west pond needed to be removed; the Salt Marsh Harvest Mouse (SMHM) herded from the west pond to the island perimeter; and SMHM exclusion fencing installed around the west pond. On May 14, 2019, the construction contract (\$124,527.80) was awarded to Green Vista Landscape.

STAFF REPORT: The primary work on this Project is as described above. City staff has received, reviewed and approved the final invoice for this contract. The total project cost is \$131,928.74, which includes additional necessary fencing. This is \$5,052.26 less than the construction budget of \$136,981.00, which is the construction contract amount plus the 10% contingency of \$12,453.00.

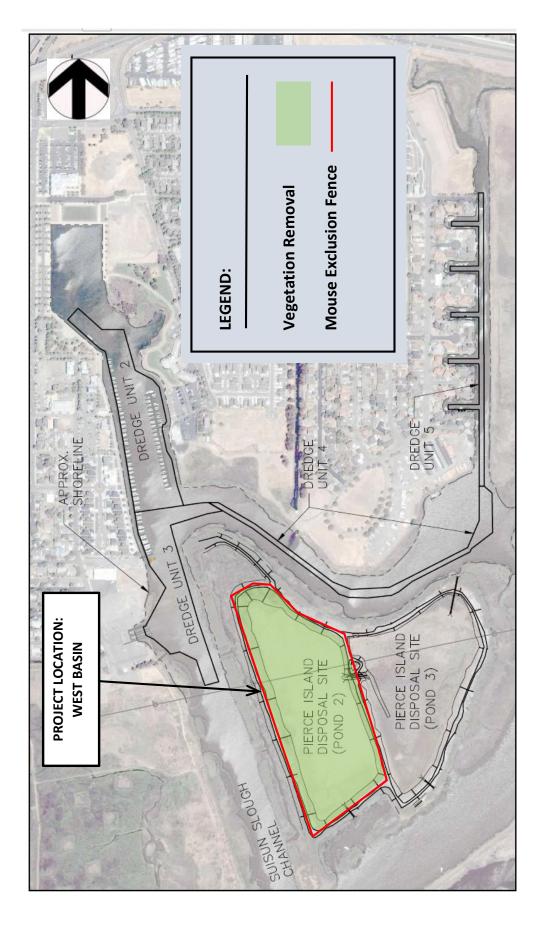
Green Vista Landscape has completed the Project in an acceptable and satisfactory manner, and it is now appropriate to file the Notice of Completion (NOC) with the County for the work completed. Staff recommends accepting the Project as completed and authorizing the City Manager to file and record the NOC with the County, which will then start the one-year warranty period on the completed improvements.

PREPARED BY: REVIEWED BY: APPROVED BY: **RECOMMENDATION:** It is recommended that the City Council adopt Resolution No. 2019-____: Accepting the Pierce Island Vegetation Removal and Mouse Exclusion Fence Installation Project as Complete, and Authorizing the City Manager to Record the Notice of Completion for the Project.

ATTACHMENTS:

- 1. Resolution No. 2019-__: Accepting the Pierce Island Vegetation Removal and Mouse Exclusion Fence Installation Project as Complete, and Authorizing the City Manager to Record the Notice of Completion for the Project.
- 2. Project Location Map.
- 3. Notice of Completion.

		Item 5 Attachment 1	
1		RESOLUTION NO. 2019-	
2			
3		JUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY NG THE PIERCE ISLAND VEGETATION REMOVAL AND MOUSE	
4	EXCLUSION	N FENCE PROJECT AS COMPLETE, AND AUTHORIZING THE CITY	
5	MANAGER	TO RECORD THE NOTICE OF COMPLETION FOR THE PROJECT	
6		EAS, dredging is performed in the Suisun Marina, Suisun Slough and the Marina every 8 to 9 years; and	
7 8	WHER was performed	EAS, prior to the 2019 Suisun Marina Dredging Project, the last time dredging was 2008; and	
9 10		EAS , the Pierce Island Levee Rehabilitation Project was completed in November that there is adequate storage capacity to accept dredged sediment for the 2019 le; and	
11	WHEREAS, prior to the 2019 dredging activities, the California Department of Fish and Wildlife's permit conditions required vagetation clearing, mouse harding and Salt Marsh Harves		
12	Wildlife's permit conditions required vegetation clearing, mouse herding and Salt Marsh Harvest Mouse (SMHM) fencing installation within and around the west basin; and		
13 14	WHEREAS, on May 14, 2019, the City Council awarded the construction contract for the Pierce Island Vegetation Removal and Mouse Exclusion Fence Project (Project) to Green Vista Landscape; and		
15 16	WHEREAS, Green Vista Landscape has completed all work under the contract for the Project and is ready to receive a Notice of Completion.		
	NOW, THEREFORE, BE IT RESOLVED , that the City Council of the City of Suisun City does hereby accept the Pierce Island Vegetation Removal and Mouse Exclusion Fence Project as completed, and authorizes the City Manager to take such measures as necessary to execute and record the Notice of Completion. PASSED AND ADOPTED at a Regular Meeting of the City Council of the City of Suisun		
17 18			
19			
20	City held on Tu	esday the 17th of December, 2019 by the following vote:	
21	AYES:	Council Members:	
22	NOES: ABSENT:	Council Members:Council Members:	
23	ABSTAIN:	Council Members:	
24	WITNE	ESS my hand and the seal of the City of Suisun City this 17th day of December	
25	2019.		
26		Donna Pock, CMC	
27		Deputy City Clerk	
28			



		Item 5
	WHEN RECORDED MAIL TO:	Attachment 3
me	Public Works Department	
eet dress	CITY OF SUISUN CITY 701 CIVIC CENTER BLVD.	
y & te, Zip	SUISUN CITY, CA 94585	
ю, <i>21</i> р		
Fee, per c	ode 27283	SPACE ABOVE THIS LINE FOR RECORDER'S USE
ree, per e		COMPLETION
		A.P.N. 0032-210-0
	hereby given that:	tota dibalana in tha anananta banaia frandasaniha d
	ull name of the undersigned is <u>City of Su</u>	tated below in the property hereinafter described.
	ull address of the undersigned is 701 Civic	Center Blvd.
4 The rest		ty, CA 94585
4. The n (If other	ature of the title of the undersigned is: In fee. r than fee, strike "In fee" and insert, for example, "purchaser u	nder contract of purchase," or "lessee.")
5. The f	ull names and full addresses of all persons, if	any, who hold title with the undersigned as joint tenants
	ants in common are: NONE	
	NAMES	ADDRESSES
	and a fill and the second in the interest of the	
	sommencement of the work of improvement he	e undersigned, if the property was transferred subsequent erein referred to: NONE
	NAMES	ADDRESSES
	(If no transfer ma	de, insert "none.")
7. A wo	rk of improvement on the property hereinafte	r described was completed on: December 17, 2019
	ame of the contractor, if any, for such work of	f improvement was
	Green Vista Landscape	provement as a whole, insert "none.")
		was completed is in the City of <u>Suisun City</u> , State of California, and is described as follows:
	Pierce Island Vegetation Removal and Mo	use Exclusion Fence project
	C C	1 0
10. The s	treet address of said property is <u>Pierce Isla</u>	nd
11. I decl	are under penalty of perjury the foregoing is	
		gnature of
Dated:		vner named paragraph 2
		By Greg Folsom, City Manager

MINUTES

SPECIAL MEETING OF THE SUISUN CITY COUNCIL

TUESDAY, NOVEMBER 26, 2019

6:00 P.M.

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

NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following City Council meeting includes teleconference participation by Council Member Jane Day from: 301 Morgan Street, Suisun City, CA 94585 and Council Member Michael Segala, 344 Shoveller Drive, Suisun City, CA 94585

ROLL CALL

Mayor Wilson called the meeting to order at 6:02 PM with the following Council / Board Members present: Adams, Day, Segala, Williams, Wilson.

<u>PUBLIC COMMENT</u> - None

(Request by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3. Comments are limited to no more than 3 minutes unless allowable by the Mayor/Chair. Speaker cards are available on the table near the entry of the meeting room and should be given to the City Clerk. By law, no prolonged discussion or action may be taken on any item raised during the public comment period, although informational answers to questions may be given and matters may be referred for placement on a future agenda.)

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.)

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 LABOR NEGOTIATOR Agency negotiator: City Manager and Administrative Services Director Employee organization: Unrepresented Employees
- 2. CONFERENCE WITH LABOR NEGOTIATOR

Agency negotiator: City Manager and Administrative Services Director Employee organization: SCEA (Suisun City Employees' Association)<u>City Council</u>

- CONFERENCE WITH LABOR NEGOTIATOR Agency negotiator: City Manager and Administrative Services Director Employee organization: SCMPEA (Suisun City Management and Professional Employees' Association)
- 4. CONFERENCE WITH LABOR NEGOTIATOR Agency negotiator: City Manager and Administrative Services Director

Employee organization: SCPOA (Suisun City Police Officers Association)

6:03 PM – Mayor Wilson recessed the meeting to Closed Session.

CONVENE OPEN SESSION

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

6:332 PM – Mayor Wilson reconvened the meeting and stated no action was taken in Closed Session.

ADJOURNMENT

There being no further business, Mayor Wilson adjourned the meeting at 6:32 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, NOVEMBER 26, 2019

6:30 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 meeting includes teleconference participation by: Council/Board Member Jane Day from 301 Morgan Street, Suisun City, CA 94585; and Council/Board Member Michael Segala from 344 Shoveller Drive, Suisun City, CA 94585.

ROLL CALL

Mayor Wilson called the meeting to order at 6:34 PM with the following Council / Board Members present: Adams, Day, Segala, Williams, Wilson. Pledge of Allegiance was led by Council Member Segala. Invocation was given by City Manager Folsom.

PUBLIC COMMENT

(Request by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3. Comments are limited to no more than 3 minutes unless allowable by the Mayor/Chair. Speaker cards are available on the table near the entry of the meeting room and should be given to the City Clerk. By law, no prolonged discussion or action may be taken on any item raised during the public comment period, although informational answers to questions may be given and matters may be referred for placement on a future agenda.)

Steve Olry expressed concern about tax revenue, clean streets and sidewalks, large vehicles, boats and commercial vehicles on streets, speed on Highway 12, housing appreciation, deterioration of neighborhoods, and lack of government manpower.

TJ Hurley, resident of Jubilee Ranch Development, reported numerous violations by developer, such as a construction crew using heavy equipment after 8:00 PM, developer does not respond to the neighborhoods concerns or needs, stated this was the fourth violation in the last six weeks and requested City revoke his permits. City Manager Folsom reported talking to developer and had sent a letter this morning stating any further violations will be a citation.

<u>CONFLICT OF INTEREST NOTIFICATION</u> - 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. Suisun City Police Officers Association – (Vera: <u>evera@suisun.com</u>).

PRESENTATIONS/APPOINTMENTS

(Presentations, Awards, Proclamations, Appointments).

CONSENT CALENDAR

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

City Council

- 2. Accepting Additional Funding for the After School Education and Safety (ASES) Grant Program from the California Department of Education (Lofthus: <u>klofthus@suisun.com</u>).
 - a. Council Adoption of Resolution 2019-112: Accepting Additional Funding from the California Department of Education After-School Education and Safety (ASES) Grant Program at Suisun Elementary School for Fiscal Year 2019/20; and
 - b. Council Adoption of Resolution No. 2019-113: Adopting the 1st Amendment to the Annual Appropriation Resolution No. 2019-65 to Appropriate Funds for the After-School Education and Safety (ASES) Grant Program.
- 3. Council Adoption of Resolution No. 2019-114: Appointing the City's Representative Member and the City's Alternate Member of the Community Action Partnership of Solano, Joint Powers Authority through June 30, 2021 (Folsom: <u>gfolsom@suisun.com</u>).
- 4. Approve Unanticipated Public Safety Repairs at the Harbor Theater (Medill: <u>mmedill@suisun.com</u>).
 - a. Council Adoption of Resolution No. 2019-115: Authorizing the City Manager to Execute a Contract to Replace the Fire Alarm Panel at the Harbor Theater and Authorize up to 25% for Contingencies; and
 - b. Council Adoption of Resolution 2019-116: Adopting the 2nd Amendment to the Annual Appropriations Resolution No. 2019-65 to Appropriate Funds to Replace the Fire Alarm Panel at the Harbor Theater.

Housing Authority

- 5. Housing Authority Adoption of Resolution No. HA 2019-06: Appointing the City Manager as Executive Director of the Housing Authority and the Housing Manager as Executive Director Pro Tempore (Folsom: <u>gfolsom@suisun.com</u>).
- Housing Authority Adoption of Resolution No. HA 2019-07: Resolution of Intent to Sell Two Parcels Owned by the Housing Authority of the City of Suisun City (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) located at the North Side of Highway 12 and East of Sunset Avenue and Take any and all Other Actions Necessary for the Completion of this Agreement and Set Public Hearing Date – (Folsom: <u>gfolsom@suisun.com</u>).

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

 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 October 22, 201, October 29, 2019 and November 5, 2019 – (Hobson: Clerk@suisun.com).

Joint City Council / Suisun City Council Acting as Successor Agency

8. Council/Agency Approval of the October 2019 Payroll Warrants in the Amount of

\$477,429.98. Council/Agency Approval of the October 2019 Accounts Payable Warrants in the Amount of \$3,000,354.79 – (Finance).

Motioned by Council Member Adams and seconded by Council Member Williams to approve Consent Calendar. Motion carried unanimously by the following roll call vote: AYES: Council Members: Adams, Day, Segala, Williams, Wilson

PUBLIC HEARINGS

City Council

9. PUBLIC HEARING

Confirming Intent and Approving Sale of Two Parcels Owned by the City (Assessor Parcel Numbers 0173-010-210 and 0173-010-220) Located at 320 and 322 Merganser Drive.

- a. Council Adoption of Resolution No. 2019-117: Approving the Sale of Two Parcels Owned by the City (Assessor Parcel Numbers 0173-010-210 and 0173-010-220) Located at 320 and 322 Merganser Drive; and
- b. Council Adoption of Resolution No. 2019-118: Authorizing the City Manager to Execute the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Jointly with Senior Housing Associates VIII, and Senior Housing, LTD, for the Transfer of Property Located at 320 and 322 Merganser Drive (Solano County Assessor's Parcel No. 0173-010-210 and 0173-010-220).

Mayor Wilson opened the public hearing.

Steve Olry expressed concern and opposed the sale.

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

Motioned by Council Member Segala and seconded by Council Member Day to adopt Resolutions No. 2019-117 and No. 2019-118. Motion carried unanimously by the following roll call vote:

AYES: Council Members Adams, Day, Segala, Williams, Wilson

GENERAL BUSINESS

City Council

10. Consideration of Recommendations of Cannabis Ad Hoc Committee.

- a. Council Adoption of Resolution No. 2019-119: A Resolution of the City Council of the City of Suisun City, California, Approving the Following Documents to Establish a Request for Applications Process for Review And Selection of a Recommended Operator for a Cannabis Storefront Retailer/Dispensary Pursuant to Suisun City Code Section 18.49.160(B): (1) Request for Applications Guidelines and Procedures; (2) Supplemental Security Requirements Cannabis Storefront Retailer/Dispensary; and (3) Notice of Request for Applications Storefront Retailer/Dispensary.
- b. Council Adoption of Resolution No. 2019-120: A Resolution of the City Council of the City of Suisun City, California, Setting Tax Rates to Cannabis Storefront Retailer Permittees and Applicants Pursuant to any Request for Application Process for Cannabis Storefront Retailers Initiated by the City Pursuant to Chapter 18.49, "Cannabis Regulatory Program," of the Suisun City Code.

Luis Almanza expressed concern about people smoking of marijuana around and in Heritage Park and where smoking would be allowed.

7:40 PM – Council Member Williams left the Council Chamber. 7:44 PM – Council Member Williams returned.

Monique Venegas, having worked in the cannabis industry in San Jose, stated about 50% of patients were veterans, suggested small retail in Old Town, and asked about delivery services.

Juan Garcia Flores, runs security company for cannabis stores, suggested multiple stores with adequate security in order to get foot traffic and opposed fencing.

Steve Olry suggested keeping the dispensary in the open to keep the business honest.

Motioned by Council Member Williams and seconded by Council Member Adams to adopt Resolutions No. 2019-119 and No. 2019-120 amending the cash deposit to \$10,000 and to be held for twelve months. Motion carried by the following roll call vote: AYES: Council Members Adams, Williams, Wilson NOES: Council Members Day, Segala

11. Council Adoption of Resolution No. 2019-121: Authorizing the City Manager to Execute Four Lease Agreements with Enterprise Fleet Management, Inc. and Declare Five City Vehicles as Surplus Assets for Auction - (Medill: <u>mmedill@suisun.com</u>).

Consensus of the Council was to send this to the Environment and Climate Advisory Committee to set a policy on purchasing items that are more environmentally friendly.

Motioned by Council Member Segala and seconded by Council Member Adams to adopt Resolution No. 2019-121 amending it to add onto line 24 – "and can be interchanged with ultra-low emissions vehicle at the discretion of the City Manager." Motion carried unanimously by the following roll call vote:

AYES: Council Members Adams, Day, Segala, Williams, Wilson

REPORTS: (Informational items only.)

12. a. Council/Boardmembers

Council Member Day asked the Mayor to report on the meeting she had had with Jubilee Ranch residents regarding the construction of the gas station.

Council Member Adams reported on Environment and Climate Committee meeting last Friday, had a presentation by County staff about the Parks Districts and Sustainable Solano and made a recommendation for a tree policy and suggested it go to Parks, Recreation and Arts Committee and reported visiting the Lawler House for the art viewing, it was their tenth anniversary, and stated Lawler House needed some maintenance.

Council Member Williams reported attending the Fire Department's installation of their new staff.

Council Member Segala stated he would be sending a letter to the Board of Supervisors to request they consider putting \$20,000 in reserve for the Regional Parks System because Fish

and Game does not maintain that primarily because of personnel and reported a code enforcement issue of a large commercial truck parked in the 500 or 600 block of Pintail.

c. Mayor/Chair

Mayor Wilson reported:

- Attending the Salvation Army Red Cup Fund Raiser,
- Attending STA Awards where Suisun City was up for two awards, however, Suisun City did not win,
- Attending the Black and White Ball,
- Attending Guru and Nanak Temple founders 550 birthday,
- See the Blue Eye Shadow performance in the City of Berkeley,
- Attending a meeting with the residence of Jubilee regarding the development of the gas station on Walters and a few changes are coming to our next City Council meeting on December 3 regarding how the City will communicate with its residents when developments are being proposed within 600 feet of a residential neighborhood,
- Christmas on the Waterfront would be on December 7.
- 13. City Manager/Executive Director/Staff

City Manager Folsom reported on Thursday, November 28, the Suisun City Senior Center will be having a Thanksgiving Luncheon

PUBLIC COMMENT - None

(Additional time for request by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda limited to no more than 3 minutes.)

ADJOURNMENT

There being no further business, Mayor Wilson adjourned the meeting at 8:36 PM.

Linda Hobson, CMC City Clerk

SUCCESSOR AGENCY AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

SUCCESSOR AGENCY AGENDA ITEM: Receiving and Accepting a Recognized Obligation Payment Schedule 20/21 (ROPS) for the Period of July 1, 2020 through June 30, 2021.

FISCAL IMPACT: All obligations listed will be included in the FY 2020-21 Annual Budget. The ROPS includes administrative cost recovery that will help offset General Fund costs of administering the responsibilities of the Successor Agency.

STRATEGIC PLAN IMPACT: Provide Good Governance and Ensure Fiscal Solvency.

BACKGROUND:

A component of the dissolution of the former Redevelopment Agency requires that the Successor Agency prepare a Required Obligation Payment Schedule (ROPS) and submit it to the County Oversight Board. Pursuant to Health and Safety Code §34179.7(o)(1), enacted by SB 107 in the Fall of 2015, commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, Successor Agencies are to submit an Oversight Board approved annual ROPS to the State Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter.

STAFF REPORT: The following provides an overview of deadlines and process associated with the ROPS:

<u>ROPS Submittal Deadline</u> – February 1, 2020, is the deadline to submit a ROPS covering the period of July 1, 2020, through June 30, 2021 to the State Department of Finance (DOF).

<u>ROPS Submittal/Approval Process</u> – The Successor Agency must submit the ROPS to the County Auditor-Controller, County Administrative Officer, and to the Solano County Oversight Board for approval. The deadline to submit the report is December 19, 2019 for the January 9, 2020 scheduled County Oversight Board Meeting.

<u>ROPS Form</u> – The DOF has provided the form for this ROPS period.

<u>Penalties</u> – A penalty may be levied on the City of \$10,000 per day for each day the ROPS is delinquent. Failure to submit the ROPS within 10 days of the deadline will result in a 25% reduction of the Successor Agency's maximum administrative cost allowance for the period covered by the delinquent ROPS.

The current ROPS includes line items that were listed on previously adopted ROPS, but contain updated figures to reflect the upcoming fiscal year (July 1, 2020, to June 30, 2021). The ROPS includes the following additions:

• <u>\$50,000 Engineering Study and \$5,000 Street Patching added to Marina Construction Loan</u>

The Marina parking lot along Main Street is experiencing recurring signs of failure and subsidence that requires ongoing surface patching to retain functionality. An Engineering Study is necessary to determine the underlying cause and scope of this recurring failure.

• <u>\$63,500 – Property Disposition Cost–Other SA Properties</u>

The cost includes appraisals for Lawler House, Cal-Marine, and Parcel 13 of the Main Street West Disposition Development Agreement (DDA) which are estimated to cost \$13,500. In addition, staff propose to conduct a Drainage Capacity Analysis. The recent hotel construction on a former Successor Agency surfaced a previously unknown stormwater capacity issue that will impact all Successor Agency parcels as they are sold and developed. A stormwater capacity and design study needs to be performed to ensure infrastructure requirements are understood, designed and funded to support the sale of these parcels for future development.

If necessary, there is an opportunity to submit an amended ROPS no later than October 1, 2020, if the Solano Consolidated Oversight Board makes a finding the revision is necessary for the payment of approved enforceable obligations during the second half of the ROPS period (January 1, 2021 through June 30, 2021).

The full ROPS is attached. Beyond costs associated with the timely sale of property, the ROPS includes monies for debt and Successor Agency administration costs.

Staff recommends that the Successor Agency receive and accept the ROPS.

RECOMMENDATION: It is recommended that the Successor Agency:

1. Adopt Resolution No. SA 2019-___: Receiving and Accepting a Recognized Obligation Payment Schedule 20/21 (ROPS) for the Period of July 1, 2020 to June 30, 2021.

ATTACHMENTS:

- 1. Agency Adoption of Resolution No. SA 2019-___: Receiving and Accepting a Recognized Obligation Payment Schedule 20/21 (ROPS) for the Period of July 1, 2020 through June 30, 2021.
- 2. ROPS 20/21 (July 1, 2020 through June 30, 2021).

	Item 7 Attachment 1
1	RESOLUTION NO. SA 2019 -
2	A RESOLUTION OF THE SUCCESSOR AGENCY TO THE
3	REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY
4	RECEIVING AND ACCEPTING A RECOGNIZED OBLIGATION
5	PAYMENT SCHEDULE 20/21 (ROPS) FOR THE PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2021
6	WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted
7	and the Governor signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring
8	that each Redevelopment Agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and
9	WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion
10	in the case of California Redevelopment Association, et al. v. Ana Matosantos, etc., et al., Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and
11	WHEREAS, the Court's decision resulted in the implementation of AB 26, which
12	dissolves all redevelopment agencies in the State of California as of February 1, 2012; and WHEREAS, the City is, by operation of law, the Successor Agency (the "Agency") to
13 14	the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and
	WHEREAS, as part of the 2012-13 State budget bill, the California Legislature enacted
15	and the Governor has signed AB 1484, which enacted several technical and substantive amendments to AB 26, including certain processes and procedures relating to the submittal of
16	the ROPS; and
17 18	WHEREAS, the California Legislature enacted and the Governor has signed SB107, which enacted several additional technical and substantive amendments to the dissolution laws,
19	including certain processes and procedures relating to the submittal of the ROPS; and
20	WHEREAS , pursuant to the dissolution laws, the City as Successor Agency is required to maintain a "Recognized Obligation Payment Schedule" (the "ROPS"), which schedule was
21	revised with pertinent data for the period of July 1, 2020 through June 30, 2021; and
22	WHEREAS , the City Council desires to memorialize the Successor Agency's receipt and acceptance of the ROPS 2020-2021 including the \$250,000 Successor Agency Admin Cost;
23	and
24	NOW, THEREFORE, BE IT RESOLVED that the City Council of Suisun City, acting as the Successor Agency to the Redevelopment Agency of the City of Suisun City,
25	resolve as follows:
26	Section 1. The Recitals set forth above are true and correct and incorporated herein by reference.
27	Section 2. The ROPS, attached hereto and incorporated herein by this reference, is
28	hereby adopted pursuant to Health & Safety Code Section 34180. Section 3. The Successor Agency Executive Director or designee is authorized to
	take all actions necessary to implement this Resolution, including any necessary administrative

Item 7 Attachment 1 corrections, in addition to the posting of this Resolution and ROPS on the Board's website, and 1 the provision of notice of adoption of this Resolution and such Schedule to the State Department of Finance. 2 PASSED AND ADOPTED at a regular meeting of the City Council serving as the 3 Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 17th of December 2019, by the following vote: 4 5 AYES: Council Members: 6 NOES: Council Members: **ABSENT:** Council Members: 7 Council Members: **ABSTAIN:** 8 WITNESS my hand and the seal of said City this 17th of December, 2019. 9 10 11 Donna Pock, CMC 12 Deputy City Clerk 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 Resolution No. 2019-Adopted December 17, 2019 Page 2 of 2

Recognized Obligation Payment Schedule (ROPS 20-21) - Summary Filed for the July 1, 2020 through June 30, 2021 Period

Successor Agency: Suisun City

County: Solano

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$-	\$-	\$-
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 3,906,970	\$ 2,061,375	\$ 5,968,345
F RPTTF	3,781,970	1,936,375	5,718,345
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E)	\$ 3,906,970	\$ 2,061,375	\$ 5,968,345

/s/

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title
Signature Date

Suisun City Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail July 1, 2020 through June 30, 2021

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U		Description			Marina Construction/ Rehab	Marina Expansion/ Land Acquisition	SERAF Loan Payment	Unfunded PERS and Accrued Leave	Staffing, Rent/ Uttilities, Supplies, Legal, Oversight Board, Etc.	Loan Guaranty to Travis Credit Union for Equipment/ Start-up Loan	Marina Lease with CA State Lands Commission	DDA Obligations	Civic Center COP Reimbursement Agreement	2014 Series B Tax Allocation Bonds	FY18
L		Pavee	2262		Dept of A Boating and C Waterways F	Sheldon Oil R	Suisun City S Housing F Authority (Housing Successor)	PERS Agency Employees	Various	Travis Credit tt Union E	CA State N Lands v Commission L C	Various D	City of Suisun City C	US Bank 2	Don Fraser F
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	U							suc	suo		suo	Miscellaneous
	8		Project Name		Continuing Disclosure Services	2014 Bond F Trustee Services	2014 Bond F Arbitrage Report	Property Disposition Costs	Lawler House F Repairs I	Property Disposition Costs-Other SA Properties	Civic Center Blvd. terminus Appraisal	Marina East Restoration and Marina Promenade Extenstion Plan
Here Here <td>۲</td> <td></td> <td>ltem</td> <td>#</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>31</td> <td>-</td> <td></td>	۲		ltem	#						31	-	

×		20-21B	Total	\$
>			Admin RPTTF	•
D	ROPS 20-21B (Jan - Jun)	seo.	RPTTF	
Т	:0-21B (J	Fund Sources	Other Funds	
S	ROPS 2	F	Bond Reserve Other occeeds Balance Funds	
R			Bond Reserve Other Proceeds Balance Funds	1
ø		20-21A		\$
٩			Admin RPTTF	1
ο	ROPS 20-21A (Jul - Dec)	seo.	RPTTF	,
z	0-21A (י	Fund Sources	Other Funds	1
Σ	ROPS 2	Fu	Bond Reserve Other coceeds Balance Funds	1
_			Bond Reserve Other Proceeds Balance Funds	
×		20-21	Total	\$
٦		Retired		z
_	-	Project Outstanding Retired	Obligation	'
н		^p roject	Area	
IJ		Description		Complete a parking implementation plan for long term parking solutions in the downtown
L		Pavee) -	City of Complete Suisun City parking implement plan for lo term park solutions downtow
ш		Agreement	Date	06/30/2020
٥		Agreement Agreement Execution Termination	Date	
ပ		Obligation		Miscellaneous
В	Project Name			34 Parking Implementation Plan
۲		-	#	34

Item 7 Attachment 2

Suisun City	Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances	July 1, 2017 through June 30, 2018	(Report Amounts in Whole Dollars)
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uant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other	
y be listed as a source of payment on	tion.
perty Tax Trust Fund (RPTTF) may	required by an enforceable obligat
tion 34177 (I), Redevelopment Prop	nent from property tax revenues is
ursuant to Health and Safety Code sec	unding source is available or when payment from property tax revenues is required by an enforceable oblig

S I D I D I	is action of a talance of which baltions hadred and action of an extension of an entropy of the second of the seco	n na linhai si sani	א מוו כוווטו עכמא	ie onigation.			
A	B	ပ	۵	Э	Ľ	9	Т
	ROPS 17-18 Cash Balances			Fund Sources			Comments
	(07/01/17 - 06/30/18)	Bond Pr	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
53							
-	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.				124,998	123,735	
7	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller				292,783	5,179,633	
e	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)					5,151,502	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			414,270	1		
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC	T		No entry required		28,131	
9	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	÷	-\$	\$(414,270)	\$417,781	\$123,735	

Item 7 Attachment 2

	Suisun City Recognized Obligation Payment Schedule (ROPS 20-21) - Notes July 1, 2020 through June 30, 2021					
Item #	Notes/Comments					
4	Marina parking lot along Main Street is experiencing recurring signs of failure and subsidence that requires ongoing surface patching to retain functionality. An Engineering Study is necessary to determine the underlying cause and scope of this recurring failure.					
5						
6						
7						
9	The SA increase in admin cost is mainly due to related marketing expenses associated with selling of SA properties.					
10						
11						
12						
13						
21						
23						
24						
25						
29						
30						
31	Appraisal for Lawler House, Cal-Marine and Parcel 13. Recent hotel construction on a former Successor Agency surfaced a previously unknown stormwater capacity issue that will impact all Successor Agency parcels as they are sold and developed. A stormwater capacity and design study needs to be performed to ensure infrastructure requirements are understood, designed and funded to support the sale of these parcels for future development.					
32						
33						
34						

AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM:

PUBLIC HEARING (CONTINUED TO JANUARY 14, 2020)

Council Introduction and Waive Reading of Ordinance No.____: Amending Section 13.04.470 of the City of Suisun City Municipal Code Regarding Residential Water Shutoff Procedures to be in Conformance with the California Water Shut Off Protection Act

FISCAL IMPACT:

STAFF REPORT:

This was a noticed Public Hearing, however, this has been delayed due to ambiguity in the law and staff has recommended that this item be continued to allow for additional time for clarification.

RECOMMENDATION:

It is recommended that the City Council open the Public Hearing and continue it to January 14, 2020.

ATTACHMENTS:

AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: Consideration of the Following for the Historic Waterfront Business Improvement District:

- A. Adoption of Council Resolution No. 2019-___ Reauthorizing and Renewing the Historic Waterfront Business Improvement District and the Assessment Levy for the District; and
- B. Adoption of Resolution No. 2019-___ Approving the Proposed Calendar-Based Fiscal Year 2020 Operating Budget for the Suisun City Historic Waterfront Business Improvement District.

FISCAL IMPACT: Reauthorization of the BID assessments has no fiscal impact on the City General Fund as these assessments are paid by businesses within the District.

STRATEGIC PLAN IMPACT: Revitalize Downtown Waterfront District.

BACKGROUND: Per City Ordinance No. 667, enacted April 18, 2003, the Main Street Waterfront Business Improvement District, commonly known as the Suisun City Historic Waterfront Business Improvement District (the "District"), was established. The District is a non-profit organization created at the request of downtown merchants to promote improved business conditions and marketing of downtown Suisun City. Under procedures described in the California Streets and Highways Code, the City, on behalf of the District, levies assessments on those businesses within the District area (see attached map) for use in various marketing and improvement activities, as determined beneficial by the District board. Each year since 2003, the Council has reauthorized the continued operation of the District. On December 3, 2019, the City Council set the Public Hearing and requested staff to publish the public notice and notify each business owner (within the BID) of such meeting.

STAFF REPORT: In order for the BID to continue operation, the City Council must adopt a resolution of reauthorization.

1. Protest Hearing

A Public Hearing is required by law to review any written protests to the proposed re-authorization of the District, the assessment levy or any specific expenditure. If written protests from businesses representing more than 50 percent of the District's collected assessments are received, State Law requires the City Council to initiate proceedings to eliminate the District and its assessment, or the specific expenditure listed in the protests.

As of preparation of this report, Staff was unaware of any effort or intent of any businesses within the District to collect such written protests. Staff will advise the City Council at the hearing whether written protests have been submitted.

2. Consider Renewing the District

The City Council annually considers adoption of a resolution renewing the establishment of the District, as described in Ordinance 667. The resolution describes the boundaries of the District, the general purposes for which assessments may be used, and three benefit zones with associated assessment rates according to business type.

The descriptions of the District were included in the Resolution of Intent mailed to all businesses subject to the assessment and known to the City. The District proposes to continue the boundaries, uses of funds, benefit zones and assessment rates that have existed since the District was formed with no changes.

3. Review and Approve the Proposed District Budget

State law and City Code require the District to submit at least annually a proposed budget for review and approval by the City Council. Last month, the District submitted its 2019 Annual Report and Proposed 2020 Budget to City staff for review. The reports were distributed for review by the City Council and the City Manager's Office. A copy of the reports were also filed with the City Clerk to be maintained for public review.

According to City Code Section 3.40.110, the City Council must annually review and approve the District budget prior to the start of the fiscal year. However, the City Council's role is described in City Code and MOU as one of general oversight:

"City shall not adopt, modify or otherwise amend any Fiscal Year budget of the District that is inconsistent in any way with said Fiscal Year's budget as agreed to and presented by the BID Board except in the case of a written majority protest ... from business owners...".

"Decisions of the BID Board regarding expenditure of all funds generated under this program shall be final."

The City Council is empowered to approve or disapprove the District budget. In the event the City Council wishes to recommend changes in the budget, such direction should be delineated and consideration of the budget resolution continued to allow the District board to consider amending its budget accordingly. Though the District may not spend additional resources without an approved budget, renewal of the assessment will allow the Administrative Services Department to collect the assessments with the business license renewals, and hold the proceeds until such time as a District budget is approved.

RECOMMENDATION: It is recommended that the City Council:

- 1. Conduct a Public Hearing to receive any protests against renewal of the District, the assessment or any portion of the proposed District budget; and
- 2. Adopt Resolution No. 2019-__: Reauthorizing and Renewing the Historic Waterfront Business Improvement District and the Assessment Levy for the District; and
- 3. Adopt Resolution No. 2019-__: Approving the Proposed Calendar-Based Fiscal Year 2020 Operating Budget for the Suisun City Historic Waterfront Business Improvement District.

ATTACHMENTS:

- 1. Resolution No. 2019-__: Reauthorizing and Renewing the Historic Waterfront Business Improvement District and the Assessment Levy for the District; and
- 2. Resolution No. 2019-__: Approving the Proposed Calendar-Based Fiscal Year 2020 Operating Budget for the Suisun City Historic Waterfront Business Improvement District.
- 3. Proposed 2020 Budget with Adopted 2019 Budget and Actuals
- 4. City Ordinance No. 667
- 5. Power Point Presentation

	Item 10 Attachment 1
1	RESOLUTION NO. 2019-
2	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY
3	REAUTHORIZING AND RENEWING THE HISTORIC WATERFRONT BUSINESS IMPROVEMENT DISTRICT AND THE ASSESSMENT LEVY FOR THE DISTRICT
4	
5 6	WHEREAS, the California Streets and Highways Code Section 36500 <i>et seq.</i> authorizes cities to establish parking and business improvement areas for the purpose of promoting economic revitalization and physical maintenance of business districts in order to create jobs, attract new business and prevent erosion of the new business district; and
7	WHEREAS, The Main Street-Waterfront Business Improvement District, commonly
8 9 10	known as the Suisun City Historic Waterfront Business Improvement District (District), was formed, at the request of the Main Street-Waterfront Business Improvement District Formation Committee (Committee), by City Council approval of City Ordinance No. 667 on April 18, 2003; and
11	WHEREAS, at the request of the Committee, Ordinance No. 667 established an annual
12	special assessment on all businesses within the District, which said assessment must be renewed annually by City Council; and
13	WHEREAS , the District Board of Directors (Board) has requested the Suisun City Council renew the special assessment on all businesses within the District; and
14 15 16	WHEREAS, renewal of the special assessment may occur only after City Council conducts a noticed public hearing pursuant to the Parking and Business Improvement District Area Law of 1989, Part 6 (commencing with Section 36500) of Division 18 of the California Streets and Highways Code; and
17 18	WHEREAS, said public hearing has been held and the City Council has heard and considered all oral and written protests and other comments regarding such proposed actions; and
19 20	WHEREAS , protests in writing from businesses in the District paying 50% or more of the proposed assessment have not been received; and
20	WHEREAS , this City Council has now determined to re-authorize the imposition of a benefit assessment for the District; and
22	WHEREAS, in the opinion of this City Council, the businesses within the District will
23	be benefited by the expenditure of the funds raised by the assessments levied hereby in the manner prescribed herein; and
24 25	WHEREAS , the assessments or charges levied on businesses pursuant to this Ordinance shall be levied, to the maximum extent feasible, on the basis of the estimated benefit
26	to the businesses within the District. NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Suisun
27	City does hereby determine that:
28	1. The recitals set forth herein are true and correct.
	2. The City Council does, at the request of the Board, and pursuant to the California Streets and Highways Code, declare its intent to consider reauthorizing and renewing the "Main Street-Waterfront Business Improvement District" (District).

1 2	3.	The boundaries of the entire area to be included in the District, and the boundaries of each separate benefit zone within the District, are set forth in the Map, EXHIBIT A, incorporated herein by reference. A true and correct copy of the map is on file with the City Clerk of the City of Suisun City.
3 4	4.	The types of improvements and activities proposed to be funded by the levy of assessments on business in the District are in EXHIBIT B hereto and incorporated by reference.
5 6	5.	The City Council intends to consider reauthorizing the District and renewing the levy of an annual benefit fee on businesses in the District to pay for selected improvements and activities of the District.
7 8	6.	All funds of the District shall be expended on improvements and activities within the District.
9	7.	The method and the basis for levying the benefit fee on all the businesses within the District are set forth in the EXHIBIT C hereto, incorporated herein by reference.
10 11	8.	The Annual Benefit fees shall be incorporated into the City Business License fee for those businesses within the District and shall be due and payable as part of obtaining the required City Business License pursuant to City Code Title 5.
12 13	9.	A public hearing to consider re-authorization of the District was held on December 17 , 2019, at 6:30 p.m. before the City Council of the City of Suisun City, at the City Council Chambers at 701 Civic Center Blvd., Suisun City, CA 94585.
14 15 16	10	At the public hearing, the testimony of all interested persons, for or against the establishment of the District, interested in matters concerning the boundaries of the District, the areas of benefit within the District and the assessments to be levied, were
 17 18 19 20 21 22 23 24 		be heard. A protest against the District, or any aspect of it, may be made orally or in writing. An oral protest shall be made at the said public hearing. To count in the majority protest against the District, a protest must be in writing. A written protest may be withdrawn from record at any time before the conclusion of the public hearing. Each written protest shall contain a written description of the business in which the person signing the protest is interested, sufficient to identify the business, and its address. If the person signing the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the owner of the business. Any written protest as to the regularity or sufficiency of the proceedings shall be in writing and clearly state the irregularity or defect to which objection is made.
23 25 26	12	. If, at the conclusion of the public hearing, there are of record, written protest by the owners of the businesses within the District that will pay fifty percent (50%) or more of the total assessments of the entire District, no further proceedings to create the District shall occur. New proceedings to reauthorize and renew the District and levy the benefit
27 28		assessment fee shall not be undertaken again for a period of at least one (1) year from the date of the finding of the majority written protest by the City Council. If the majority written protest is only as to an improvement or activity proposed, then that type of improvement or activity shall not be included in the District.
		on No. 2019 December 17, 2019

1 2	 Further information regarding the proposed Main Street-Waterfront Business Improvement District may be obtained from the City Clerk of the City of Suisun City, at Suisun City Hall, 701 Civic Center Blvd., Suisun City, CA, and or by calling (707) 421-7309. 						
3	14. The City Clerk noticed the public hearing as follows:						
4 5	a. Published the Resolution of Intention in a newspaper of general circulation in the City of Suisun City once, at least ten (10) days before the hearing.						
6	b. Mailed a complete copy of this Resolution of Intention to each and every business						
7	owner in the District within seven (7) days of the adoption of the Resolution of Intent.						
8	15. This Re	solution is effective on its adoption.					
9	PASSED AND ADOPTED at a Regular Meeting of the City Council of the City of						
10	Suisun City hel	ld on Tuesday the 17 th of December, 2019 by the following vote:					
11	AYES:	Council Members:					
12	NOES: ABSENT:	Council Members:Council Members:					
13	ABSTAIN:	Council Members:					
14							
15	WIINESS my	hand and the seal of said City this 17 th of December, 2019.					
16		Donna Pock, CMC					
17		Deputy City Clerk					
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
	Resolution No. 2019- Adopted December 1						
	Page 3 of 3	63					

	Item 10 Attachment 2					
1	RESOLUTION NO. 2019-					
2 3	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY APPROVING THE PROPOSED CALENDAR-BASED FISCAL YEAR 2020 OPERATING BUDGET FOR THE MAIN STREET WATERFRONT BUSINESS IMPROVEMENT DISTRICT					
4 5						
6 7	WHEREAS, the City Council has passed Ordinance No 667 establishing the Main Street-Waterfront Business Improvement District, commonly known as the Suisun City Historic Waterfront Business Improvement District (District); and					
8 9	WHEREAS, said Ordinance requires the District to present its annual budget to the City of Suisun City for review and approval; and					
9 10	WHEREAS, the City Council of the City of Suisun City has reviewed the proposed District budget; and					
11	WHEREAS, the City Council desires to promote and assist the District to insure the success of the projects and programs of the District.					
12 13	NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Suisun City does hereby approve the calendar year 2020 operating budget for the District.					
14 15	BE IT FURTHER RESOLVED, that the City Council of the City of Suisun City authorizes the City Manager to take all appropriate and necessary actions to ensure implementation of this Resolution.					
16 17	PASSED AND ADOPTED at a Regular Meeting of the City Council of the City of Suisun City held on Tuesday the 17 th of December, 2019 by the following vote:					
18	AYES: Council Members: NOES: Council Members:					
19 20	ABSENT: Council Members: ABSTAIN: Council Members:					
21	WITNESS my hand and the seal of the City of Suisun City this 17th day of December 2019.					
22 23						
24	Donna Pock, CMC Deputy City Clerk					
25						
26						
27 28						

Suisun Historic Waterfront BID Profit & Loss

Item 10 Attachment 3

	January 2018 through December 2019 Jan '18 - Dec 18	Jan '19 - Dec 19	
	Actual	Actual	2020 Budget
Ordinary Income/Expense			
Income			
Mother's Day Craft Faire	10,143.98	10,896.63	10,000.00
Art, Wine Choc. Wine Sales	11,528.76	9,350.75	10,000.00
Business Assessments	18,910.00	19,572.39	19,000.00
Wine Stroll			1,000.00
Ghost Tour		3,004.00	0.00
Total Income	40,582.74	42,823.77	40,000.00
Expense		12,020.11	10,000.00
Accounting Expense	2,975.28	748.10	2,000.00
Advertising	2,975.20	740.10	2,000.00
Brochures	350.00	2,813.39	2,500.00
Clear Image	9,570.83	4,100.53	4,500.00
Constant Contact	482.35	630.00	4,000.00
Daily Republic	1,044.56	2,075.02	2,000.00
Electronic Media	2,325.00	1,119.63	1,500.00
Facebook Advertising	220.00	200.00	500.00
S&J Advertising	1,345.00	2,534.29	1,500.00
Advertising - Other	1,251.11	2,004.20	2,500.00
Total Advertising	16,588.85	13,472.86	15,000.00
Bank Service Charges	126.77	109.55	50.00
Donation	100.00	0.00	0.00
Fees and Permits	20.57	297.00	
	2,237.22		450.00 2,000.00
Insurance Expense	50.00	2,020.44 101.25	2,000.00
Liquor License Music Expense	2,525.00	1,300.00	2,600.00
Office Supplies	2,525.00	259.76	300.00
Outside Services		140.00	300.00
	169.00	140.00	200.00
Postage Expense Sales Tax Expense	382.00	102.00	1,548.75
Rental Expense	1,791.25	1,609.43	1,800.00
Security Expense	250.00	0.00	250.00
• •			
Supplies Expense	2,999.41	655.22	500.00
United Site Services Expense		1,448.41	1,000.00
Wine Purchase	2,486.79	1,845.66	2,500.00
Taxes		04 400 00	1,200.00
Total Expense	33,579.40	24,169.68	31,948.75
Net Ordinary Income	7,106.90	18,754.09	8,051.25
t Income	7,106.90	18,754.09	8,051.25

Net Income

Suisun Historic Waterfront BID Profit & Loss

Item 10 Attachment 3

January 2018 through December 2019

	Jan '18 - Dec 18 Actual	Jan '19 - Dec 19 Actual	2020 Budget
Gross Income	40,582.74	42,823.77	40,000.00
Expense	33,579.40	24,169.68	31,948.75
Net Income	7,003.34	18,654.09	8,051.25

	Item 10 Attachment 4
1	ORDINANCE NO. 667
2	
3	AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY,
4	CALIFORNIA, ADDING A CHAPTER TO THE SUISUN CITY MUNICIPAL CODE ESTABLISHING THE MAIN STREET-WATERFRONT BUSINESS IMPROVEMENT DISTRICT.
5	
6 7	WHEREAS, on February 4, 2003, the Suisun City Council, (the "City"), adopted Resolution No. 2003-03 (the "Resolution"), declaring its intention to establish a Parking and Business Improvement District (hereinafter referred to as the "District"), to levy a benefit
8	assessment on all businesses, trades, professions, and vendors within said District, the proceeds of which shall be used for the public purposes herein described to benefit the
9	businesses in the District, pursuant to the Parking and Business Improvement Area Law of 1989, Part 6 (commencing with Section 36500) of Division 18 of the California Streets and Highways Code (the "Act"); and,
10	
11	WHEREAS, pursuant to the Act and the Resolution, City conducted a public hearing, after having given due notice thereof as required by law, on March 4, 2003, at 7:00 p.m., at
12	Suisun City Hall, 701 Civic Center Blvd, Suisun City, CA 94585; and,
13	WHEREAS, said public hearing has been held and the City Council has heard and
14	considered all oral and written protests and other comments regarding such proposed actions; and,
15 16	WHEREAS, protests in writing from businesses in the proposed District paying 50% or more of the proposed assessment have not been received; and,
17 18	WHEREAS, this City Council has now determined to establish the proposed District as a Parking and Business Improvement District, to provide for the imposition of a benefit
19	assessment and to adopt an ordinance to such effect; and,
20	WHEREAS, in the opinion of this City Council, the businesses within the District will be benefited by the expenditure of the funds raised by the assessments levied hereby in
21	the manner prescribed herein; and,
22	WHEREAS, this City Council may, for each of the purposes set forth in Section 36510 & 36513 of the Act, establish one or more separate benefit zones based upon the
23	degree of benefit derived from the formation of the District, and may impose a tiered
24	assessment or charge within each of the benefit zones; and,
25	WHEREAS, all provisions of the Act applicable to the establishment, modification, or disestablishment of a District shall apply to the establishment, modification, or
26	disestablishment of benefit zones pursuant to the Act, and the establishment or the modification of any benefit zone shall follow the same procedure as provided for under the
27	establishment of a Parking and Business Improvement District; and the disestablishment of a
28	
	and the second se

1	benefit zone shall follow the same procedure as provide for disestablishment of a District; and,
2	
3	WHEREAS, upon the request of the BID Establishment Committee, this City Council shall commence the proceedings required by law to amend the boundaries, assessments or charges established pursuant to this Ordinance subject to approval of the Board of Directors
4 5	of the District as expressly provided for herein; said modifications being made pursuant to the procedural requirements of the Act, but no assessment or charge shall be modified which
6	would impair the ability of the District to meet the obligations of a contract to construct or operate physical improvements in the District; and,
7	WHEREAS, adjustments may be made in the assessments or charges to businesses in
8	the District, or in the uses to which the revenue shall be put, as specified in this Ordinance and subject to Board approval, provided such changes are made by a supplemental Ordinance
9	adopted after a hearing before the City Council; and,
10	WHEREAS, for purposes of the assessments or charges to be imposed pursuant to
11	this Ordinance, this City Council may make a reasonable classification of businesses, giving consideration to various factors, including general benefit to businesses and the degree of
12	benefit received from District programs; and,
13	WHEREAS, the assessments or charges levied on businesses pursuant to this
14	Ordinance shall, to the maximum extent feasible, be levied on the basis of the estimated benefit to the businesses within the District.
15	NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUISUN CITY DOES
16	HEREBY ORDAIN AS FOLLOWS:
17	SECTION I.
18	Title 3, Chapter 3.40 Sections 3.40.10 – 3.40.160, inclusive, of the Suisun City Code
19	are hereby added as follows:
20	MAIN STREET-WATERFRONT BUSINESS IMPROVEMENT DISTRICT.
21	3.40.10 <u>Resolution of Intention, Public Hearing and Findings.</u> The Regitals hereof, which got forth foots recording the adoption of Council
22	The Recitals hereof, which set forth facts regarding the adoption of Council Resolutions, the conduct of public hearings and certain findings of the City
23	Council, are true and correct and incorporated herein by reference.
24	3.40.20 <u>Definitions</u> .
25	In order to distinguish between District businesses and for the purpose of calculating and applying the amount of assessments owed, the following definitions
26	shall apply: (a) Retail Businesses: "Retail Businesses" include all businesses not
27	covered by other definitions set out in this section, at least fifty percent (50%) of
28	whose gross income is derived from "retail sales" as that term is defined under the
av	2

1 California Sales and Use Tax Law. The fact that a substantial part of its business consists of sales other than retail sales does not exclude said business from this 2 classification so long as such other business component does not account for more than fifty percent (50%) of said business' gross income; 3 Restaurants: "Restaurant" businesses include cafes, eating (b)establishments, sandwich shops, dinner houses, restaurants and fast food services Ą and other similar businesses: $\mathbf{5}$ Sales and Service: "Sales and Service" businesses include businesses (c) that combine retail and product services. Examples are appliance stores, most 6 automotive-oriented businesses, repair shops, repairing and servicing businesses and service stations. Other businesses of a general service-type nature such as 7 general office, news and advertising media, printers, renting and leasing businesses, utilities, vending machine businesses, household finance companies, entertainment 8 businesses and other similar businesses not otherwise included in categories a, b, d, 9 e, f, or g are included in this section; Personal Care Salons: Includes beauty salons, barber shops, tanning (d) 10 salons, etc. (e) Lodging: "Lodging" businesses include inns, hotels, motels, RV Parks 11 and other similar businesses; Professional: "Professional" includes attorneys, architects, accountants, (f) 12 engineers, surveyors, physicians, dentists, optometrists, chiropractors and others in 13 a medical / health service field, consultants, real estate brokers, financial advisors, laboratories (including dental and optical), hearing aid services, artists, 14 photographers and designers. Financial: Banks, savings & loans, credit unions, etc. (g) 15 Calendar Year: "Calendar Year" means January 1st to and including (h) December 31st of the same year. 16 Billing Period: "Billing Period" shall refer to the Fiscal Year period (i) 17 beginning on July 1 and ending on June 30 of the following year. 18 3.40.30 Establishment of Boundaries. A Parking and Business Improvement District is hereby established pursuant to the 19 Parking and Business Improvement Area Law of 1989, Streets and Highways Code Section 36500 et seq. The boundaries of the District and the benefit zones within 20the District shall be as set forth on Exhibit "A", attached hereto and incorporated 21 herein by reference. This District shall be known as the "MAIN STREET-WATERFRONT BUSINESS IMPROVEMENT DISTRICT" (the "District"). 22 Establishment of District Board of Directors. 3.40.40. 23 There shall be a Board of Directors ("BID Board") of the District to administer the affairs of the District. Said Board shall be constituted of businesses within the 24District. Within the BID Board there shall be a President, Vice-President, 25 Secretary and Treasurer elected by the membership, and such other officers as deemed necessary by the Board. Such other officers shall be appointed by the 26Board of Directors at their discretion. 27 $\mathbf{28}$ 3

								Item 10 Attachment 4	
1 2 3	3.40.50	Establishme All business on Exhibit " assessment t	es, trades, a A" shall, co	and profession	ons loca on July	1, 2003, pay		ct boundaries show al benefit	/n
4		DISTRICT							
5		Proposed Be	ZONE A		IIX. ZONE B		ZONE	° C	
6				2					
7		Retailers and Restaurants	\$400		\$300		\$200		
8		Service	\$300		\$200		\$150	<u></u>	
9		Businesses							
10		Lodging	\$ 10 pe	r room	\$ 10	per room	\$ 10	per room	
11 12		Professional Businesses	\$200		\$150		\$100		
13 14		Financial Institutions	\$500		\$500		\$500	····	
15 16 17		stores, shoe	estaurant:	Businesses	-	-	-	amples are clothing l prepared foods an	-
18		drinks.							
19 20							•	e beauty and barbe tainment businesse	
21		such as theat	-				·		
22		Lodging: Inc	cludes rentin	ng rooms by	y the day	y or week to	commu	nity visitors.	
23				-			•	neys, Dentists, s, Mortgage Broke	re
24		and most otl	er business	es that requ	-	-		zed licenses and/or	
25		advanced ac							
26		Financial Ins		ncludes bar	nking an	d savings ar	ıd loan i	nstitutions as well a	as
27									
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		Item 10 Attachment 4
1	3.40.60	Purpose and Use of Benefit Assessments.
2		The types of improvements and activities proposed to be funded by the levy of assessments on businesses in the District are as follows:
3		a. The acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not
4		limited to, the following improvements:
5		(1) Benches;
6		(2) Trash receptacles;(3) Decorations;
7		(4) Facade improvements;
8		(5) Permanent landscaping
9		b. Activities including but not limited to the following:
10		(1) promotion of public events which benefit businesses in the area and which take place on or in public places within the area;
11		(2) Furnishing of music in any public place in the area;
12		(3) Activities which benefit businesses located and operating in the area, including but not limited to commercial shopping and promotional
		programs.
13	3.40.70	Exclusions From Benefit Assessment.
14 15		No person or business shall be required to pay an assessment based on: (a) a residential use of the property within the District, or (b) a non-profit organization as defined by Section 501 (C) (3) or (C) (6) of the Internal Revenue Service Code
16		located within the District.
17	3.40.80.	New Business Assessment Waiver.
18		Any new business established within the District shall not be required to pay an assessment for the Billing Period during which said business is initiated. The
19		business will have been considered initiated on the date of issuance of the business license. This waiver shall not apply to an existing business that has changed
20		ownership or location within the District. City agrees to supply the BID Board
21	: -	with timely information regarding new businesses initiated within the District.
22	3.40.90.	<u>Collection of Benefit Assessment.</u> The benefit assessment authorized by this Ordinance for SUISUN CITY businesses
23		(Section 3.40.50 hereof), shall be billed and collected each Fiscal Year on July 1.
24		City will bill and collect the assessments, at no charge to the District and forward all funds collected to the BID Board within 30 days of said collections.
25	3.40.100	Voluntary Contributions to District.
26		Contributions to the District shall be permitted on a voluntary basis. The boundaries of the District shall not be modified as a result of the contribution, nor
27		shall said contributing business be considered a member of the District for voting
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		Item 10 Attachment 4
1 2	1	or other purposes. However, said business making a voluntary contribution may be entitled to participate in the programs of the District upon a finding by the BID Board that the District derives a benefit from said business' participation in the program.
3		
4	3.40.110	<u>Annual Budget Process.</u> Pursuant to the Act, it shall be necessary for the BID Board to present an annual
5		budget for City Council review and approval prior to the beginning of each Fiscal Year. The purpose of this process is to comply with the Act provisions regarding
6		public notice and hearing prior to establishing the benefit assessments for the following Fiscal Year. City shall not adopt, modify or otherwise amend any Fiscal
7		Year budget of the District that is inconsistent in any way with said Fiscal Year's budget as agreed to and presented by the BID Board except in the case of a written
8		majority protest (regarding elimination or modification of any specific budget item) from business owners which will pay 50% or more of the assessments proposed to
9 10		be levied as to any specific budget item pursuant to GC Section 36525 (b). In such case the written protest regarding any specific budget item shall be grounds to
11		eliminate or modify said expenditure from the District's proposed budget pursuant
12		to the written protest.
13	3.40.120	Decisions Regarding Expenditure of Funds. As provided for within the guidelines of SB 1424, decisions of the BID Board
14		regarding expenditure of all funds generated under this program shall be final.
15	3.40.130	District Proceeds Do Not Offset City Services. City specifically finds and declares that the funds derived from the District shall not
16		be used to offset or diminish current maintenance, capital improvement programs, including but not limited to, public property and sidewalk cleaning, street cleaning
17		and maintenance, tree maintenance, restroom cleaning and maintenance. The City declares its intent to provide at least the same level and standard of maintenance
18		and repair of public property within the District providing City funds are available
19		from year to year.
20	3.40.140	Disestablishment of the District. Proceedings to disestablish the District shall be initiated by the City Council
21		following the presentation of a petition to the City Council signed by business owners paying 50% or more of the assessments levied in the District. Proceedings
22		to disestablish the District shall follow the procedures set forth in GC Section 36550. The City Council shall disestablish the District if, following the public
23		hearing prescribed in Section 36550 (b), written protests are not withdrawn as to
24		reduce the protests below the 50% level. In the event of disestablishment of the District, remaining revenues of the District shall be refunded to paying business
25 00		owners in a pro-rata manner calculated in the same manner as was used to establish the most recent assessments applied in the District.
26 27	3.40.150	
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	Item 10 Attachment 4
1 2 3 4 5 6 7 8 9	 If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance, it being expressly declared that this ordinance and each section, subsection, clause and phrase hereof would have been prepared, proposed, adopted, approved and ratified irrespective of the fact that any one or more other sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional. 3.40.160 Effective date of Ordinance The ordinance shall take effect upon the thirty-first (31st) day after its final passage. SECTION II. NOTICE OF PUBLICATION This ordinance shall be posted in two (2) public places within the City prescribed by ordinance within fifteen (15) days after its passage and published in the local newspaper of
10	general circulation within the City.
11	AMILIAN ALIAN
12	James P. Spering, Mayor
13	CERTIFICATION
14	I, Linda Hobson, City Clerk of the City of Suisun City and ex-officio Clerk of the City Council of said City, do hereby certify that the above and foregoing ordinance was regularly introduced
15	at a meeting of the said City Council held on Tuesday, March 4, 2003 and regularly passed and adopted at a regular meeting of said City Council held on Tuesday, March 18, 2003 by the
16	following vote:
17	AYES:Council Members:Day, Sanchez, Segala, Ventura, SperingNOES:Council Members:None
18	ABSENT: Council Members: None
19	ABSTAIN: Council Members: None
20	WITNESS my hand and the seal of said City this 18^{th} day of March 2003.
21	Linda Hobson, City Clerk
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Waterfront District Reauthorization and Renewal of

City Council

December 17, 2019



Item 10 Attachment 5



Background

- Ordinance No. 667 (2003) Established BID.
- California Streets and Highways Code (Section 36500 - Parking and Business Improvement Area Law of 1989.
- December 3, 2019 City Council Action.





Remaining Process

- Protest Hearing.
- Consider Renewing District.
- Review and Approve District Budget.



Item 10 Attachment 5





- It is recommended that the City Council:
- protests against renewal of the District, the assessment or any portion of the proposed Conduct a Public Hearing to receive any District budget; and
 - Adopt Resolution No. 2019-___:
- Reauthorizing and Renewing the Suisun City **Historic Waterfront Business Improvement** District and the Assessment Levy for the District; and
- Vaterfront Business Improvement District. the Proposed Calendar Year 2020 Operating Adopt Resolution No. 2019- ...: Approving **Budget for the Suisun City Historic**



Questions?



Item 10 Attachment 5

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AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: Public Hearing and Council Adoption of Resolution No. 2019-__: Approving an Update of the Master Fee Schedule.

FISCAL IMPACT: Updating the City's Master Fee Schedule would address the gap between current recovery levels and full-cost recovery, as well as ensure the City is not charging more than "costs reasonably borne," which would constitute a tax under the State Constitution.

STRATEGIC PLAN GOALS: Ensure Fiscal Solvency

BACKGROUND: In September 2016, the Council approved a comprehensive update to the City's Master Fee Schedule based upon a User Fee Study prepared by Matrix Consulting Group (Matrix). The previous such study was conducted in 1986, and the previous fee adjustment was in 2012. The purpose of the User Fee Study was to identify the full direct and indirect costs associated with providing services to individuals or businesses in the City. These fees have been updated periodically to account for inflation.

The update to the Master Fee Schedule proposed by Staff is a periodic update of existing fees. In this instance, Cannabis related fees and Fireworks related fees are proposed to be updated.

Legal Parameters

Article XIII of the State Constitution (Proposition 13) provides that local governments may charge "costs reasonably borne" when providing services to individuals, developers, or businesses. These are the types of fees that are listed in the Master Fee Schedule. If the City sets the fee above the actual costs (direct and indirect), then the difference would be a "tax" that must receive voter approval or not be imposed. If the City sets a fee below its full-cost recovery, then the taxpayers of the City are subsidizing the provision of those services that only benefit individuals, developers or businesses. Choosing whether to set fees at full-cost recovery rates is a policy decision for the City Council to make.

STAFF REPORT:

Fee Schedule Highlights

Below are summaries of the proposed changes by department:

<u>Planning - Application Review Fees and Commercial Cannabis Business Permit</u> (CCBP)Annual Fee: The City will incur costs processing Commercial Cannabis applications and administering approved cannabis businesses. The City Council must adopt a fee resolution if it intends for applicants and approved businesses to fund these obligations.

The level of effort associated with processing applications is not known at this time. The completeness of application submittals, the Council review process, and the number of applications received will all affect the cost to process individual applications. Therefore, staff recommends a deposit-based fee to fund process of selecting a storefront retailer operator and issuing the associated CCBP. This deposit-based approach allows the City to charge applicants the actual cost of processing applications.

Additionally, there are two distinct phases of work to review application and approve a single storefront retailer. The first phase is the selection process and an initial deposit of \$4,800 per application is proposed for this operator selection phase. A second phase, final approval of the selected operator and approval of a CCBP will only involve a single applicant and a second deposit of \$7,800 is proposed to fund CEQA analysis, preparation of project specific conditions of approval and other actions related to final approval of the proposed storefront retailer.

Once approved and operational, the City will have ongoing obligations related to monitoring the business for compliance with operational requirements, processing and auditing of quarterly tax payments and other tasks and responsibilities associated with the storefront retailer. The proposed storefront retailer CCBP annual deposit for a storefront retailer is \$4,320.

All unused portions of the deposits would be returned to the applicant/permittee. If the process requires more time than anticipated and therefore the costs exceed any deposit made, then the applicant/permittee shall pay the difference between the deposit and the actual cost of providing the service before the CCBP issues or is renewed.

The application processing deposit and the storefront retailer CCBP annual deposit would allow the City to recapture actual costs associated with conducting the RFA process and the direct efforts required to administer the storefront retailer's CCBP for a one-year period. The analysis for the proposed application review fee deposits and storefront retailer CCBP annual fee deposit is provided in Attachment 2 of this report ("Deposit and Fee Analysis").

Fire Department - Fireworks Fee Update:

In 2012, the City Council of Suisun City passed City Ordinance No. 721 allowing the sale and distribution of Safe and Sane Fireworks within city limits. Section 8.04.050 T 1. states:

"The city will require each applicant receiving a permit to pay a reasonable regulatory fee, as described in Section 1(e)(3) of Article XIII C of the California Constitution. The fee shall represent the reasonable regulatory costs to the city for issuing licenses and permits, performing investigations, inspections and audits, and the administrative enforcement and adjudication thereof. The fees established pursuant to this section are used to enforce the provision of this chapter and not intended to generate excess revenue for the city."

The City had previously charged an 8% surcharge to cover the regulatory costs. However, in order to correctly identify costs and adequately cover those costs, the Suisun City Fire Department has completed a cost allocation plan and developed a user fee study. Specifically, the goals of a cost allocation plan include acquisition of a documented and defensible plan that

generates general/administrative allocation amounts that may be included in the City's annual budget, indirect/overhead rates, and fully-burdened hourly rates for City personnel. The goal of the user fee study is to identify the full cost of service in fee-related activities to facilitate the development of strategies/policy for recovery of those costs in user/regulatory fees.

This fee study is the foundation for improved cost recovery for adequate fire prevention, fire education, fire investigation, and fire code enforcement associated with fireworks use and fire dangers associated with lighters, matches, fuses, and fire-starting materials. The update to current processing times and an updated fully burdened hourly rate will result in a more accurate flat fee.

This fee study outlines an enhanced and more effective standard for education and enforcement for fireworks in the City of Suisun City and includes the following; fireworks mapping, staff time, staff vehicles, investigations tools, protective gear, illegal fireworks processing, illegal fireworks disposal, office supplies, and education material. Furthermore, this study reflects best practices, accounting standards and OMB 2 CFR Part 225 which makes it necessary for the City to maintain a well-documented cost allocation plan that will help it to appropriately allocate general and administrative costs in its budget, and properly identify overhead rates that can be used in the calculation of billable hourly rates for federal and state grants, user fees, and reimbursements from other governmental agencies. This user fee study is in compliance with the requirements under Proposition 218 and Proposition 26.

RECOMMENDATION: It is recommended that the City Council:

- 1. Open the Public Hearing and take testimony, if any; and
- 2. Close the Public Hearing; and
- 3. Adopt Resolution No. 2019-__: Approving an Update of the Master Fee Schedule

ATTACHMENTS:

- 1. Resolution No. 2019-__: Approving an Update of the Master Fee Schedule.
- 2. Updated Master Fee Schedule (Fire and Planning)
- 3. Comparison of Existing Cannabis Fees to Proposed Fees.
- 4. Fire Department User Fee Study
- 5. Power Point Presentation

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				Item 11 Attachment 1
1		RESO	DLUTION NO. 2019 -	
2 3			Y COUNCIL OF THE CITY TE OF THE MASTER FEE S	
4 5	is the intent of	f the Suisun City Counc	ele XIIIB of the Constitution of t cil to ascertain and recover costs oviding certain City regulation, j	s reasonably borne from
6 7 8	competitive bid the full cost o	dding procedures, to con	y retained Matrix Consulting G nduct the Cost of Services (User I s provided to the public, which 2016; and	Fee) Study that identifies
9	WHEF accurate cost d		nd Fireworks fees have been a	mended to reflect more
10 11	proposed upda	2	has duly noticed, called and held chedule reflecting revised Cann	e
12 13 14	City hereby ar	nends and updates the N ive sixty (60) days after	RESOLVED that the City Cour Master Fee Schedule as reflecte r adoption, as provided in Calif	d in Exhibit A hereto to
15 16			a regular meeting of the City Cou of December 2019, by the follow	•
17 18 19	AYES: NOES: ABSENT: ABSTAIN:	Council Members: Council Members: Council Members: Council Members:		
20 21	WITNESS my	y hand and the seal of sa	aid City this 17 th of December, 20)19.
22				
23 24			Donna Pock, CM0 Deputy City Clerk	
25				
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27 28				

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MASTER FEE SCHEDULE

Section 2: Fire

Fee Description			lopted ly 2019	Proposed Dec-19
FIRE DEPARTMENT				
Incident Printout, per page		\$	0.10	
Fireworks				
SCC Section 8.04.030 Public Display Application Fee		\$	50	
SCC Section 8.04.030 Public Display Permit Fee, Plus:		\$	85	
Actual costs for Services, Inspections & Standy for SCFD, SCPD, B&PW.				
SCC Section 8.04.050 Regulatory Fee				\$ 21,388.27
SCC Section 8.04.060 Safe & Sane Application Fee		\$	50	
SCC Section 8.04.060 Safe & Sane Application Permit Fee, Plus:		\$	85	
Actual costs for Services, Inspections & Standy for SCFD, SCPD, B&PW.				
Asphalt Kettle/Per Co. Anly		\$	64	
Candles (in assembly occ)		\$	64	
For services listed below, actual rate will be as listed on current California Fire Assistant California Fire Service and Rescue Emergency Mutual Aid System by type of personnel an apparatus/equipment required.	0	reemei	nt for the	
Hazardous Materials Emergency				
Other Agency Response Additional Equipment & Manpower				
Standby Response of Equipment & Manpower				
Minimum charge			2 hours	
Administrative fee			14.6%	



MASTER FEE SCHEDULE

Section 6: Planning

Fee Description		Adopted July 2019	Proposed December 2019
ree Description		July 2019	December 2019
Variance		\$ 1,318	
Use Permits			
Conditional Use Permit		\$ 1,501	
Temporary Use Permit		\$ 385	
Exceptions (Historic Residential District)		\$ 390	
Home Day Care		\$ 390	
Site Plan / Architectural Review			
0-1 Acre		\$ 3,303	
1-10 Acres		\$ 5,007	
10+ Acres (Minimum Deposit Required)		\$ 10,000	
Site Plan / Architectural Review (Non-Residential)			
0-1 Acre	Up to	\$ 3,303	
1-10 Acres		\$ 5,007	
10+ Acres (Minimum Deposit Required)		\$ 10,000	
Tentative Parcel Map (0-4 Lots)		\$ 1,098	
Lot Line Adjustments / Merger Processing		\$ 411	
Tentative Subdivision Map			
5-100 Units	Up to	\$ 6,108	
100+ Units (Minimum Deposit Required)		\$ 10,000	
Condo Map		\$ 4,404	
Tentative Map Extension		\$ 666	
Planned Unit Development			
0-5 Acres		\$ 6,678	
5+ Acres (Minimum Deposit Required)		\$ 10,000	
Annexations		\$ 4,597	
Final Parcel Map		\$ 495	
Final Subdivision Map		\$ 495	
Appeals Planning Comm/City Council		\$ 416	
Rezoning/Prezoning			
0-10 Acres		\$ 4,339	
10+ Acres (Minimum Deposit Required)		\$ 10,000	
General Plan Amendment			
0-10 Acres		\$ 4,339	colution No. 2018 10

Adopted by Resolution No. 2018-100 Effective November 19, 2018



MASTER FEE SCHEDULE

Section 6: Planning

Fee Description	Adopted July 2019	Proposed December 2019
10+ Acres (Minimum Deposit Required)	\$ 10,000	December 2019
Specific Plan Amendment	\$ 10,000	
0-10 Acres	\$ 4,339	
10+ Acres (Minimum Deposit Required)	\$ 10,000	
Custom Homes	\$ 853	
Demolition Permit (Historic District Resource Assessment)	\$ 346	
Ordinance Amendment-Text or other	\$ 3,357	
	\$ 3,337	
Design Review		
Planning & Zoning InspLetter of Compliance	\$ 134	
Work of - Professional Staff - Director, per hour	\$ 177	
Work of - Professional Staff - Senior Planner, per hour	\$ 138	
Work of - Professional Staff - Assistant Planner Staff, per hour	\$ 109	
Public Hearing Notice	\$ 212	
Water Efficient Landscaping Ordinance Compliance	\$ 63	
Deposits applied toward Actual Costs of Staff, Attorneys, Consultants		
Development Agreement - Minimum Deposit Required	\$ 20,000	
Environmental Impact Report (EIR), Minimum Deposit Required	\$ 20,000	
Categorical Exemption	\$ 250	
Initial Study / Environmental Determination at Actual Cost, Min. Deposit Required	\$ 12,000	
Mitigation Monitoring Program, at Actual Cost - Minimum Deposit	\$ 5,000	
Cannabis Application Preliminary Review and Processing		\$ 4,800
Cannabis Application Final Review and Approval of Operator		\$ 7,800
Commercial Cannabis Business Permit Annual Fee		\$ 4,320
Annexation into Community Facilities District #2, Min. Deposit	\$ 10,000	

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Attachment 3 – DEPOSIT AND FEE ANALYSIS

I. Storefront Retailer/Dispensary Commercial Cannabis Application Review and Commercial Cannabis Business Permit Issuance – Deposit for Services

Processing of applications under the Storefront Retailer/Dispensary Request for Applications (RFA) process shall be performed on a time and materials basis with each applicant being charged the actual cost and rates incurred in the processing of an application.

Efforts associated with the processing of RFA applications will be completed by a combination of City staff and consultants retained by the City. For purposes of calculating the initial deposits, the costs associated with tasks below reflect the combined costs of staff and consultants with an estimated average billing rate of \$120 per hour. However, deposits will be drawn down upon based on the actual rate(s) of the personnel performing the necessary services.

The deposit amount described herein is anticipated, but not guaranteed, to fund the full cost of processing applications. If additional funding is required to cover the actual costs of services performed, the applicant will be required to replenish the deposit in accordance with the process established by resolution of the City Council. If any deposited amounts exceed actual costs upon completion of the services for which the fees are changes, the excess amounts will be refunded in accordance with the process established by resolution of the City Council.

For purposes of this analysis, it is assumed that three applications will be received under the RFA process. The analysis provided in Table 1 establishes an initial deposit amount that funds efforts through tentative approval of a recommended Cannabis Storefront Retailer operator by the City Council.

Prepare for and conduct informational 1.	5 30		Application
		<u>510</u>	\$ 600<u>1,200</u>
Respond to inquiries prior to and during the 44 application period	2 <u>18</u>	4 <u>6</u>	\$4 <u>80720</u>
Evaluate applications received in response to 2-	4 <u>36</u>	<u>812</u>	\$ 960<u>1,440</u>
Prepare reports and recommendations to the 4 City Council Subcommittee and to the City Council	2 <u>18</u>	4 <u>6</u>	\$4 <u>80720</u>

Formatted Table

PREPARED BY: APPROVED BY:

Greg Folsom, City Manager Greg Folsom, City Manager

Review and Processing

Following tentative approval by the City Council, the recommended operator will be required to pay the initial deposit toward the Application Fee for costs related to final review/approval of the commercial cannabis business permit, as established in Table 2.

Service	Total Hours	Hours per Application	Cost per Application	
Prepare CEQA analysis and conditions of approval for the selected operator	20<u>40</u>	20<u>40</u>	\$ 2,400<u>4,800</u>	
Prepare for and conduct final City Council approval meeting	<u>810</u>	<u>810</u>	\$ 960<u>1,200</u>	
Establishment of procedures and practices to administer the permitted business	15	15	\$1,800	
Cost for Final Application Processing for City Council Consideration of Commercial Cannabis Business Permit Approval				

II. Storefront Retailer/Dispensary Commercial Cannabis Business Permit Annual Fee

The City will undertake activities to administer permitted commercial cannabis storefront retailers. Such establishment and conduct of such activities will be undertaken largely through consultants to be retained by the City. It is estimated that the average hourly rate for staff and consultant services will be \$120 per hour. Anticipated cost associated with administering commercial cannabis programs on an annual basis are identified in Table 3.

Service	Total Hours	Annual Cost	
Acceptance, processing and documentations of quarterly tax payments	12	\$1,440	
Audit cannabis sales	12	\$1,440	
Inspect business sites and determine compliance with operating regulations	12	\$1,440	
Total annual cost to administer a commercial cannabis business	\$4,320		

Suisun City Fire Department

Fireworks Surcharge/User Fee Study

Overview

The City of Suisun City charges user fees for a variety of specific services provided on behalf of a private citizen or group. The underlying assumption for the user fee is that costs of services benefiting individuals and users, and not the entire community, should be borne by the individuals receiving the service. Although there may be indirect safety benefits from a user fee to the entire community, the inherent safety concern by users of fireworks call for a user fee to address the increased risk by use of fireworks. Therefore, setting user fees is equivalent to establishing prices for services.

Unlike private organizations, making a profit in providing services to the public is not a legally allowable objective for local governments. The City may only set fees at a level to recover the full cost of providing the service. However, in certain circumstances, it is reasonable to set policies in establishing fees for certain services at a level that does not recover the full cost, resulting in General Fund subsidy.

The Suisun City Fire Department has completed a cost allocation plan and developed a user fee study. Specifically, the goals of a cost allocation plan include acquisition of a documented and defensible plan that generates general/administrative allocation amounts that may be included in the City's annual budget, indirect/overhead rates, and fully-burdened hourly rates for City personnel. The goal of the user fee study is to identify the full cost of service in fee-related activities to facilitate the development of strategies/policy for recovery of those costs in user/regulatory fees.

This fee study is the foundation for improved cost recovery for adequate fire prevention, fire education, fire investigation, and fire code enforcement associated with fireworks use and fire dangers associated with lighters, matches, fuses, and fire-starting materials. The results and recommendations in the final fee model will likely lead to an adjustment of the regulatory surcharge found in the Fireworks Wholesale Agreement Exhibit A.

Organization Scan Overview:

An organization scan overview of Suisun City Fire Department provided a comprehensive look at external services, department organizational structures and practices, as well as potential modifications or alternative modes of operations that would deliver cost savings and/or efficiencies. The scan identified critical unmet needs and ways to recover costs and increase revenue to ensure adequate public safety associated with fire risk. A comprehensive analysis of the fireworks user fees and appropriate increases is one way to recover costs and increase safety while meeting the intent of the user fee. A few observations of the scan are: 1. **There are many critical unmet needs.** A snapshot of the fire department showed a lack of financial capability to increase community risk reduction as a whole. A review of the departments past fire prevention, education, enforcement, and investigation ability showed an inability to adequately protect Suisun City, especially during the period of time when fireworks are sold in Suisun City and fire season is in full motion. The lack of funds for these activities associated with fireworks during fire season is impacting the general fund and limiting the fire department's ability to provide for public safety in Suisun City in conjunction with the users of fireworks.

2. Regularly analyzing costs and setting rates and fees to recover costs will be important to reduce the impact on services provided to individuals or groups. The City's cost allocation study and fee study will set the foundation for cost recovery. Capturing costs for services that benefit a particular party or group can be a viable way to pay for some services. Regularly reviewing costs so that fees are set at a level to recoup costs is a way to ensure that the General Fund is not paying for services for which fees should be charged. Regularly evaluating costs and setting rates and fees is a best practice, as is having a clear policy statement about what rates and fees are intended to cover.

3. Enhanced revenues would have the potential to affect the limited term and year-round public safety in Suisun City. Education and Outreach from user fee funding has a lasting impression on the current users and future users of fireworks and lighter, match, and fire starter users. Increased awareness and safety dealing with fire danger is a positive benefit for the health and welfare of Suisun City. Enhanced enforcement ability will also increase additional cost recovery revenue in the ability to give municipal citations in the enforcement of the fire code. This additional cost recovery mechanism will both deter illegal fireworks and allow for further analysis of the user fee impacts in the future.

Highlights of Proposed Changes

The final fee model is complete, and an adjustment to the surcharge is proposed. This change will be based on a change in fee structure, for example moving from a percentage valuation to a flat fee. Additionally, the update to current processing times and an updated fully burdened hourly rate will result in a more accurate flat fee.

Furthermore, this study reflects best practices, accounting standards and OMB 2 CFR Part 225 which makes it necessary for the City to maintain a well-documented cost allocation plan that will help it to appropriately allocate general and administrative costs in its budget, and properly identify overhead rates that can be used in the calculation of billable hourly rates for federal and state grants, user fees, and reimbursements from other governmental agencies. This user fee study is in compliance with the requirements under Proposition 218 and Proposition 26.

Item 11 Attachment 4 Suisun City Fire Department Fireworks Surcharge/User Fee Study

The Fee Study

Purpose:

The purpose of the fireworks surcharge study is to identify the total cost of the fire department to provide City service at the appropriate activity level and in a manner that is consistent with all applicable laws, statutes, rules and regulations governing the collection of fees, rates, and charges by public entities including but not limited to, the State Controller's Office guidelines for cost claiming and OMB 2 CFR Part 225 standards, in regards to fireworks, fire education, fire prevention, fire code enforcement, fire investigations, illegal fireworks enforcement and disposal.

A billable model is provided for the breakdown of user fee costs. This model determines the appropriate general and administrative overhead allocations to City activities and applicable overhead rates for use in calculating the City's billable hourly rates. The requirements for the model should allow for:

a. Additions, revisions, or removal of direct and overhead costs so that the full cost allocation plan can be easily adapted to a range of activities, both simple and complex.

b. The ability of the City to continuously update the model and full cost allocation plan from year to year as the organization changes.

c. The addition of hypothetical service area information for future service enhancements, and the ability to calculate the estimated costs of providing the service under consideration (i.e. adhoc analysis).

Methods of Analysis

There were three primary phases of analysis applied throughout this fee study: cost of service analysis, cost recovery evaluation, and fee establishment cost of service analysis.

Cost of Service Analysis

A cost of service analysis is a quantitative effort that compiles the full cost of providing governmental services and activities. There are two primary types of costs considered: direct and indirect costs. Direct costs are those that specifically relate to the activity in question, including the real-time provision of the service. Indirect costs are those that support the provision of services but cannot be directly or easily assigned to the activity in question. An example of a direct cost is the salary and benefit expense associated with an individual

performing a service. In the same example, an indirect cost would include the expenses incurred to provide an office and equipment for that individual to perform his or her duties, including (but not exclusive to) the provision of the service in question.

Components of the full cost of service include direct labor costs, indirect labor costs, specific direct non-labor costs where applicable, allocated non-labor costs, and allocated organization-wide overhead.

Definitions of these cost components are as follows:

- *Labor costs* These are the salary/wage and benefits expenses for City personnel specifically involved in the provision of services and activities to the public.
- Indirect labor costs—These are the salary/wage and benefits expenses for City personnel supporting the provision of services and activities. This can include line supervision and departmental management, administrative support within a department, and staff involved in technical activities related to the direct services provided to the public.
- Specific direct non-labor costs These are discrete expenses incurred by the City due to a specific service or activity performed, such as contractor costs, third-party charges, and very specific materials used in the service or activity. (In most fee types, this component is not used, as it is very difficult to directly assign most non-labor costs at the activity level.)
- Allocated indirect non-labor costs These are expenses other than labor for the departments involved in the provision of services. In most cases, these costs are allocated across all services provided by a department, rather than directly assigned to fee categories.
- Allocated indirect organization-wide overhead These are expenses, both labor and non-labor, related to the City's agency-wide support services. Support services commonly include general administrative services such as: City Manager, City Clerk, City Attorney, Human Resources, Finance, etc. The amount of costs attributable to each department or division included in this study were developed though a separate cost allocation plan provided by the City's Finance Department.

All costs in this study are expressed using annual (or annualized) figures, representing a twelvemonth cycle of expenses incurred by the City in the provision of all services and activities agency-wide.

Nearly all of the fees under review in this study require specific actions on the part of City staff to provide the service or conduct the activity. Because labor is an underlying factor in these activities, the full cost of service was most appropriately expressed as a fully burdened cost per available labor hour. This labor rate – expressed as an individual composite rate for the fire Prevention Division and serves as the basis for further quantifying the average full cost of providing individual services and activities. The Fire Prevention Division consists of the Suisun City Fire Chief, Division Chief, and Fire Captains.

The fully burdened labor rate is used at the individual fee level to estimate an average total cost of providing each fee-related service or activity. This step required the development of staff time estimates for the services and activities listed in the proposed fee structure. It should be noted that the development of these time estimates was not a one-step process: estimates received were carefully reviewed by both the Fire Chief and the City Attorney to assess the reasonableness of such estimates.

The average cost of service represents the average cost at the individual fee level. The City does not currently have the systems in place to impose fees for every service or activity based on the actual amount of time it takes to serve each individual. Moreover, such an approach is almost universally infeasible without significant— if not unreasonable— investments in costly technology. Much of the City's Fire Prevention fee schedule is composed of flat fees, which by definition, are linked to an average cost of service; thus, use of this average cost method was the predominant approach in proceeding toward a schedule of revised fees. Flat fee structures based on average costs of service are widely applied among other California municipalities, as a generally accepted approach.

Cost Recovery Evaluation

Current levels of cost recovery from existing fee revenues were stated simply by comparing the existing fee for each service or activity – if a fee was charged – to the average total cost of service quantified through this analysis. Cost recovery was expressed as a percentage of the total cost. A cost recovery rate of 0% means no costs are recovered from fee revenues. A rate of 100% means that the full cost of service is recovered from the fee. A rate between 0% and 100% indicated partial recovery of the full cost of service. User fees and regulatory fees examined in this study should not exceed the full cost of service. In other words, the cost recovery rate achieved by a fee should not be greater than 100%. In most cases, imposing a fee above this threshold could require the consensus of the voters.

Fee Establishment

This study also included a range of fee structure design and fee structure implementation considerations, as described below:

 Addition to and deletion of fee categories – the study process provided the opportunity to propose additions and deletions to the fee schedule, as well as rename, reorganize, and clarify fees. Such a revision was performed to better conform fees to current best practices, as well as improve the calculation of fees owed by an individual, the application of said fees, and the collection of revenues. In other words, as staff is more knowledgeable and comfortable working with the fee schedule, the accuracy achieved in both imposing fees on users and collecting revenues for the City is greater. Beyond this, some additions to the fee schedule were simply identification of existing services or activities performed by City staff for which no fee was imposed.

- Revision to the structure of the fee Partially in this case, the current structure of the fee was changed from a percentage to a flat fee; the level of the fee was simply recalibrated to match the costs of service and targeted cost recovery level. The primary objective was to simplify and/or clarify the fee structure, or increase the likelihood that the full cost of service would be recovered.
- Documentation of tools to calculate special cost recovery An element included in this fee schedule development is a combined fully burdened hourly rate for the Fire Prevention Division. Documenting these rates in the fee study provides an opportunity for the City Council to approve rates that should be used whenever the City computes a special form of cost recovery under a "time and materials" approach. It also provides clear publication of those rates, so ultimate fee payers of any uniquely determined fee can reference the amounts.

Data Sources

The following City-published data sources were used to support the cost of service analysis and fee establishment phases of this study:

- The City of Suisun City adopted budget for fiscal year 2019-20.
- A complete listing of Fire Prevention Division personnel, salary/wage rates, regular hours, paid benefits, and paid leave amounts provided by the Finance Department.
- Various correspondences with the City staff supporting the adopted budgets and current fees, including budget notes and expenditure detail not shown in the published document.
- Prevailing fee schedules provided by the Fire Department. The City's adopted budget is the most significant source of information affecting cost of service results.

Beyond data published by the City, original data sets were also developed to support the work of this study: primarily, estimated staff time at various levels of detail. To develop these data sets, the Fire Chief detailed the expectations for the performance of the duties and allocated staff hours and resources necessary to meet the intent of the proposed fee. In the Cost of service analysis phase of the analysis, departmental staff provided estimates of average time spent providing a service or activity corresponding with an existing and expectations going forward for duties associated with the user fee.

Billable Model

	Fire Prevention/Education	ion	
Fire area asse	essments for fireworks mapping		
		\$ 40.00	
Staff Time			
	Rank (total hours and rate)		
	Captain (19 hours @ \$26.22hr.)		\$ 498.18
	Division Chief (32 hours @ \$55.83hr.)		\$ 1,786.56
	Fire Chief (35 hours @ \$75.00hr.)		\$ 2,625.00
Staff Vehicle			
	Portion of Lease and Fuel		\$ 262.80
		Total	\$ 5,212.54
	Fire Investigations/Enforce	ement	
Fire Investiga	ations/Enforcement Tools		
C	Cost		\$ 194.00
Fire Investiga	ations/Enforcement Uniforms		
C	Cost (\$26.86 x4)		\$ 107.44
Fire Investiga	ations/Enforcement Personal Protection	n Gear	
C	Cost (\$62.71x4)		\$ 250.84
Fire Investiga	ations/Enforcement Evidence Collection	n	
_	Cost		\$ 194.55
Staff Time			
	Rank (total hours and rate)		
	Captain (98 hours @ \$26.22hr.)		\$ 2,569.56
	Division Chief (81 hours @ \$55.83hr.)		\$ 4,522.23
	Fire Chief (85 hours @ \$75.00hr.)		\$ 6,375.00
Staff Vehicle			
	Portion of Lease and Fuel		\$ 262.80
		Total	\$ 14,476.42

	Fireworks Disposal and Proc	essing		
Staff Time				
	Rank (total hours and rate)			
	Captain (6 hours @ \$26.22hr.)		\$	157.32
	Division Chief (6 hours @ \$55.83hr.)		\$	208.92
	Fire Chief (3 hours @ \$75.00hr.)		\$	152.10
Staff Vehicle				
	Portion of Lease and Fuel		\$	52.56
		Total	\$	570.90
	Indirect Costs			
Office Costs				
	Office supplies, equipment, electricity, etc.		\$	1,005.48
Personnel				
	Background investigations, etc.		\$	122.93
Total			\$	1,128.41
One T	Time Costs (using accrued funds from	the prev	vious y	vears)
Prevention M	aterials			
	Banners		\$	2,000.00
	Pamphlets		\$	1,000.00
Juvenile Fire	Education			
	Props		\$	3,000.00
	Written Materials		\$	500.00
Fire Risk Aba	tement			
	Cost		\$	15,000.00
Fire Investiga	tions			
	Fire Code books		\$	1,500.00
	Inspection Materials		\$	8,000.00
	Personal Protection		\$	7,100.00
		Total	\$	38,100.00
Total Ar	nnual Fee at Full Cost Reco	overy	\$21	1,388.27
Total One Time Cost			\$38	8,100.00

Historical User Fee Data

Historical Data								
Fiscal Year	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20
Total Revenue	\$ (24,987.00)	\$ (22,696.00)	\$ (15,031.00)	\$ (15,955.00)	\$ (17,684.00)	\$ (18,516.00)	\$ (16,430.00)	\$ (18,931.97)

Item 11 Attachment 4 Suisun City Fire Department Fireworks Surcharge/User Fee Study

Conclusion

Based on the cost of service analysis, cost recovery evaluation, and fee establishment phases of analysis in this study, the proposed fireworks user fee formatted for implementation has been prepared and included in the City's accompanying staff report.

As discussed throughout this report, the proposed user fee/surcharge adjustment includes a more accurate reflection of actual costs for services provided and will assist the City to get full cost recovery for fire prevention, education, investigations, and enforcement revolving around fireworks sales in Suisun City. Converting from a percentage-based user fee and moving towards a study-based user fee, the City of Suisun City will have a more complete cost recovery program with measurable benchmarks and program funding. Additionally, this study and the data can be utilized for future cost recovery analysis that may find a need to decrease or increase the user fee based on the cost recovery calculations. For the near-term, the City should not count on increased revenues to meet any specific expenditure plan. Experience with these fee increases should be gained first before revenue projections are revised. However, unless there is some significant, long-term change in activity levels at the City, proposed fee amendments should– over time–enhance the City's revenue capabilities, providing it the ability to stretch other resources further for the benefit of the public at large.

The City should consider adjusting this user fee on an annual basis to keep pace at least with cost of inflation. For all fees and charges, the City could use either a consumer price index adjustment or a percentage of labor cost increase, and that practice would be well applied to the new fee schedule. Conducting a comprehensive user fee study is not an annual requirement; it becomes worthwhile only over time as significant shifts in organization, local practices, legislative values, or legal requirements change. It should be noted that when an automatic adjustment is applied annually, the City is free to use its discretion in applying the adjustment; not all fees need to be adjusted, especially when there are good policy reasons for an alternate course. The full cost of service is the City's only limit in setting its fees.

As a final note in this study, it is worth acknowledging the path that fees in general have taken in California. The public demands ever more precise and equitable accounting of the basis for governmental fees and a greater say in when and how they are imposed. It is inevitable in the not too distant future that user fees and regulatory fees will demand an even greater level of analysis and supporting data to meet the public's evolving expectations. Technology systems will play an increased and significant role in an agency's ability to accomplish this. Continuous improvement and refinement of time tracking abilities will greatly enhance the City's ability to set fees for service and identify unfunded activities in years to come.

In preparing this report and the opinions and recommendations included herein, the Fire Chief has relied on a number of principal assumptions and considerations with regard to financial matters, conditions and events that may occur in the future. This information and assumptions, including the City's budgets, time estimate data, and workload information from City staff, were provided by sources believed to be reliable. Verification of data assumption were completed to the best of the Fire Chief's ability to ensure an accurate reflection of data.

While the Fire Chief's use of such information and assumptions is reasonable for the purpose of this report, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by the Fire Chief or provided to him by others.

Recommended User Fee

The recommended user fee adjustment is two part:

1) an adjustment from 8% of fireworks sales to a flat fee and;

2) A flat fee of \$21,388.27 that is adjustable and scalable for significant changes in services, service costs, consumer price index adjustment and or inflation.

This new flat rate of \$21,388.27 reflects best practices, accounting standards and OMB 2 CFR Part 225, which makes it necessary for the City to maintain a well-documented cost allocation plan. This flat rate user fee is also in full compliance with the requirements under Proposition 218 and Proposition 26.



odate to Master vublic Hearing ee Schedule

City Council

December 17, 2019







Cannabis Fees

- Cannabis Ad Hoc discussed proposed fees
- Fees presented in February 2019 to Council were never formally approved
- Ad Hoc recommends some updates to include additional City Manager and City Attorney review







Proposed Froc Froc Con Froc Con Froc Con

\$3,0004,800 and Application Processing – Deposit applied to Review for Preliminary actual costs Deposit

Deposit for Final Application Processing for City Council Consideration of Commercial Cannabis Business Permit Approval – Deposit applied to actual costs

\$5,1607,800

Total annual cost to administer a commercial <u>cannabis business</u>

\$4,320

Item 11 Attachment 5







 Fire Department conducted an in-depth User Fee Study to determine the cost recovery needed to regulate fireworks and provide enforcement associated with fireworks adequate prevention, education, and





Proposed Fireworks Regulatory Fees

\$21,388.27 8% SCC Section 8.04.050 Regulatory Fee



Item 11 Attachment 5



Staff Recommendation

It is recommended that the Council:

- Conduct a Public Hearing to take testimony; and
- Adopt Resolution No. 2019-___: Approving an update of the Master Fee Schedule





Questions?







Item 11 Attachment 5

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AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: PUBLIC HEARING: Request to Approve a Pylon Sign at the Heritage Park Shopping Center.

a. Council Adoption of Resolution No. 2019-____: A Resolution of the City Council of the City of Suisun City Approving a 60-Foot-Tall Pylon Sign at the Heritage Park Shopping Center (APN 0173-010-380).

FISCAL IMPACT: There is no immediate impact to the General Fund; however, the sign may lead to greater sales in the shopping center and more sales tax revenue to the City.

STRATEGIC PLAN IMPACT: Develop Sustainable Economy, Ensure Fiscal Solvency.

BACKGROUND: On September 3, 2013, the City Council amended the City's Zoning Code to include Special Sign Overlay District (SSOD) regulations that allow the establishment of up to five Special SSOD along Highway 12. On March 19, 2019 the Council approved the design and location of a pylon sign at the Northwest corner of Highway 12 and Sunset Avenue (Flyers Property). Additionally, a Sign District for the Heritage Park Shopping Center was formed and adopted by ordinance on April 2, 2019.

Following approval of the sign and district formation, construction drawings were submitted to the City for permit. It was at that time that an underground PGE facility was located and the sign in its current location was no longer feasible. In the months following, the applicant and their team surveyed other potential locations before settling on a location along Highway 12 on the main shopping center property (APN: 0173-010-380).

Since the sign's location has dramatically changed (new APN), and physical changes to the site are proposed (tree removals and parking lot improvements), staff determined that the revised application (AR19/20-003) will need to be considered by both the Planning Commission (recommendation) and City Council (final action) through a Public Hearing process. However, there is not a design change proposed from what was approved by Council in March.

STAFF REPORT: The review of a highway-oriented sign within a SSOD is reviewed for consistency with the above noted standards and may include site plan review and design review of the proposed sign and its location. Specific design elements and features of the proposed highway-oriented sign include:

- The sign, including its decorative elements, shall not exceed 60' in height;
- The maximum width of the sign shall be 19';
- The total number of panels shall be 12 per side. One sign panel shall be 5'6" x 14', three sign panels shall be 3' x 14' and eight panels shall be 2' x 6'10";

- All of the signage panels on the sign shall be internally illuminated;
- The sign may be designed to accommodate internal cellular or other communications antennas and equipment. No exterior cellular or other communications antennas will be allowed; and
- No electronic message boards or digital signage of any type shall be permitted.

The Heritage Park pylon sign's background is muted in color (aluminum). The center identification and tenant names will be individual illuminated channel letters. The illumination of the letters will be similar to typical channel letters mounted on buildings. The channel letters have translucent acrylic faces that are illuminated internally with LED or a similar light source. The brightness and intensity depends on the color of acrylic faces. Some of the colors are more translucent than others and will transmit more light. For example, white faces would transmit more light that dark blue faces.

The proposed Heritage Park Center Highway-Oriented Sign is consistent with City standards as follows:

- 1. Each SSOD may have only one highway-oriented sign within the district.
 - a. The proposed sign will replace the existing highway oriented sign and will be the sole highway oriented sign within the Heritage Park SSOD.
- 2. The highway oriented sign may advertise businesses located on a different parcel than the sign (referred to as off-premise advertising), but may not advertise businesses located outside of the SSOD boundaries.
 - a. The proposed sign will be monitored for compliance with allowed advertising.
- 3. Up to five SSODs may be designated within the Highway 12 corridor. However, no highway-oriented SSOD sign may be constructed within 100 feet of any existing highway-oriented SSOD sign in an adjacent SSOD.
 - a. There are no other SSOD's or SSOD highway-oriented signs within 100 feet of the proposed Heritage Park sign.
- 4. Generally, the highway-oriented SSOD sign permitted by the establishment of the SSOD shall not exceed 60 feet.
 - a. The proposed sign is 60 feet in height and, therefore, complies with this standard.
- 5. Highway-oriented SSOD signs shall be context-sensitive to its location, complementary to the materials and design of buildings in proximity to the sign, and landscaped to enhance the aesthetics of the sign.
 - a. The design of the sign utilizes materials consistent with the Heritage Park Shopping Center and will enhance the character and appearance of the existing shopping center by replacing a dilapidated sign providing a more modern and functional sign.
- 6. Illumination shall be shielded to prevent light from being directed toward roads, to prevent glare, and to prevent impairment of driver vision. Illumination shall not interfere with official traffic signs, devices, signals, or pavement markings.
 - a. The internal illumination of the sign and the placement of the sign would assure that no impact to driver safety would result from sign installation.
- 7. If the SSOD is located within a named business center, the name of the business center shall be included on the highway-oriented SSOD sign.
 - a. The sign design includes the business center name.
- 8. An application for a highway-oriented SSOD sign permit shall include a proposed signage reduction plan.

a. The Applicants will remove the existing, aging monument sign and will remove temporary signage. The SSOD regulations generally apply to new construction and the City does not seek removal of existing signage from existing businesses.

CEQA Review

The proposed Heritage Park highway-oriented sign has been designed to fit with the architectural character of the surrounding shopping center, relies upon internal illumination that will avoid impacts of glare and will replace an aging and unattractive existing sign.

Based upon the above evaluation there is no evidence that approval of the Heritage Park highwayoriented sign has the potential to result in significant effects on the environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings). Additionally, the approval of the Heritage Park SSOD and the associated highwayoriented sign would not result in any new urban development and no significant impacts on the aesthetics of the project or its surrounding environment.

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 2019-____: A Resolution of the City Council of the City of Suisun City Approving a 60-Foot-Tall Pylon Sign at the Heritage Park Shopping Center (APN 0173-010-380).

ATTACHMENTS:

- 1. Council Adoption of Resolution No. 2019-____: A Resolution of the City Council of the City of Suisun City Approving a 60-Foot-Tall Pylon Sign at the Heritage Park Shopping Center (APN 0173-010-380).
- 2. Planning Commission Recommendation to City Council Resolution No. PC19-11, A Resolution of the Planning Commission of the City of Suisun City Recommending City Council Approval of a 60' Highway-Oriented Pylon Sign on the Heritage Park Shopping Center Property (APN: 0173-010-380).
- 3. Ordinance No. 755: Special Sign Overlay District
- 4. CEQA Notice of Exemption
- 5. Submitted Plans
- 6. Power Point Presentation

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	Item 12 Attachment 1					
1	RESOLUTION NO. 2019-					
2 3	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY APPROVING A 60-FOOT-TALL PYLON SIGN AT THE HERITAGE PARK					
4	SHOPPING CENTER (ASSESSOR PARCEL NUMBER 0173-010-380)					
5	WHEREAS, the Planning Commission at its regular meeting on November 19, 2019 did review application AR19/20-003 for a 60' pylon sign at the Northwest corner of Highway 12 and Sunset Avenue; and					
7	WHEREAS, the public hearing notice for the City Council Public Hearing was published in the Daily Republic on December 5, 2019; and					
8 9	WHEREAS, the City Council at its regular meeting on December 17, 2019 did review application AR19/20-003 for a 60' pylon sign at the Northwest corner of Highway 12 and Sunset Avenue; and					
10 11	WHEREAS, a report by the City Staff was presented and made a part of the recommendations of said meeting; and					
12	WHEREAS, this project has been considered regarding all applicable city regulations					
13	and ordinances; and					
14	of the Heritage Park Highway-Oriented sign has the potential to result in significant effect					
15 16	the environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings); and					
17 18	WHEREAS, the construction of the proposed sign is to be located consistent with Exhibit and					
19	WHEREAS, the construction and design of the proposed sign is to be consistent with Exhibit B and is to follow the following criteria:					
20	A. Purpose					
21	The City has adopted this Specific Sign District in accordance with the provisions of					
22	the Sign Ordinance in order to:1. Update the existing regulations regarding Highway Oriented Signs for the					
23	property West of Sunset Avenue and North of Highway 12 (the "District").					
24	2. Through the construction of more modern multi-tenant freeway visible signage, enhance the economic vitality of the businesses within the District and encourage					
25 26	the development of vacant parcels and renovation of existing business properties within the District.					
27	3. Provide a framework for focusing signage on a single-pylon leading to an enhanced appearance for the entire business community within the District.					
28	B. Applicability					
	This Special Sign District applies to signage within the boundaries of the District, as defined by the Sign Ordinance. Except as specifically set forth herein, all other					
	117					

1		and all existing provisions of the Sign Ordinance shall remain in effect within the District.						
2	C.	District Boundaries						
3		District: The boundaries of the District are reflected in City Ordinance No. 755.						
4	D.	Description and Location of Pylon Sign						
5		Pylon: A freestanding freeway-oriented structure up to 60 feet tall in substantial						
6		conformity with the illustration attached to the Heritage Park Highway-Oriented SSOD sign Resolution as Exhibit B which shall be erected in the approximate						
7		location shown as Exhibit A of this Resolution. In addition to its decorative elements, the Pylon shall contain 6 sign panels and 6 logo panels on each side.						
8	E.	Approvals						
9		1. Relation to Sign Ordinance. Any person desiring to erect or place a sign on the						
10		Pylon shall comply with all provisions of the Sign Ordinance, unless specifically modified herein.						
11		2. Types of Businesses Generally Allowed on Pylon. Businesses located within						
12		the District whose primary objective at their business location is retail sales, lodging or recreation shall be allowed to install signage on the Pylon. Such uses						
13		shall include:						
14		a) Hotels and motels;						
15		b) Commercial recreation;						
16		c) Restaurants (quick service and sit down dining);						
		d) New auto, truck and recreational vehicle sales;						
17		e) Convenience stores;						
18		f) Furniture and antique sales;						
19		g) Full Service Banking Institutions with retail/storefront;						
20		h) Grocery stores;						
21		i) Discount retail stores;						
22		j) Appliance stores;						
23		 k) Gasoline and service stations; b) N il (II i G I) 						
24		1) Nails/Hair Salon;						
25		 m) Gym/Fitness Building; m) Building Materials Store; 						
		n) Building Materials Store;o) Eyeglasses/Optometrist/Chiropractor Services;						
26								
27		p) Tax Preparation Business;q) Veterinary Clinic; and						
28		y vetermary ennie, and						
	Resolution No.	2019-						
	Adopted Decer Page 2 of 4							

1	r) Such similar uses as may be determined as consistent therewith by the Development Services Director, or designee, on a case by case basis.							
2	3. Sign Permit Required. A Sign Permit as provided in §18.44.040 of the Suisun							
3	City Municipal Code shall be required for any Pylon sign face change (including new businesses).							
4	F. Specifications Applicable to the Pylon and Pylon Sign Panels							
5 6	1. Pylon Specifications. The following rules and regulations shall apply to the Pylon:							
	a) The sign, including its decorative elements, shall not exceed 60' in height;							
7	b) The maximum width of the sign shall be 19';							
8 9	c) The total number of panels shall be 12 per side. One Sign panel shall be 5'6" x 14', three Sign panels shall be 3' x 14' and eight panels shall be 2'							
10	x 6'10";							
11	d) All of the signage panels on the sign shall be internally illuminated;							
12	e) The sign may be designed to accommodate internal cellular or other communications antennas and equipment;							
13	 f) No exterior cellular or other communications antennas will be allowed; and 							
14 15	g) No electronic message boards or digital signage of any type shall be permitted.							
16	2. Pylon Sign Panels. The following rules and regulations shall apply to the signs on the Pylon:							
17 18	1. No business signage or advertising shall be allowed on the Pylon except utilizing the 12 two-sided sign panels.							
19	2. No sign panel may contain the signage of more than one business;							
	3. No business may use more than one sign panel for its business;							
20	G. Administration and General Provisions							
21 22	1. Review of Final Designs. The Development Services Director shall review and approve the final specifications for the Pylon and the sign panels thereon							
23	so as to ensure consistent design themes and are otherwise consistent with Exhibit B.							
24 25	2. Other Requirements May Still Apply. Nothing in this Special Sign District ordinance eliminates the need for obtaining any other approval or							
25 26	entitlement required by provisions of City Code or the requirements of any City department, or any local, State or Federal agency.							
27 28	3. Responsibility for Administration. The Development Services Director, or designee, shall be responsible for administering the provisions of this Special Sign District. This shall include the responsibility and authority to interpret any section of this document.							
	Resolution No. 2019-							
	Adopted December 17, 2019							
	Page 3 of 4							

1	WHEREAS, based on evidence presented to the Planning Commission by City Staff and the applicant, the following Findings are hereby made:
2	1. That the project is categorically exempt from the California Environmental Quality Act,
3	there is no evidence that approval of the Heritage Park SSOD or approval of the Heritage Park Highway-Oriented sign has the potential to result in significant effects on the
4 5	environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code
6	of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings).
7	 That the Highway-Oriented SSOD Sign has been considered through an Architectural Review process as required by the Suisun City Zoning Ordinance.
8 9	3. That the Highway-Oriented SSOD Sign, will not conflict with the Goals, Objectives, and Policies of the General Plan.
	4. That the Highway-Oriented SSOD Sign, will not have significant noise, traffic, or parking
10	impacts on the neighborhood.
11	5. That the Highway-Oriented SSOD Sign, will not be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such
12 13	district, nor detrimental to properties or improvements in the vicinity, nor to the general welfare of the City.
	NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of
14	Suisun City does hereby adopt Resolution PC19- ; A Resolution of the Planning Commission
15	of the City of Suisun City Recommending City Council Approval of a 60' Highway-Oriented Pylon Sign on the Heritage Park Shopping Center Property (APN: 0173-010-380).
16	PASSED AND ADOPTED at a Regular Meeting of the City Council of the City of
17	Suisun City held on Tuesday the 17 th of December, 2019 by the following vote:
18	AYES: Council Members:
19	NOES: Council Members: ABSENT: Council Members:
20	ABSTAIN: Council Members:
21	
22	WITNESS my hand and the seal of said City this 17 th of December, 2019.
23	
24	Donna Pock, CMC
25	Deputy City Clerk
26	
27	
28	
	Resolution No. 2019 Adopted December 17, 2019
	Page 4 of 4
	120

RESOLUTION NO. PC 19-11

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SUISUN CITY RECOMMENDING CITY COUNCIL APPROVAL OF A 60' HIGHWAY-ORIENTED PYLON SIGN ON THE HERITAGE PARK SHOPPING CENTER PROPERTY (APN: 0173-010-380).

WHEREAS, the Planning Commission at its regular meeting on November 19, 2019 did review application AR19/20-004 for a 60' pylon sign on the Heritage Park Shopping Center property (APN: 0173-010-380); and

WHEREAS, the public hearing notice was published in the Daily Republic on November 9, 2019; and

WHEREAS, a report by the City Staff was presented and made a part of the recommendations of said meeting; and

WHEREAS, this project has been considered regarding all applicable city regulations and ordinances; and

WHEREAS, there is no evidence that approval of the Heritage Park SSOD or approval of the Heritage Park Highway-Oriented sign has the potential to result in significant effects on the environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings); and

WHEREAS, the construction of the proposed sign is to be located consistent with Exhibit A; and

WHEREAS, the construction and design of the proposed sign is to be consistent with Exhibit B and is to follow the following criteria:

A. Purpose

The City has adopted this Specific Sign District in accordance with the provisions of the Sign Ordinance in order to:

- 1. Update the existing regulations regarding Highway Oriented Signs for the property West of Sunset Avenue and North of Highway 12 (the "District").
- 2. Through the construction of more modern multi-tenant freeway visible signage, enhance the economic vitality of the businesses within the District and encourage the development of vacant parcels and renovation of existing business properties within the District.
- 3. Provide a framework for focusing signage on a single-pylon leading to an enhanced appearance for the entire business community within the District.

B. Applicability

This Special Sign District applies to signage within the boundaries of the District, as defined by the Sign Ordinance. Except as specifically set forth herein, all other and all existing provisions of the Sign Ordinance shall remain in effect within the District.

C. District Boundaries

District: The boundaries of the District are reflected in City Ordinance No. 755.

D. Description and Location of Pylon Sign

Pylon: A freestanding freeway-oriented structure up to 60 feet tall in substantial conformity with the illustration attached to the Heritage Park Highway-Oriented SSOD sign Resolution as Exhibit B which shall be erected in the approximate location shown as Exhibit A of this Resolution. In addition to its decorative elements, the Pylon shall contain 6 sign panels and 6 logo panels on each side.

E. Approvals

- 1. Relation to Sign Ordinance. Any person desiring to erect or place a sign on the Pylon shall comply with all provisions of the Sign Ordinance, unless specifically modified herein.
- 2. Types of Businesses Generally Allowed on Pylon. Businesses located within the District whose primary objective at their business location is retail sales, lodging or recreation shall be allowed to install signage on the Pylon. Such uses shall include:
 - (a) Hotels and motels;
 - (b) Commercial recreation;
 - (c) Restaurants (quick service and sit down dining);
 - (d) New auto, truck and recreational vehicle sales;
 - (e) Convenience stores;
 - (f) Furniture and antique sales;
 - (g) Full Service Banking Institutions with retail/storefront;
 - (h) Grocery stores;
 - (i) Discount retail stores;
 - (j) Appliance stores;
 - (k) Gasoline and service stations;
 - (l) Nails/Hair Salon;
 - (m) Gym/Fitness Building;
 - (n) Building Materials Store;
 - (o) Eyeglasses/Optometrist/Chiropractor Services;
 - (p) Tax Preparation Business;
 - (q) Veterinary Clinic; and

- (r) Such similar uses as may be determined as consistent therewith by the Development Services Director, or designee, on a case by case basis.
- 3. Sign Permit Required. A Sign Permit as provided in §18.44.040 of the Suisun City Municipal Code shall be required for any Pylon sign face change (including new businesses).

F. Specifications Applicable to the Pylon and Pylon Sign Panels

- 1. Pylon Specifications. The following rules and regulations shall apply to the Pylon:
 - a) The sign, including its decorative elements, shall not exceed 60' in height;
 - b) The maximum width of the sign shall be 19';
 - c) The total number of panels shall be 12 per side. One Sign panel shall be 5'6" x 14', three Sign panels shall be 3' x 14' and eight panels shall be 2' x 6'10";
 - d) All of the signage panels on the sign shall be internally illuminated;
 - e) The sign may be designed to accommodate internal cellular or other communications antennas and equipment;
 - f) No exterior cellular or other communications antennas will be allowed; and
 - g) No electronic message boards or digital signage of any type shall be permitted.
- 2. Pylon Sign Panels. The following rules and regulations shall apply to the signs on the Pylon:
 - 1. No business signage or advertising shall be allowed on the Pylon except utilizing the 12 two-sided sign panels.
 - 2. No sign panel may contain the signage of more than one business;
 - 3. No business may use more than one sign panel for its business;

G. Administration and General Provisions

- 1. Review of Final Designs. The Development Services Director shall review and approve the final specifications for the Pylon and the sign panels thereon so as to ensure consistent design themes and are otherwise consistent with Exhibit B.
- 2. Other Requirements May Still Apply. Nothing in this Special Sign District ordinance eliminates the need for obtaining any other approval or entitlement required by provisions of City Code or the requirements of any City department, or any local, State or Federal agency.
- 3. Responsibility for Administration. The Development Services Director, or designee, shall be responsible for administering the provisions of this Special Sign District. This shall include the responsibility and authority to interpret any section of this document.

WHEREAS, based on evidence presented to the Planning Commission by City Staff and the applicant, the following Findings are hereby made:

- 1. That the project is categorically exempt from the California Environmental Quality Act, there is no evidence that approval of the Heritage Park SSOD or approval of the Heritage Park Highway-Oriented sign has the potential to result in significant effects on the environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings).
- 2. That the Highway-Oriented SSOD Sign has been considered through an Architectural Review process as required by the Suisun City Zoning Ordinance.
- 3. That the Highway-Oriented SSOD Sign, will not conflict with the Goals, Objectives, and Policies of the General Plan.
- 4. That the Highway-Oriented SSOD Sign, will not have significant noise, traffic, or parking impacts on the neighborhood.
- 5. That the Highway-Oriented SSOD Sign, will not be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such district, nor detrimental to properties or improvements in the vicinity, nor to the general welfare of the City.

NOW, THEREFORE, BE IT RESOLVED THAT the Planning Commission of the City of Suisun City does hereby adopt Resolution PC19- ; A Resolution of the Planning Commission of the City of Suisun City Recommending City Council Approval of a 60' Highway-Oriented Pylon Sign on the Heritage Park Shopping Center Property (APN: 0173-010-380).

The foregoing motion was made by Commissioner Ramos and seconded by Commissioner Holzwarth and carried by the following vote:

AYES:	Commissioners:	Clemente, Ramos, Borja, Holzwarth
NOES:	Commissioners:	
ABSENT:	Commissioners:	
ABSTAIN:	Commissioners:	

WITNESS my hand and the seal of said City this 19th day of November 2019.

Joann Martinez Commission Secretary

1	ORDINANCE NO. 755
2	AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY,
3	APPROVING A SPECIAL SIGN OVERLAY DISTRICT AT THE NORTHWEST CORNER OF HIGHWAY 12 AND SUNSET AVENUE
4	
5	WHEREAS, the Chapter 18.44.040 (Ord. No. 743, § 3, 3-21-2017; Ord. No. 748, § 4,
6	5-15-2018) of the Suisun City Municipal Code allows for Special Sign Overlay Districts to be
7	established; and
8	WHEREAS, the Planning Commission at its regular meeting on February 26, 2019, did
9	hold a public hearing to consider the application and, following public comment and due
10	consideration, did vote to recommend the City Council approve the requested Special Sign
11	Overlay District; and
12	WHEREAS, notice of the City Council's public hearing to consider the application was
13	published in the <i>Daily Republic</i> on or before March 9, 2019, consistent with State Law and the
14	Suisun City Code; and
15	WHEPEAS the City Council at its regular meeting on Mr. 1, 10, 2010, 1111, 11
16	WHEREAS, the City Council at its regular meeting on March 19, 2019, did hold a public bearing to consider the application and following public segment and do not in the statement of the second secon
17	public hearing to consider the application and, following public comment and due consideration, introduced and waived first reading of Ordinance No. 755.
18	
19	NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
20	SUISUN CITY as follows:
21	SECTION 1. The City Council of the City of Suisun City hereby approves the Special Sign
22	Overlay District (Ordinance No. 755), consistent with the boundaries included in Exhibit A.
23	SECTION 2. This Ordinance shall be effective 30 days following its adoption by the City
24	Council. A summary of this Ordinance shall, within fifteen (15) days after passage, be
25 26	published in accordance with Section 36933 of the Government Code of the State of California
26	with the names of the City Councilmembers voting for and against it.
27	
20	

			Item 12 Attachment 3
1	PASS	SED, APPROVED, AN	DADOPTED as an Ordinance at a regular meeting of the
2	City Council	of the City of Suisun C	ity, California, on this 2 nd day of April 2019.
3			
4			7-2-
5			Lori Wilson Mayor
6	ATTEST:		
7	J.		
8	Linda Hobso	Habson	
9	City Clerk		
10			
11		ATION	
12	I, Lin	nda Hobson, City Clerk	of the City of Suisun City, California, do hereby certify
13	that the foreg	oing Ordinance was int	roduced at a regular meeting of the City Council on March
14	19, 2019 and	passed, approved, and a	adopted by the City Council of the City of Suisun City at a
15	regular meeti	ing held on the 2 nd day of	of April 2019 by the following vote:
16	AYES:	Councilmembers:	Adams, Segala, Williams, Wilson
17	NOES: ABSENT:	Councilmembers: Councilmembers:	Day None
18	ABSTAIN:	Councilmembers:	None
19	WITNESS n	ny hand and the seal of	said City this 2 nd day of April 2019.
20			\mathcal{D} , \mathcal{U}
21			Linda Habsan
22			City Clerk
23			
24			
25			
26			
27			
27			
20			
	Ordinance 755 Adopted April 2, 2	2019	
	Page 2 of 2		126



CITY OF SUISUN CITY, 701 Civic Center Blvd., Suisun City, California 94585

NOTICE OF EXEMPTION

To: Office of Planning and Research P.O. Box 3044, 1400 Tenth Street, Room 22 Sacramento, CA 95812-3044 From: City of Suisun City 701 Civic Center Blvd. Suisun City, CA 94585

County Clerk-Recorder Solano County 675 Texas Street, Suite 2700 Fairfield, CA 94533-6338

Project Title:	Heritage Park Special Sign Overlay District and Pylon Sign
Project Location:	North of Highway 12 and West of Sunset Avenue
Assessor's Parcel Number(s):	0173-010-380
Project Description:	A proposed 60 – foot pylon sign is to be located North of Highway 12 and West of Sunset Avenue which will include 12 tenant positions.
Lead Agency:	City of Suisun City
Lead Agency Contact Person and Phone Number:	John Kearns, Senior Planner, 707 421-7337
Applicant:	ProEquity Asset Management Corporation 4980 Hillsdale Circle El Dorado Hills, CA 95762
Exemption Status:	
Ministerial	

Ministerial
 Consistent with a Community Plan or Zoning [CEQA Guidelines §15183; PRC §21083.3]
 Emergency Project
 General Rule
 Categorical Exemption [CEQA Guidelines §15303 and 15311]
 Statutory Exemption



REASONS WHY THIS PROJECT IS EXEMPT:

Approval of the design of the Heritage Park Pylon Sign is a project under the California Environmental Quality Act and, therefore, the Planning Commission must consider the potential impacts these projects could have on the environment.

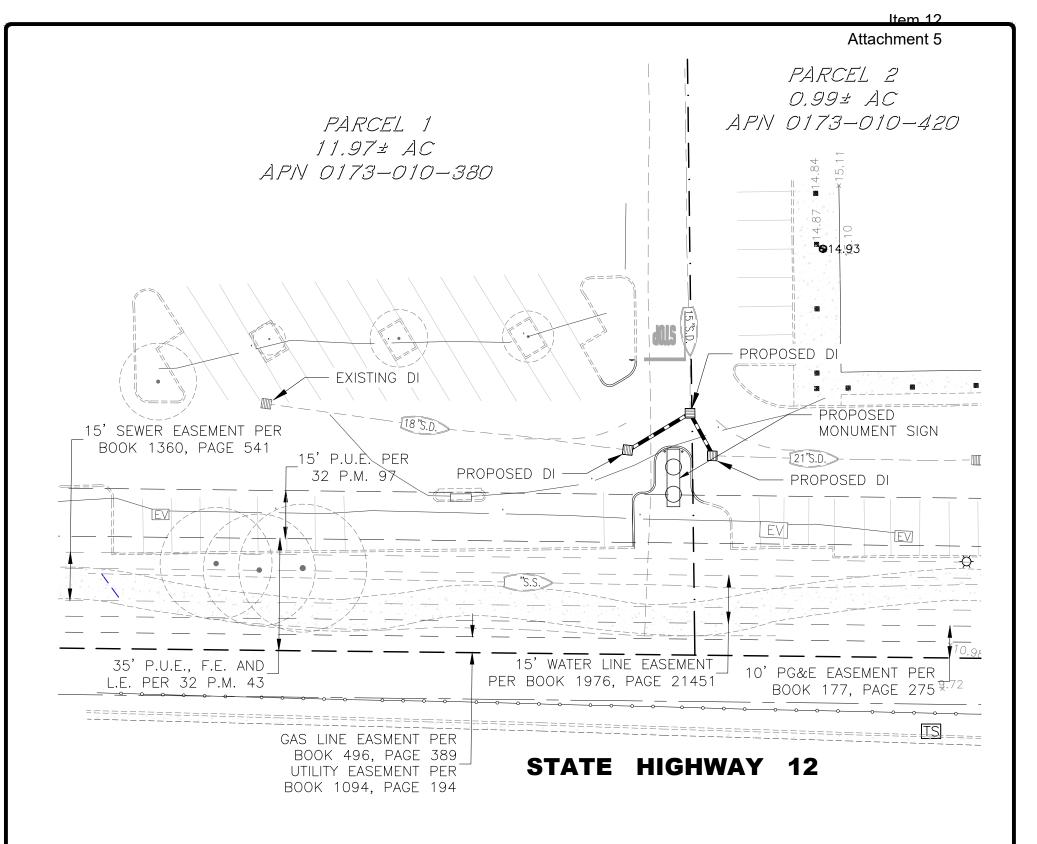
Previously the Heritage Park Special Sign Overlay District was adopted and was found not to result in any new building square footage and therefore had no effect on conditions such as traffic, air quality, noise and other impacts typically associated with urbanization. Current regulations allow a sign up to 60 feet in height. Therefore, allowing signage up to 60 feet in height with the change in location will not be out of character with the Highway 12 corridor and will not result in significant visual impacts.

The proposed Heritage Park highway-oriented sign has been designed to fit with the architectural character of the surrounding shopping center, relies upon internal illumination that will avoid impacts of glare and will replace an aging and unattractive existing sign.

Based upon the above evaluation there is no evidence that approval of the approval of the Heritage Park highway-oriented sign has the potential to result in significant effects on the environment. The proposed project is exempt under Section 15303 New Construction and Conversion of Small Structures and 15311, Accessory Structures of the California Code of Regulations. The project proposes an accessory structure (sign) to the existing commercial development (shopping center and adjacent pad buildings). Additionally, the approval of the associated highway-oriented sign would not result in any new urban development and no significant impacts on the aesthetics of the project or its surrounding environment.

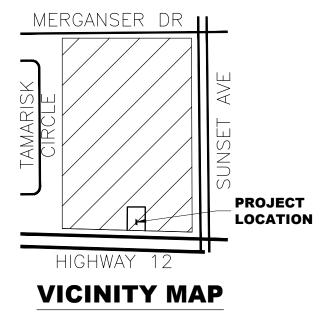
John Kearns, Senior Planner City of Suisun City

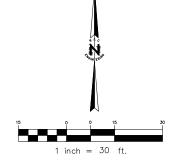
12-11-



SHEET INDEX:

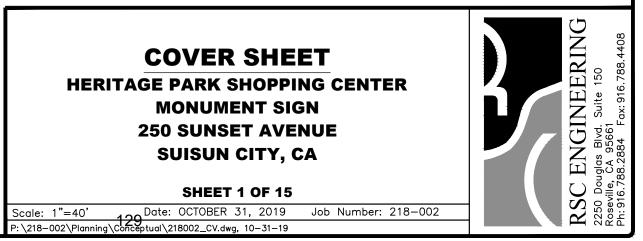
- 1. COVER SHEET
- 2. SIGN DISTRICT AND SITE INVENTORY PLAN
- 3. SITE PLAN
- 4. SIGNAGE AND STRIPING PLAN
- 5. DEMOLITION PLAN
- 6. GRADING PLAN
- 7. EXISTING PLANTING PLAN
- 8. PLANTING PLAN
- 9. FREESTANDING SIGN D/F SHARED TENANT PYLON SIGN
- 10. SITE PLAN OVERVIEW
- 11. SITE PLAN PLANTER ENLARGEMENT DETAIL
- PHOTO LOOKING EAST EXISTING CONDITIONS
 PHOTO LOOKING EAST RENDERING SHOWING PROPOSED PYLON SIGN (WEST SIDE)
- 14. PHOTO LOOKING WEST EXISTING CONDITIONS
- 15. PHOTO LOOKING WEST RENDERING SHOWING PROPOSED PYLON SIGN (EAST SIDE)

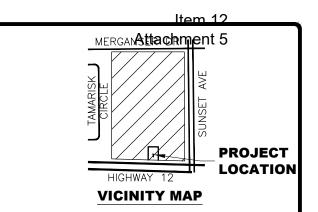


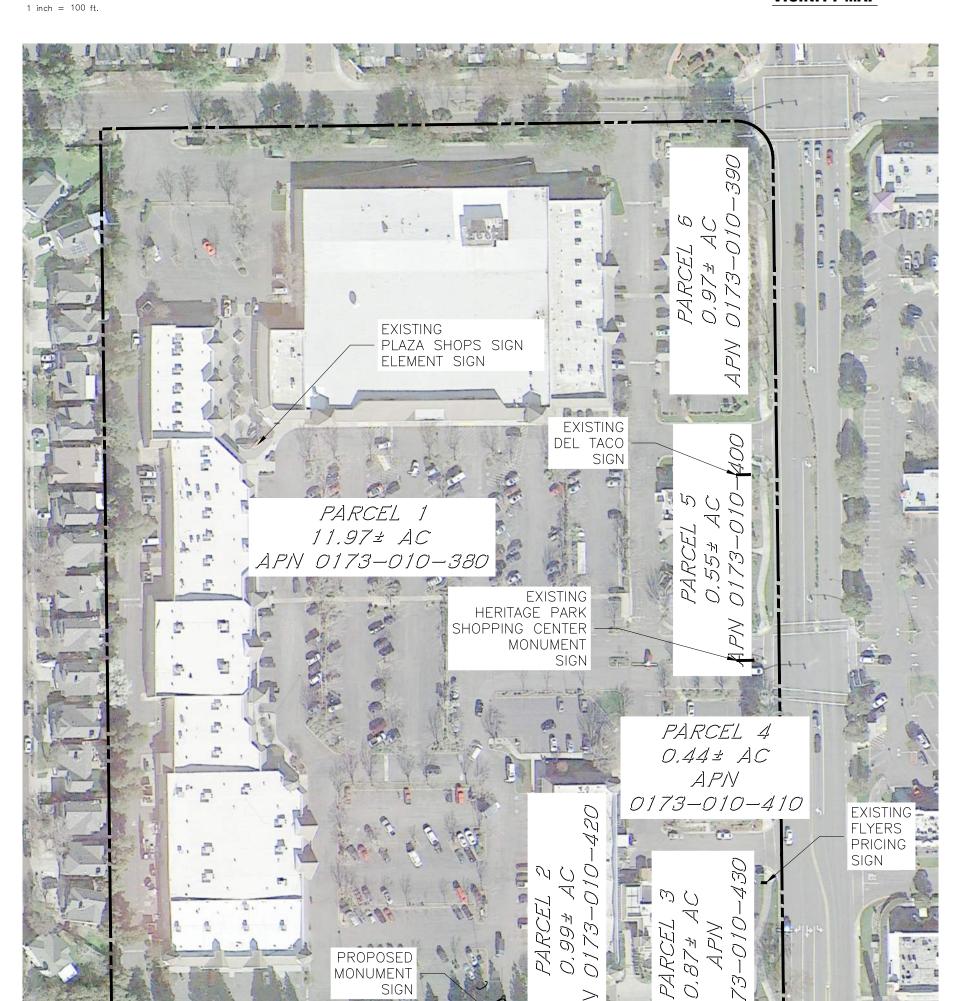


NOTE:

- SIGN DISTRICT TO INCLUDE PARCELS 1, 2, 3, 4, 5 AND 6 OF THAT PARCEL MAP OF HERITAGE CENTER, FILED JULY 29, 1988, IN BOOK 32 OF PARCEL MAPS, PAGE 96, SOLANO COUNTY RECORDS.
- WARNING HIGH VOLTAGE ELECTRICITY. MAINTAIN AT LEAST A THREE (3) FOOT HORIZONTAL SEPARATION FROM ELECTRICAL LINES AND FACILITIES









LEGEND:

---- SIGN DISTRICT BOUNDARY

NOTE:

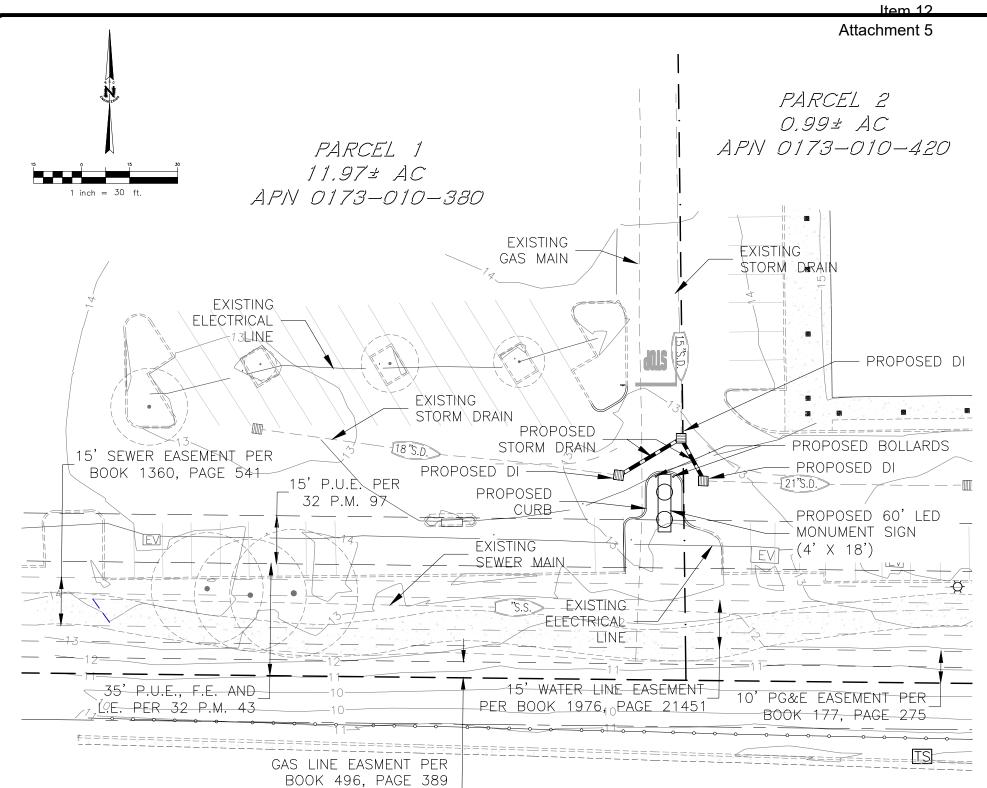
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Fax: 916.788.4408

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	LEGEND							
\otimes	SUPPORT COLUMN	O	FUEL STORAGE ACCESS COVER					
\boxtimes	CANOPY SUPPORT COLUMN		FUEL STORAGE ACCESS COVER					
	DRAIN INLET	Ŵ	FIRE HYDRA	NT				
	SEWER CLEANOUT		BACKFLOW PREVENTER					
\bigcirc	SEWER MANHOLE	M	WATER VALVE					
E	ELECTRIC BOX	B	ADA ACCESS	SIBLE PARKING SPACE				
Τ	TRANSFORMER		F.E.	FENCE EASEMENT				
ΕV	ELECTRIC VAULT		L.E.	LANDSCAPE EASEMENT				
Þ	LIGHT		P.M.	PARCEL MAP (BOOK/PAGE)				
؎	SIGN		P.U.E.	PUBLIC UTILITY EASEMENT				
•	STEEL BOLLARD		T.E.	TRASH ENCLOSURE				
ø	TRAFFIC SIGNAL			CONCRETE				

UTILITY EASEMENT PER

BOOK 1094, PAGE 194

NOTE:

PLANTING

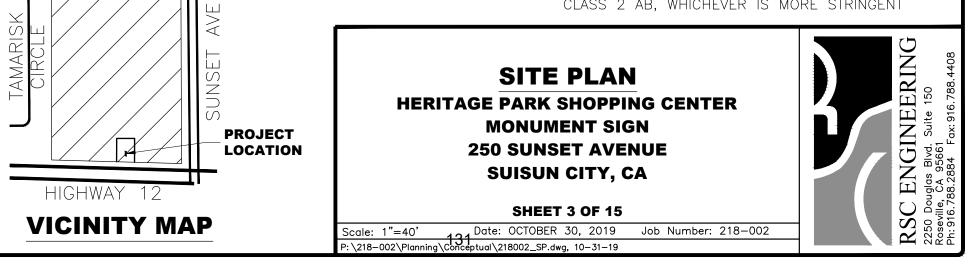
- •SIGN DISTRICT TO INCLUDE PARCELS 1, 2, 3, 4, 5 AND 6 OF THAT PARCEL MAP OF HERITAGE CENTER, FILED JULY 29, 1988, IN BOOK 32 OF PARCEL MAPS, PAGE 96, SOLANO COUNTY RECORDS.
- SEE DEMOLITION PLAN, SHEET 5 OF 15
- FOOTING DETAIL TO BE FINALIZED AT CONSTRUCTION DOCUMENTS (MAX. 18' X 18' X 4')
- •REFER TO LANDSCAPE PLAN FOR PROPOSED
- TWO (2) BOLLARDS WITH REFLECTIVE MARKERS ARE PROPOSED AT EACH CORNER OF THE NORTH SIDE OF THE PROPOSED SIGN
- WARNING HIGH VOLTAGE ELECTRICITY. MAINTAIN AT LEAST A THREE (3) FOOT HORIZONTAL SEPARATION FROM ELECTRICAL LINES AND FACILITIES
- PROPOSED DRAIN INLETS ARE TO MATCH EXISTING DRAIN INLETS. EACH NEW DRAIN INLET WILL HAVE A TRASH CAPTURE DEVICE INSERT TO MATCH

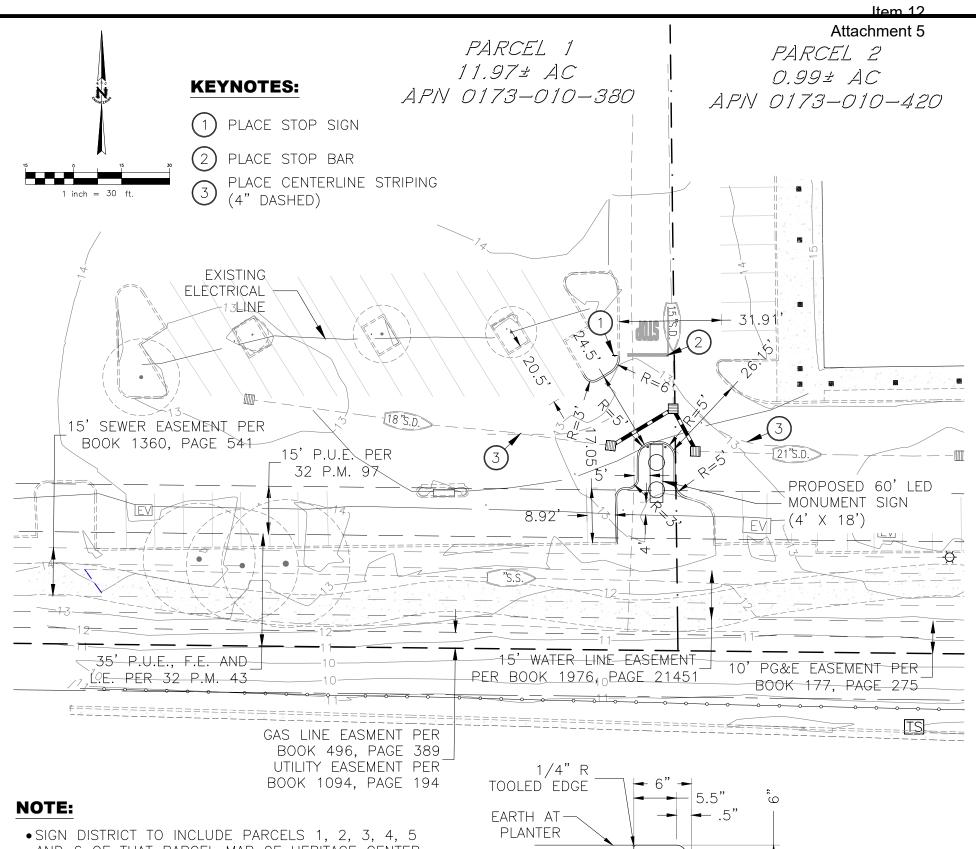
TS	TRAFFIC SIGNAL BOX	 CHAIN LINK FENCE
		 PUE, FE & LE PER 32 PM 43

MERGANSER DR I

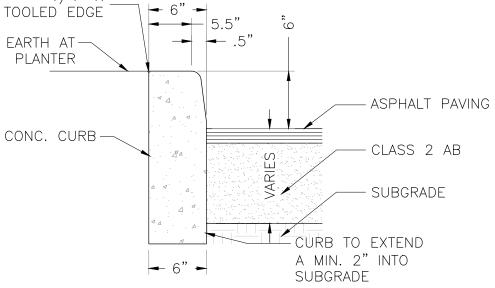
EXISTING DRAIN INLETS. INSERTS CAN BE PURCHASED FROM OLDCASTLE PRECAST AT (510)714-0832.

• PAVEMENT RESTORATION NOTE: PAVEMENT STRUCTURAL SECTION FROM PROPOSED TRENCHING AND IMPROVEMENTS SHALL CONFORM TO THE THICKNESS OF THE EXISTING PAVEMENT SECTION OR SHALL BE NO LESS THAN 4.5" AC OVER 19" CLASS 2 AB, WHICHEVER IS MORE STRINGENT





- AND 6 OF THAT PARCEL MAP OF HERITAGE CENTER, FILED JULY 29, 1988, IN BOOK 32 OF PARCEL MAPS, PAGE 96, SOLANO COUNTY RECORDS.
- SEE DEMOLITION PLAN, SHEET 5 OF 15
- FOOTING DETAIL TO BE FINALIZED AT CONSTRUCTION DOCUMENTS (MAX. 18' X 18' X 4')
- REFER TO LANDSCAPE PLAN FOR PROPOSED PLANTING
- TWO (2) BOLLARDS WITH REFLECTIVE MARKERS ARE PROPOSED AT EACH CORNER OF THE NORTH SIDE OF THE PROPOSED SIGN
- WARNING HIGH VOLTAGE ELECTRICITY. MAINTAIN AT LEAST A THREE (3) FOOT HORIZONTAL SEPARATION FROM ELECTRICAL LINES AND FACILITIES
- PAVEMENT RESTORATION NOTE: PAVEMENT STRUCTURAL SECTION FROM PROPOSED TRENCHING



NOTES:

1. PROVIDE 3/4" ELASTOMERIC EXPANSION JOINTS AT 25' MAXIMUM INTERVALS AND AT ALL RADII, TANGENTS, CORNERS AND AT DRAINAGE STRUCTURES. 2. PROVIDE WEAKENED PLANE JOINTS EVERY 10'.

- 3. BASE OF CURB TO REST ON COMPACTED FILL

AND IMPROVEMENTS SHALL CONFORM TO THE THICKNESS OF THE EXISTING PAVEMENT SECTION OR SHALL BE NO LESS THAN 4.5" AC OVER 19" CLASS 2 AB, WHICHEVER IS MORE STRINGENT

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PROJECT

MERGANSER DR |

HIGHWAY 12

VICINITY MAP

TAMARISK

2

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4. SACK FINISH EXPOSED SURFACES. 5. CONCRETE SHALL HAVE A MINIMUM 28 DAY COMPRESSIVE

STRENGTH OF 3,500 PSI 6. LIGHT BROOM FINISH ON ALL SURFACES, ALL RADII TO

BE TRUE ARCS.

7. PROVIDE (2) #4 BARS, 10'-0" LONG, CENTERED OVER

ALL TRENCH CROSSINGS

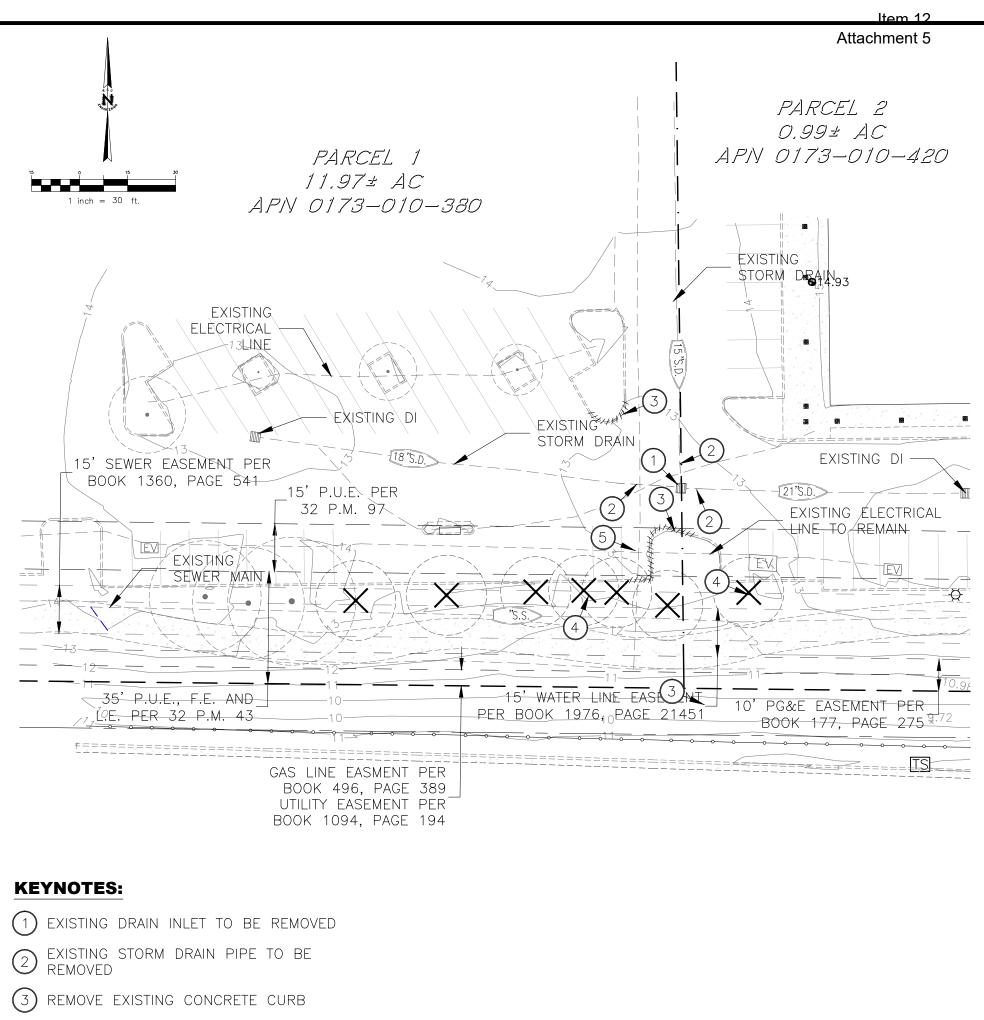
PROPOSED CONCRETE CURB

NOT TO SCALE









- EXISTING TREES TO BE REMOVED 4) (7 TOTAL)
- EXISTING PARKING STALL TO BE (5)
- REMOVED (1 TOTAL)

	LEGEND							
٥	SUPPORT COLUMN	O	FUEL STORAGE ACCESS COVER	ΕV	ELECTRIC VAULT	L.E.	LANDSCAPE EASEMENT	

\bowtie	CANOPY SUPPORT COLUMN		FUEL STORAGE ACCESS COVER			LIGHT	P.M.	PARCEL MAP (BOOK/PAGE)
	DRAIN INLET	Ŵ	FIRE HYDRANT			SIGN	P.U.E.	PUBLIC UTILITY EASEMENT
6	SEWER CLEANOUT		BACKFLOW PREVENTER			STEEL BOLLARD	T.E.	TRASH ENCLOSURE
S	SEWER MANHOLE	M	WATER VALVE		*	TRAFFIC SIGNAL	· · · · · · · · · · · · · · · · · · ·	CONCRETE
E	ELECTRIC BOX	Ł	ADA ACCESSIBLE PARKING SPACE		TS	TRAFFIC SIGNAL BOX		CHAIN LINK FENCE
Τ	TRANSFORMER		F.E.	FENCE EASEMENT				

NOTE:

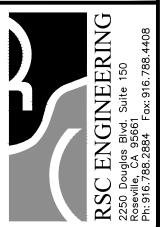
- SIGN DISTRICT TO INCLUDE PARCELS 1. 2, 3, 4, 5 AND 6 OF THAT PARCEL MAP OF HERITAGE CENTER, FILED JULY 29, 1988, IN BOOK 32 OF PARCEL MAPS, PAGE 96, SOLANO COUNTY RECORDS.
- REFER TO PLANTING PLAN FOR REMOVAL OF EXISTING LANDSCAPING

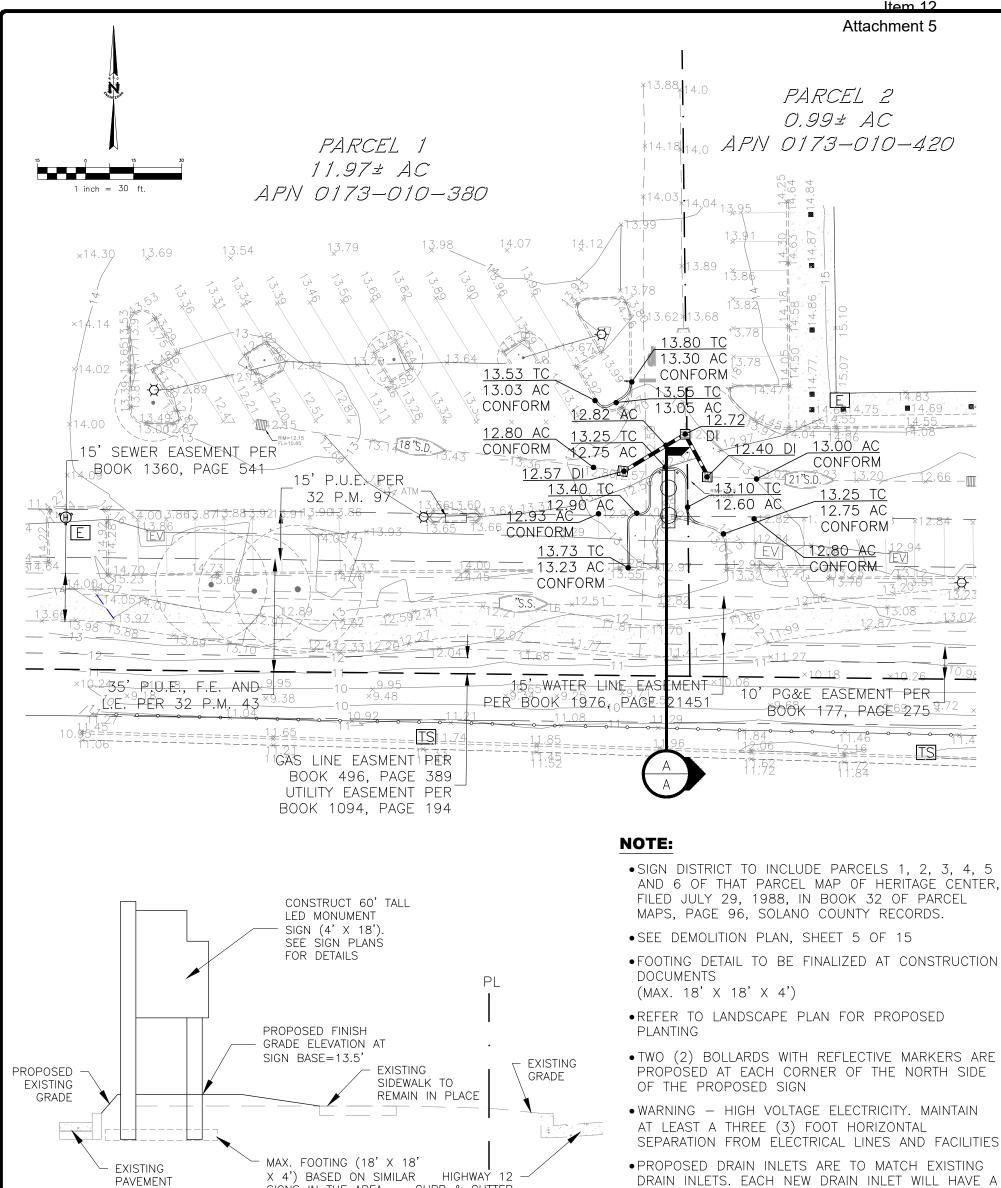
DEMOLITION PLAN
HERITAGE PARK SHOPPING CENTER
MONUMENT SIGN
250 SUNSET AVENUE
SUISUN CITY, CA

SHEET 5 OF 15

Scale: 1"=20' Date: OCTOBER 31, 2019 Job Number: 218-002
 Scale:
 I = 20
 133

 P: \218-002\Planning\Conceptual\218002_DM.dwg, 10-31-19





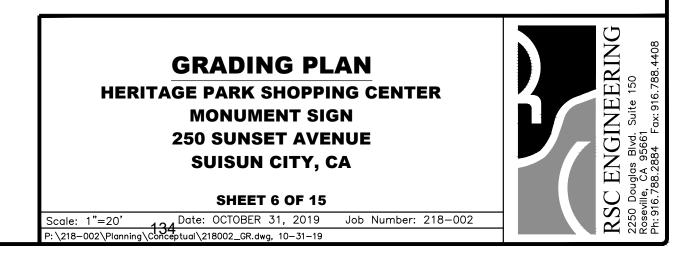
SIGNS IN THE AREA CURB & GUTTER

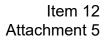
SECTION A-A

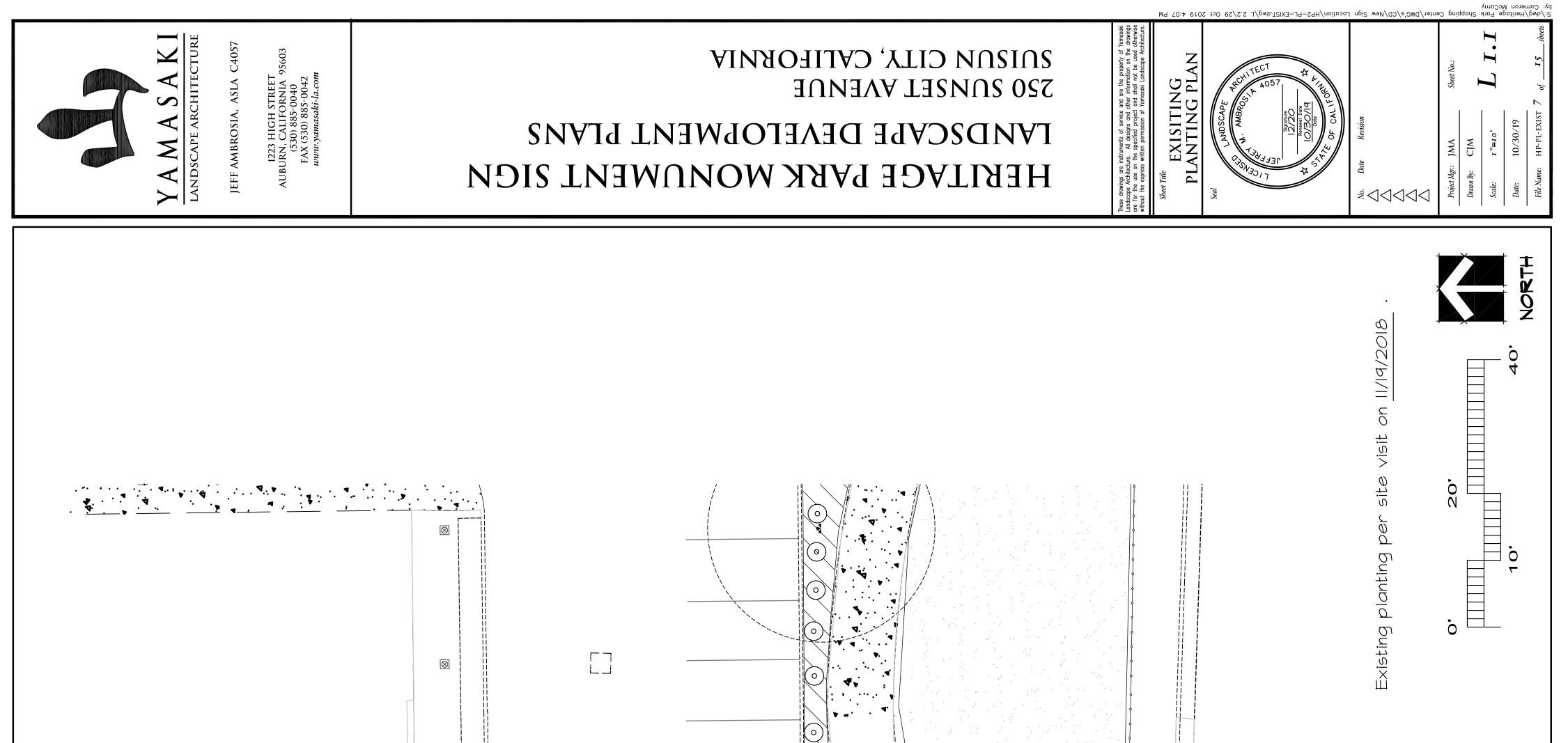
NOT TO SCALE

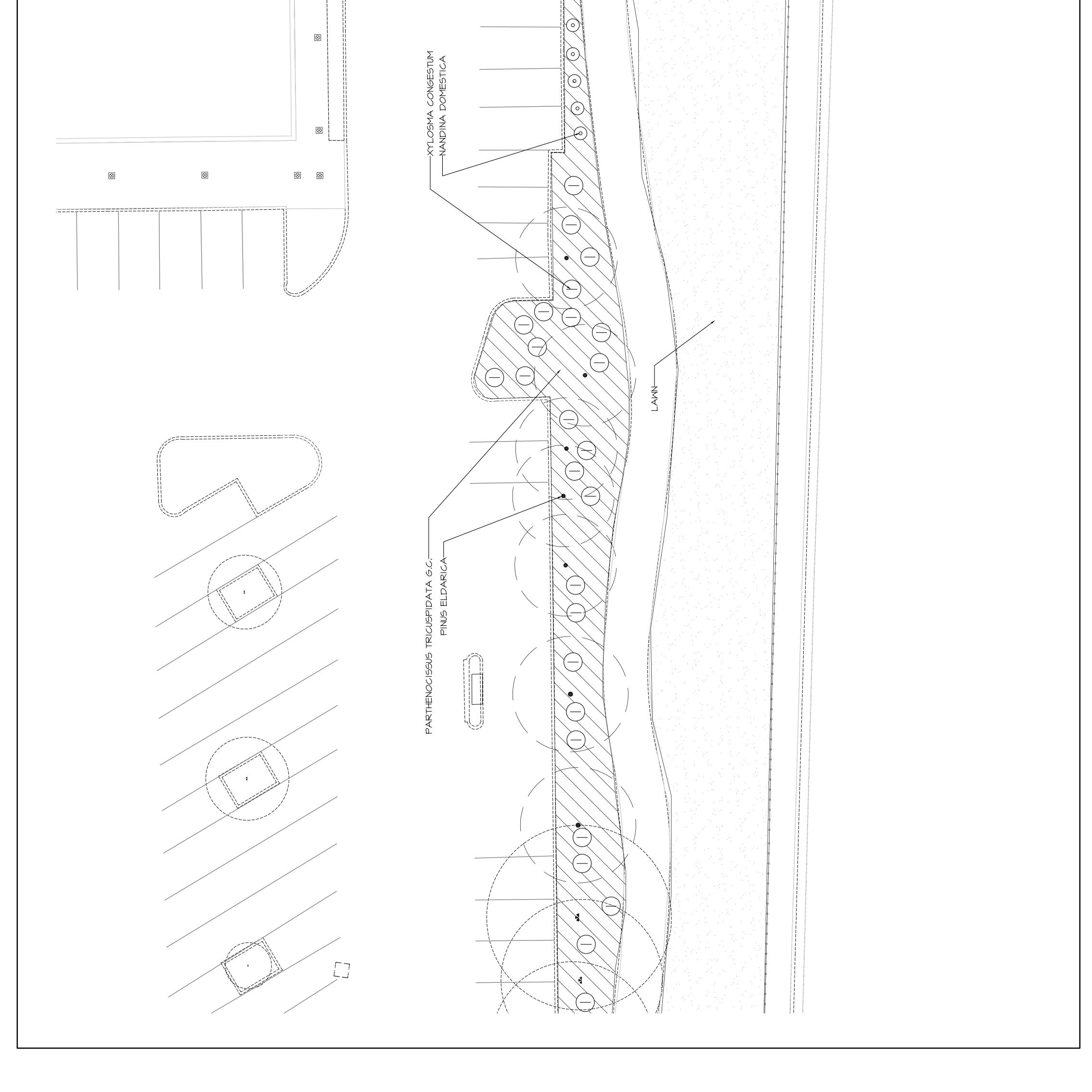
TRASH CAPTURE DEVICE INSERT TO MATCH EXISTING DRAIN INLETS. INSERTS CAN BE PURCHASED FROM OLDCASTLE PRECAST AT (510)714-0832.

• PAVEMENT RESTORATION NOTE: PAVEMENT STRUCTURAL SECTION FROM PROPOSED TRENCHING AND IMPROVEMENTS SHALL CONFORM TO THE THICKNESS OF THE EXISTING PAVEMENT SECTION OR SHALL BE NO LESS THAN 4.5" AC OVER 19" CLASS 2 AB, WHICHEVER IS MORE STRINGENT









S:/dwg/Heritage Park Shopping Center/DWG's/CD/New Sign Location/HP2-PL.dwg/L 2.1/31 Oct 2019 5:11 PM by: Cameron McCamy drawings are instruments of service and are the property of Yamasaki appe Architecture. All designs and other information on the drawings the use on the specified project and shall not be used otherwise the express written permission of Yamasaki Landscape Architecture. N LANDSCAPE ARCHITECTURI 1223 HIGH STREET AUBURN, CALIFORNIA 95603 (530) 885-0040 FAX (530) 885-0042 www.yamasaki-la.com JEFF AMBROSIA, ASLA C4057 SUISUN CITY, CALIFORNIA Sheet Title PLANTING PLAN H Sheet No. **520 SUNSET AVENUE** 5 ∞ **LANDSCAPE DEVELOPMENT PLANS** 10/30/19 01**=**"1 JMA CJM Z ΗP HERITAGE PARK MONUMENT SIGN \triangleleft Project > $\dot{\mathbb{R}} = \mathcal{R}$ Drai Seal **MUCOLS** NORTH \square <u>SPACING</u> MUCOL5 36" 0.c. MUCOLS \square \square \square \square \square 40 avoid 24"box , SIZE

5 gal 5 gal 5 gal 5 gal U gal SIZE <u>|</u>] [<u>g</u> SIZE gal Manzanita Grass Brush Plant pet σ Bottle Ree 0 Emerald Car Σij Indian Hawth Dwarf Flax Sunset eath Rush Zealand <u>c</u> nhol Õ $\overline{}$ Mat <u>v</u> Myrtle Carpet' ina acifi Red ste Little Baller atuy' Ne ð H Ф σ < ~ 'Emerald ¦≺ar -uhoL Ø Ц Ф _ LØ $\overline{}$ Ū NAME Sur idundo, / COMMON NAME QUe $\overline{}$ acutiflora |∂Z| Pacific atir pricot gii 'Atra . Ω MON <u>D</u>

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proximity of the high voltage line or within close

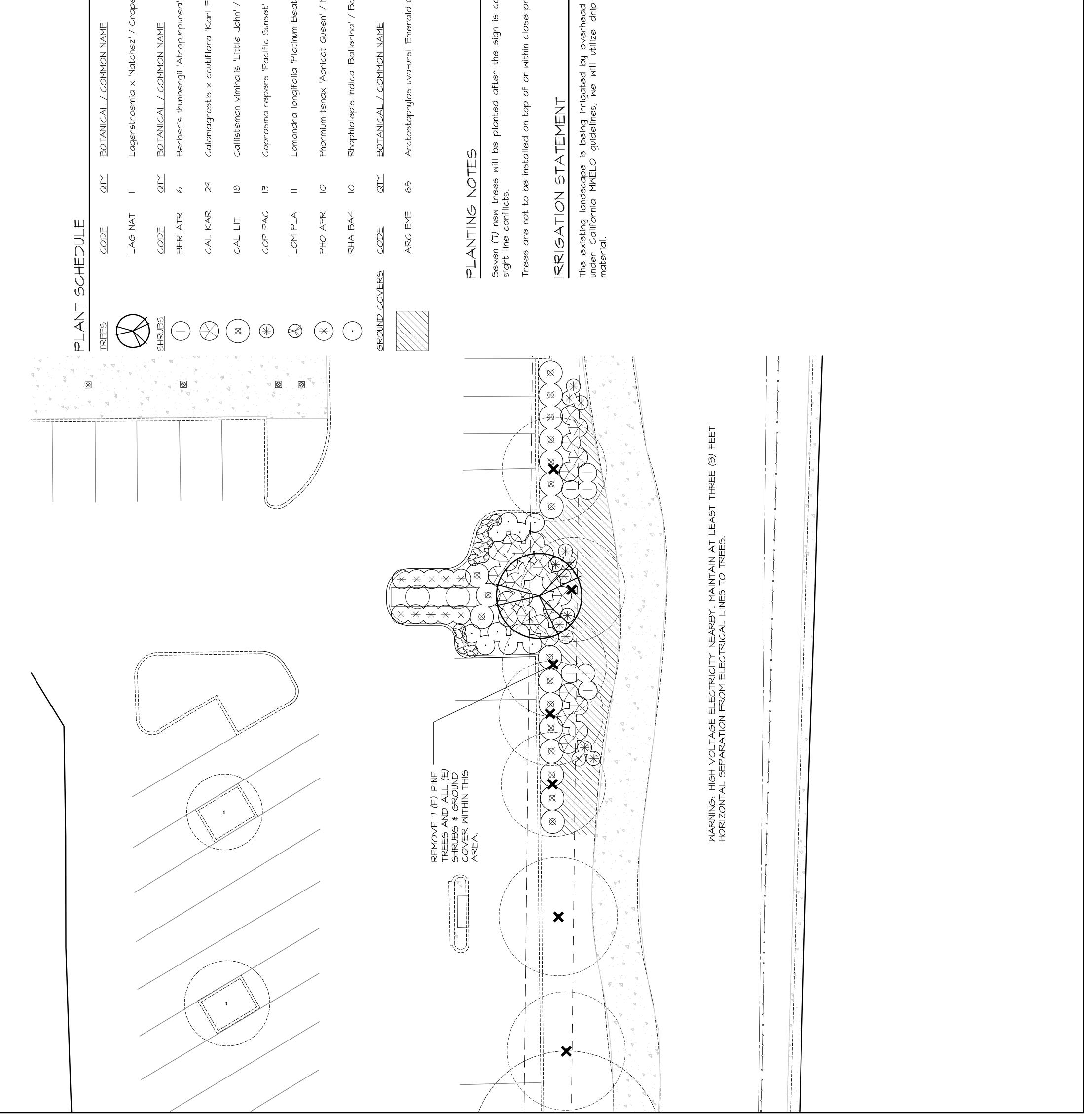
not acceptable > the new plant spray heads. As this method is irrigation equipment to irrigate

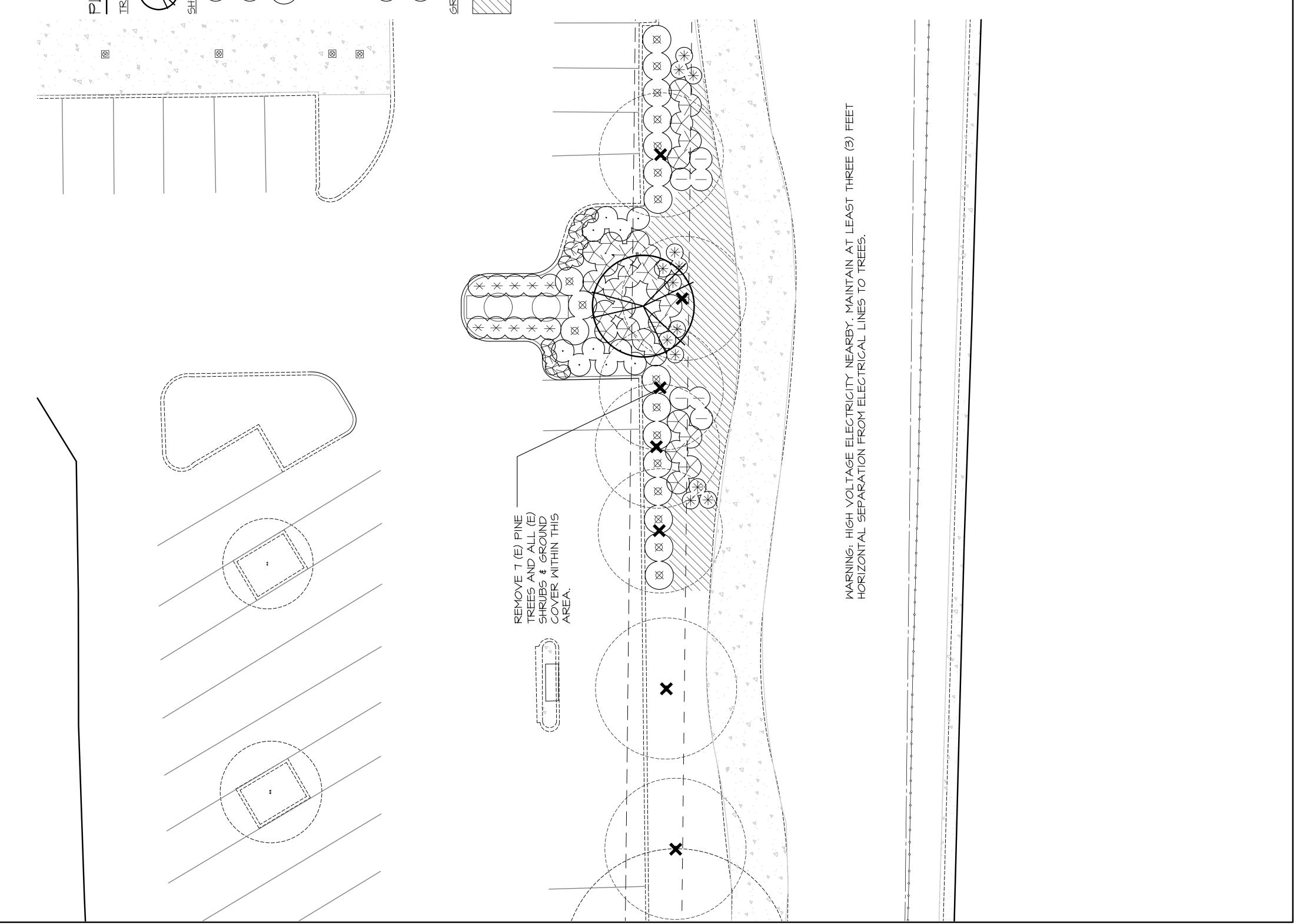
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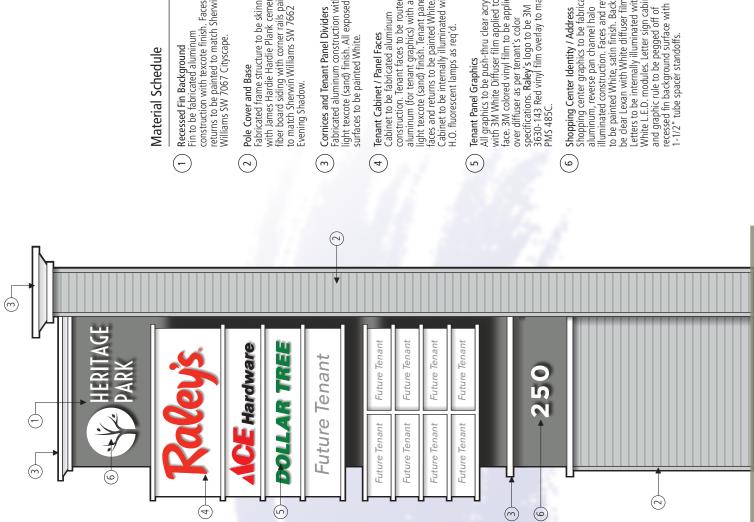
7 7

Item 12 Attachment 5





							Item 12 Attachment 5
ESTABLISHED 1946	2939 Academy Way Sacramento, California 95815 Tel 916.927.0527 Fax 916.927.2414 www.pacificneon.com Project No: 17-0093-08 Account	Executive: Ralph Cundiff Project: Heritage Park Shopping Center	Address: 250 Sunset Ave. Suisun City, CA	Drawn By: William Dickson Date: 3.30.17 Revision: 11.26.18 11.30.18 12.18.18 1.15.19	Customer Approval:	U.L Listed Signs to be manufactured to U.L. Specifications and will bear the U.L. Label(s). The sign is intended to be installed bear the U.L. Label(s). The sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign. Electrical Circuits Customer to provide primary dedicated electrical dicuit(s) with a separate ground to the electrical panel. L.E.D. Electronics to have a separate dedicated 120V complete or unit (No shared neutral). Common ground to electrical panel acceptable.	Copyright ©2017 All print and electronic art remains the sole, copyrighted property of Pacific Neon Company and are not to be distributed, copied, e-mailed or transferred in any way without prior written release from Padif: Neon Company. California Title 24 Compliant Sheet No.
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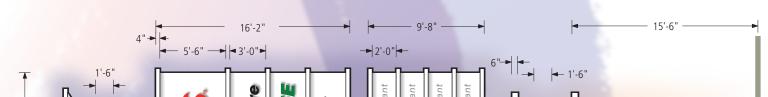


D/F Multi-Tenant Pylon Sign (Side 2) Scale 1/8" = 1'-0"

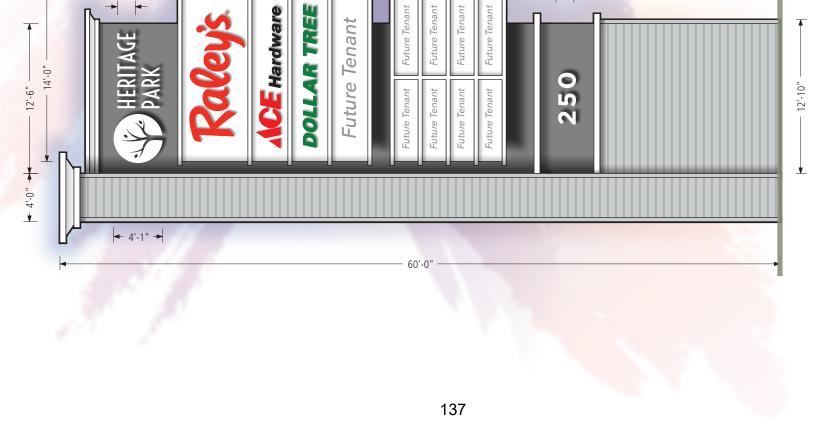
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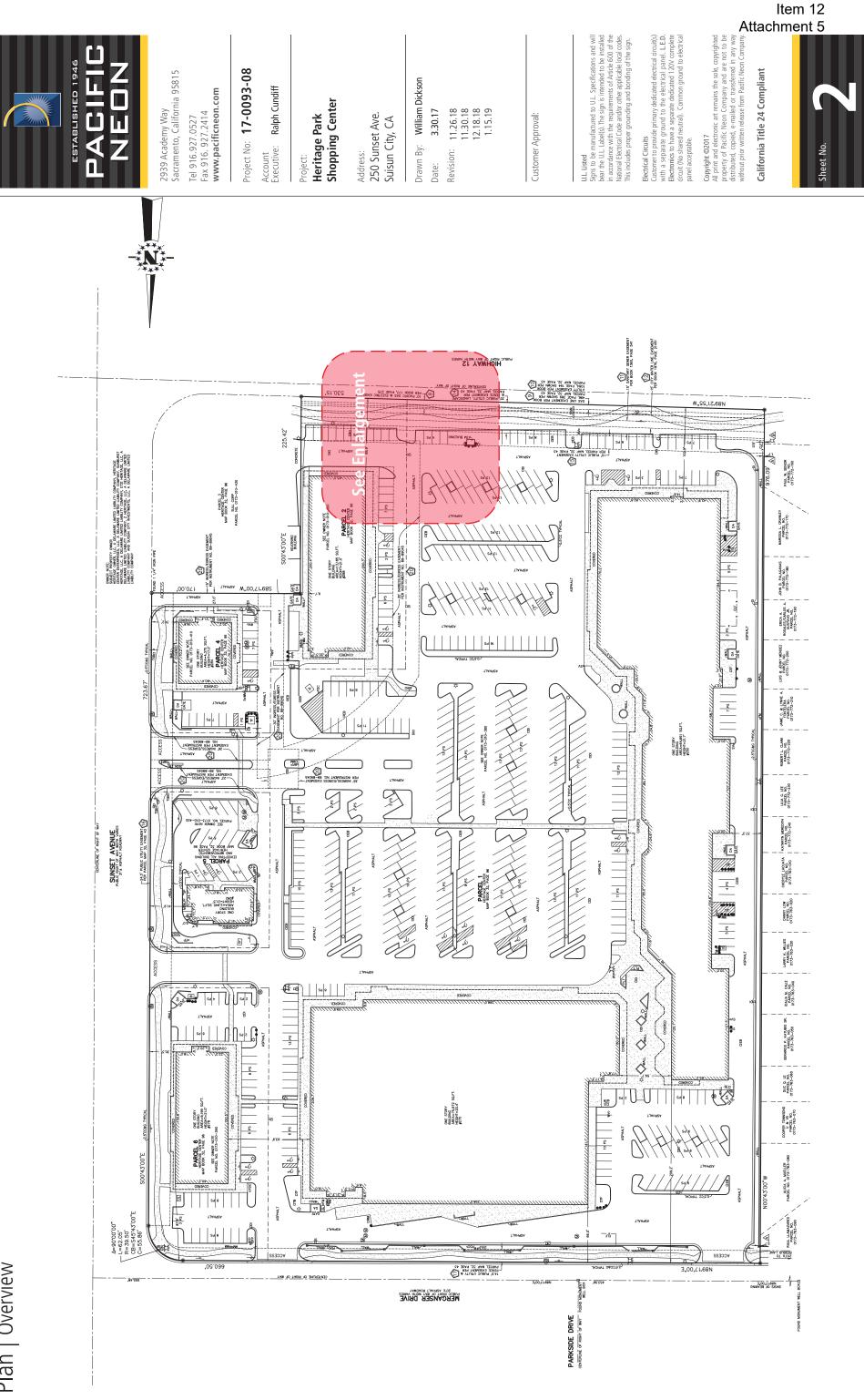
A D/F Multi-Tenant Pylon Sign (Side 1) Scale 1/8" = 1'-0"





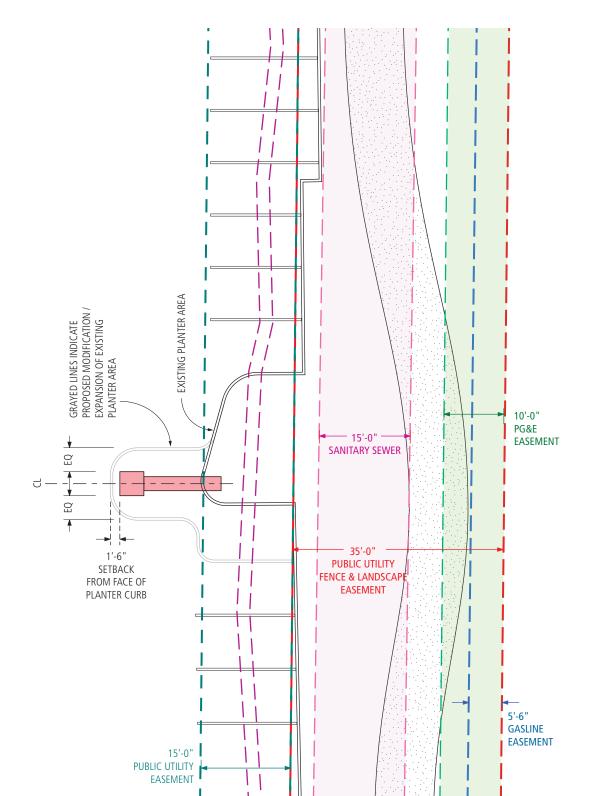
Freestanding Sign | D/F Shared Tenant Pylon Sign



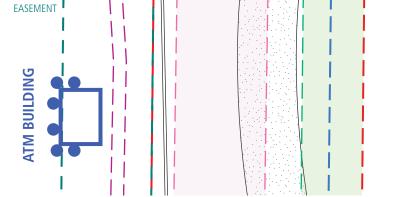




				Item 12 Attachment 5
ESTABLISHED 1946 ESTABLISHED 1946 PACADENTAL 2939 Academy Way Sacramento, California 95815 Tel 916.927.0527 Fax 916.927.2414 www.pacificneon.com	Project No: 17-0093-08 Account Executive: Ralph Cundiff Project: Project: Heritage Park Shopping Center	Address: 250 Sunset Ave. Suisun City, CA Drawn By: William Dickson Date: 3.30.17 Revision: 10.16.19	Customer Approval: ULL listed ULL listed Signs to be manufactured to U.L. Specifications and will bear the U.L.Label(s). The sign is imended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign. Electronisc to have a separate dedicated 120V complete or onit (No shared neutral). Common ground to electrical panel acceptable.	Copyright ©2017 All print and electronic at remains the sole, copyrighted property of Pacific Neon Company and are not to be distributed, copied, e-maled or transferred in any way without prior written release from Pacific Neon Company. California Title 24 Compliant Sheet No.

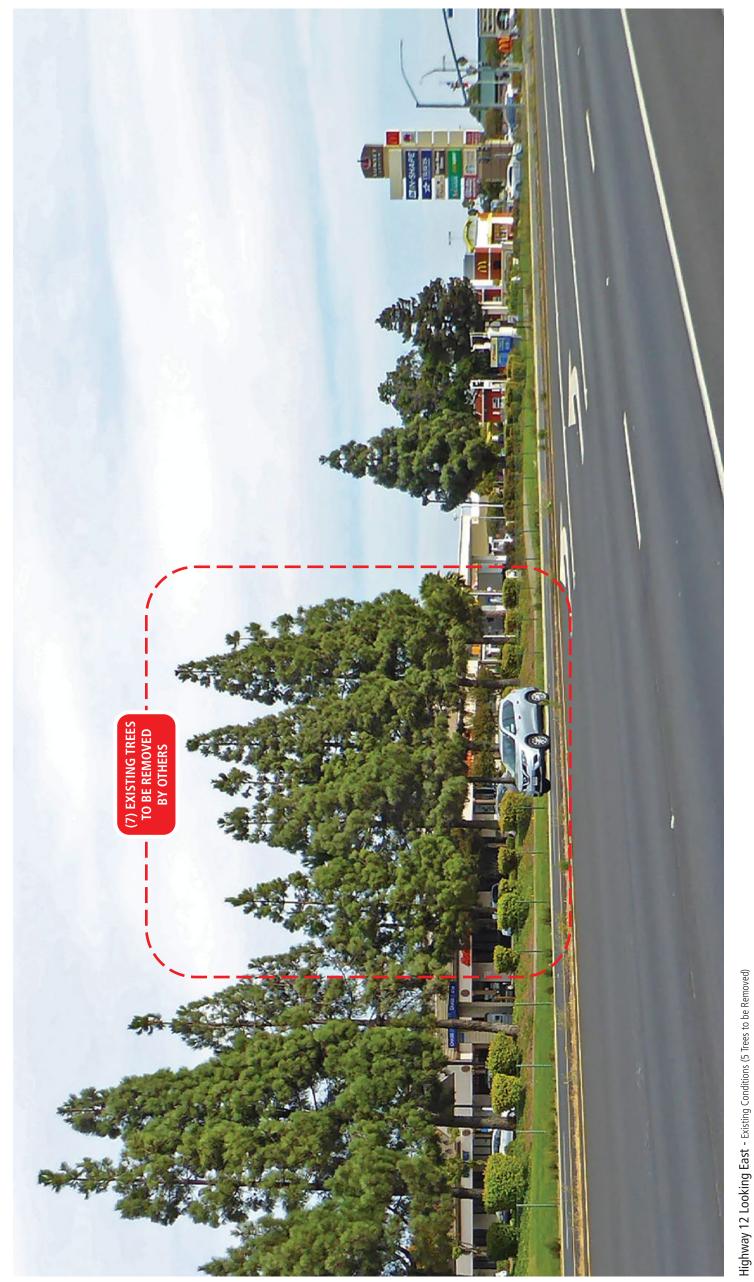


Site Plan | Planter Enlargement Detail



Site Plan Detail Scale 1/16" = 1'-0"

							Item 12 Attachment 5
Tel 916.927.0527 Earannento, California 95815 Tel 916.927.0527 Fax 916.927.0527 Fax 916.927.0527 Www.pacificneon.com	Project No: 17-0093-08 Account Executive: Ralph Cundiff	Project: Heritage Park Shopping Center Address: 250 Sunset Ave. Suisun City, CA	Drawn By: William Dickson Date: 3.30.17 Revision: 10.16.19	Customer Approval:	ULL listed Signs to be manufactured to UL. Specifications and will bear the U.L. Label(s). The sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign.	Electrical Circuits Customer to provide primary dedicated electrical circuit(s) with a separate ground to the electrical panel. LE.D. Electronics to have a separate dedicated 120V complete circuit (No shared neutral). Common ground to electrical panel acceptable.	Copyright ©2017 All prim and electronic art remains the sole, copyrighted property of Pacific Neon Company and are not to be distributed, copied, e-mailed or transferred in any way without prior written release from Pacific Neon Company. California Title 24 Compliant Sheet No.



				Item 12 Attachment 5
Sacramento, California 95815 Tel 916.927.0527 Fax 916.927.2414 www.pacificneon.com Project No: 17-0093-08 Account Executive: Ralph Cundiff	Project: Heritage Park Shopping Center Address: 250 Sunset Ave. Suisun City, CA Drawn Rv. William Dickenn	vulliani 3.30.17 10.16.19 10.16.19	U.L. Listed U.L. Listed Sgns to be manufactured to U.L. Specifications and will bear the U.L. Label(s). The sign is intended to be installed in accordance with the requirements of Article 600 of the National Electrical Code and/or other applicable local codes. This includes proper grounding and bonding of the sign. Electrical Circuits Customer to provide primary dedicated electrical inclu(s) with a separate ground to the electrical panel. L.E.D. Electronics to have a separate dedicated 120V complete circuit (No shared neutral). Common ground to electrical panel acceptable.	Copyright ©2017 All print and electronic at remains the sole, copyrighted property of Pacific Neon Company and are not to be distributed, copied, e-mailed or transferred in any way without prior written release from Pacific Neon Company. California Title 24 Compliant Sheet No.



						Item 12 Attachment 5
ESTABLISHED 1946 ESTABLISHED 1946 DDDDDDDDDDDD 2939 Academy Way Sacramento, California 95815 Tel 916.927.0527 Fax 916.927.2414 www.pacificneon.com	Project No: 17-0093-08 Account Executive: Ralph Cundiff	Project: Heritage Park Shopping Center Address: 250 Sunset Ave. Suisun City, CA	Drawn By: William Dickson Date: 3.30.17 Revision: 10.16.19	Customer Approval: u.L. Listed Signs to be manufactured to U.L. Specifications and will	Label(s). The sign is internots a with the requirements of the proper grounding and bonc units units provide primary dedicated e provide primary dedicated e are ground to the electric have a separate dedicated aed neutral). Common gri able.	Copyright ©2017 All print and electronic art remains the sole, copyrighted property of Pacific Neeon Company and are not to be distributed, copied, e-mailed or transferred in any way without prior written release from Pacific Neon Company. California Title 24 Compliant Sheet No.



Photo Looking West | Existing Conditions

Highway 12 Looking West - Existing Conditions (5 Trees to be Removed)

			Item 12 Attachment 5
ESTABLISHED 1946 ESTABLISHED 1946 DDDDDDDDDDDDD 2939 Academy Way Sacramento, California 95815 Tel 916.927.0527 Fax 916.927.2414	ject No: 17-009 count ecutive: Ralph Cunc ject: eritage Park opping Center	Customer Approval: ULL Listed ULL Listed Signs to be manufactured to ULL Specifications and will bear the ULL Label(s). This sign is interest of the Brazilled in accordance with the requirements of Article 600 of the National Electrical Code andror other applicable local codes. This includes proper grounding and bonding of the sign. Electrical Circuits Customer to provide primary dedicated electrical circuit(s) with a separate ground to the electrical parel. L.E.D. Electronics to have a separate dedicated 120V complete dircuit (No shared neutral). Common ground to electrical parel acceptable.	Copyright ©2017 All print and electronic art remains the sole, copyrighted property of Pacific Neon Company, and are not to be distributed, copied, e-mailed or transferred in any way without prior written release from Pacific Neon Company. California Title 24 Compliant Sheet No.



Photo Looking West | Rendering Showing Proposed Pylon Sign (East Side)

CAPITAL ARBORISTS, INC "Inspired Tree & Landscape Care!"

4259 Duluth Ave Rocklin, CA 95765 (916)412-1077 info@capitalarborists.com License # 951344

Date: 10/18/2019 **ProEquity Asset Management Michelle Simmons** 4980 Hillsdale Cir El Dorado Hills, CA 95762



email msimmons@proequityam.com

Work Site: 250 Sunset Ave Suisun City, CA 94585

Work: (916) 877-7878 (Michelle desk)

Job Name: ProEquity Asset Management 2019

Proposed By: Jeff Alspaw

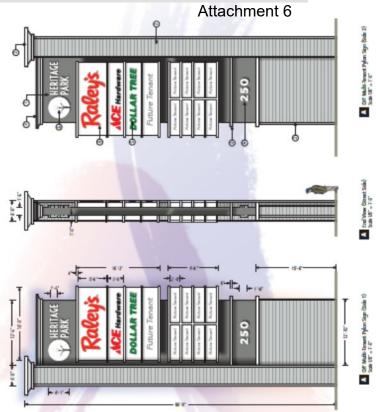
#	ltem	Description		Cost
1		Consultation	0	\$0.00
		This summary addresses (7) Canary Island Pine "Pinus canariensis", located along the South side of the property/near ATM drive through:		
		The above identified trees are located within the proposed location of a new "Pylon Sign" for Heritage Park. Upon my review and assessment of the addressed trees, I would propose/recommend the removal of all (7) trees for the following		
		reasons. -They are currently causing property damage to the adjacent concrete curbing and surrounding asphalt.		
		 They have signs of beetle/borer damage. The (7) indicated would provide adequate room for the proposed new development. 		
		As the Arborist tasked with this project of removal, I would also mitigate the removal of these (7) trees with the planting of at least (7) new trees. Due to the moderate size of the proposed/recommend trees for removal, I would recommend that they be replaced with at least (7) 24" box sized multi-stem Crape Myrtle within the vicinity of the new sign development. The Crape Myrtle would stay consistent with the surrounding		
		landscaped area, as well as additional aesthetic value to the property.		
		For any additional information please contact me directly.		
		Ronald (Jeff) Alspaw ISA Certified Arborists #WE-7986 jeff@capitalarborists.com (916) 412-0365		



Consideration of the Heritage Park Pylon Relocation of the **UDIC**

City Council

December 17, 2019



Item 12





Heritage Park Highway Oriented Sign

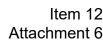
- Agenda Item and Applicant Request
- Background
- Staff Analysis
- Next Steps
- City Council Action
- Staff Recommendation







 Planning Commission Action – November 19,







- During Building Permit process a significant conflict with a utility was discovered.
- Applicant coordination with City staff and utility agencies.
- Application resubmittal and content.
- New location same sign design.







⁴⁵ Pylon Sign





City Council Action

The Council is considering the following **Resolution:**

: A Resolution of Heritage Park Shopping Center (APN 0173-Approving a 6o-Foot-Tall Pylon Sign at the the City Council of the City of Suisun City Resolution No. 2019- 010-380).





Planning Staff recommends adoption of the following Resolution:

Resolution of the City Council of Approving a 6o-Foot-Tall Pylon ₹ Shopping Center (APN 0173-Sign at the Heritage Park Resolution No. 2019-_____ the City of Suisun City 010-380). THIS PAGE INTENTIONALLY LEFT BLANK

HOUSING AUTHORITY AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: PUBLIC HEARING - Confirming Intent and Approving the Sale of Two Parcels Owned by the Housing Authority of the City of Suisun City (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North Side of Highway 12 and East of Sunset Avenue.

- a. Housing Authority Board Adoption of Resolution No. HA 2019-___: A Resolution of Intent to Sell Two Parcels Owned by the Housing Authority (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North Side of Highway 12 and East of Sunset Avenue; and
- b. Housing Authority Board Adoption of Resolution No. HA 2019-___: Authorizing the Executive Director to Execute the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Jointly with Sutter Retail Development, Inc., and Take Any and All Actions Necessary to Move Forward with the Sale of the Property.

FISCAL IMPACT: If the Housing Authority Board proceeds with the sale of the property, there would be a positive one-time impact to the Housing Authority of \$925,000. There would be no impact to the General Fund.

STRATEGIC PLAN IMPACT: Develop Sustainable Economy; Ensure Fiscal Solvency.

BACKGROUND: The Suisun City Housing Authority owns two vacant parcels (APN's 0173-390-160 and 0173-390-180) which are along the north side of Highway 12 and east of Sunset Avenue and the Sunset Shopping Center. For the several years that the Housing Authority has owned these parcels, it has marketed them for commercial development and been in contract on various occasions. However, each time the deals have fallen short of entitlement and initiation of development.

STAFF REPORT: Staff was approached by a developer (Brandon Norton, Norton Capital Inc.) who is interested in developing the property for commercial purposes. The developer has a knowledge of the area and the retail market demand based on both his own experience in retail development, and his direct experience working with the Lewis Group as a leasing agent for the proposed commercial project on the 34-acre property. While that particular site was not feasible for a 30+ acre commercial development, the developer did identify enough interest in the Suisun City market to warrant the development of the 8.29-acre property owned by the Housing Authority.

The development team would be comprised of Norton Capital Inc, which is redeveloping the 105,000 sf Oakmont Plaza in Fairfield, and Sutter Retail Development Corporation (www.srdc.co), the development arm of Hilbers Inc., (www.hilbersinc.com) one of the largest

retail commercial contractors on the west coast. Sutter Retail Development Corp has built projects in Williams, Napa, Marysville, Yuba City, and Fairfield, including an O'Reilly's Auto Parts on W. Texas Street in Fairfield.

Mr. Norton expressed interest in purchasing the properties for the amount of \$925,000, which exceeds the value based on an appraisal dated August 25, 2016 and updated on May 16, 2017 prepared by Garland & Associates. Garland & Associates is the appraiser most often used by the City to appraise properties, and Ronald Garland is very experienced with Suisun City properties.

Additionally, the Planning Commission adopted Resolution PC19-13 at their November 19, 2019 meeting which found the future sale to be in conformance to the 2035 General Plan per Government Code Section 65302 (Attachment 6).

Before Housing Authority property can be sold, the Housing Authority must follow the procedures articulated by Section 37420 et seq. of the Government Code. The process runs as follows:

- 1. The Housing Authority Board must adopt a resolution finding its intention to sell the property.
 - The resolution must: "(a) Fix a time for hearing protests to the sale. (b) Provide for publication of the notice of hearing. (c) Fix the time final action will be taken. (d) Contain an accurate description of the property to be sold."
 - Additionally, the "resolution shall be published at least once in a daily newspaper published and circulated in the city or, if there is none, the legislative body shall designate a newspaper published in the county. It shall also be posted for not less than ten days in at least three conspicuous places upon each parcel of real property affected."
- 2. Protests may be provided to the city clerk at any time prior to final action.
 - If no protests are received, or the Housing Authority Board overrules the protests by a 4/5 vote, the sale can proceed.
- 3. Sale of the property requires a 4/5 vote of the Housing Authority Board at a noticed public hearing. If the sale does not pass by this margin (or if the protests are not overruled by a 4/5 vote) then no further action can be taken for 6 months (unless a special election is called) on the sale of the property. Note that the vote to proceed with the sale is separate from the vote needed to overrule the protests, if applicable.

On November 26, 2019, the Housing Authority Board adopted a resolution of intent to sell the properties that initiated the process. The resolution of intent fixed a time for a public hearing on December 17, 2019. The public hearing has been properly noticed and shall provide the opportunity to hear protests regarding the potential sale. If no protests are received, or the Housing Authority Board overrules the protests by a four-fifths vote of its members, it may proceed with the sale.

There are two versions of the resolution approving the sale of the two parcels with alternative language. The Housing Authority Board will only take action on one of the resolutions depending on whether there are any protests.

- Version 1 of the resolution, the Housing Authority Board approves the sale of the properties after hearing no protests at the public hearing.
- Version 2, the Housing Authority Board, after considering all protests to the sale of the properties, votes to override them by a four-fifths vote.

RECOMMENDATION: It is recommended that the Housing Authority Board:

- 1. Open the Public Hearing; and
- 2. Receive testimony, if any; and
- 3. Close the Public Hearing; and
- c. Housing Authority Board Adoption of Resolution No. HA 2019-___: A Resolution of Intent to Sell Two Parcels Owned by the Housing Authority (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North Side of Highway 12 and East of Sunset Avenue; and
- 4. Housing Authority Board Adoption of Resolution No. HA 2019-___: Authorizing the Executive Director to Execute the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Jointly with Sutter Retail Development, Inc., and Take Any and All Actions Necessary to Move Forward with the Sale of the Property.

ATTACHMENTS:

- Resolution No. HA 2019-___: A Resolution of Intent to Sell Two Parcels Owned by the Housing Authority of the City of Suisun City (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North Side of Highway 12 and East of Sunset Avenue (after hearing no protests); and
- Resolution No. HA 2019-___: A Resolution of Intent to Sell Two Parcels Owned by the Housing Authority of the City of Suisun City (Assessor Parcel Numbers 0173-390-160 and 0173-390-180) Located Along the North side of Highway 12 and East of Sunset Avenue (consideration of protests to sale and vote to override protests by a 4/5 vote); and
- 3. Resolution No. HA 2019-___: Authorizing the Executive Director to Execute the Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions Jointly with Sutter Retail Development, Inc., and Take Any and All Actions Necessary to Move Forward with the Sale of the Property.
- 4. Purchase and Sale Agreement
- 5. Appraisal Dated 8-25-2016
- 6. Appraisal Update dated 5-16-2017
- 7. ALTA Survey
- 8. Planning Commission Resolution No. PC19-13
- 9. Power Point Presentation

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	Item 13 Attachment 1
1	RESOLUTION NO. HA 2019-
2 3 4 5	A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SUISUN CITY OF INTENT TO SELL TWO PARCELS OWNED BY THE HOUSING AUTHORITY OF THE CITY OF SUISUN CITY (ASSESSOR PARCEL NUMBERS 0173-390-160 AND 0173-390-180) LOCATED ALONG THE NORTH SIDE OF HIGHWAY 12 AND EAST OF SUNSET AVENUE
6	WHEREAS, the Housing Authority of the City of Suisun City owns two vacant parcels
7 8 9	located along the north side of Highway 12 and east of Sunset Avenue and the Sunset Shopping Center consisting of Assessor Parcel Numbers 0173-390-160 and 0173-390-180 (the "Properties").
10 11	WHEREAS, \$900,000 is the appraised value of the Properties based on an appraisal dated May 16, 2017, completed by Garland & Associates.
12 13	WHEREAS, Sutter Retail Development, Inc., a California Limited Liability Company has expressed its desire to purchase the properties for \$925,000 for a retail development.
14 15 16 17	WHEREAS, Section 37420 <i>et seq.</i> of the Government Code sets forth the procedures to dispose of City-owned real property, and requires that the City Council first adopt a resolution of intent to sell and conduct a noticed public hearing on the disposition prior to taking final action.
18 19 20 21 22 23 24	 WHEREAS, Government Code Section 65402 Subsection (b) provides that a city may not dispose of real property until the Planning Agency determines that the location, purpose, and extent of the disposition is consistent with the jurisdiction's general plan. WHEREAS, on November 26, 2019, the Housing Authority of the City of Suisun City passed Resolution No. HA 2019-07, declaring its intent to sell the properties and established December 17, 2019 as the date to hold a Public Hearing concerning the sale, and has given proper public notice of the Public Hearing. In that resolution, the Housing Authority authorized the Executive Director to take any and all actions necessary to move forward with the sale of
25 26 27 28	the property, including obtaining a determination of general plan consistency from the Planning Commission. WHEREAS, on November 19, 2019, the Planning Commission adopted Resolution NO. PC 19-13, confirming the location, purpose, and extent of the disposition of the Properties

1	are in conform	ance with the Suisun Ci	ity General Plan.
2	WHEF	REAS , at the December	17, 2019 public hearing, no protests were submitted to
3	the sale of the	Properties.	
4	NOW,	THEREFORE, BE IT	Г RESOLVED, THE HOUSING AUTHORITY OF
5	THE CITY O	F SUISUN CITY DOE	CS HEREBY RESOLVE AS FOLLOWS:
6	Section 1: Final	al Action: The Housing	g Authority has determined it will offer the Properties
7	Sutter Retail D	evelopment Inc. for sale	2.
8	Section 2: Aut	thority to Executive Dir	rector: The Executive Director is authorized to take the
9	procedural step	os necessary to complete	e the sale of the Properties.
10	Section 3: Sale	e of Properties: The act	tual sale of the Properties shall be brought forth to the
11	Housing Autho	ority for consideration a	nd approval under a separate resolution.
12	PASSE	CD AND ADOPTED at	a Regular Meeting of said Housing Authority of the City
13	of Suisun City of	duly held on Tuesday, th	e 17 th day of December 2019, by the following vote:
14	AYES:	Boardmembers:	
15	NOES:	Boardmembers:	
16	ABSENT: ABSTAIN:	Boardmembers: Boardmembers:	
17			
18	WITNESS my	v hand and the seal of sa	id City this 17 th day of December 2019.
19		hund und the sour of su	
20			Donna Pock, CMC
21			Deputy City Clerk
22			
23			
24			
25 26			
20 27			
27			
20			
	Resolution No. HA 2 Adopted December 1		
	Page 2 of 2	1	158

	Item 13 Attachment 2
1	RESOLUTION NO. HA 2019-
2	A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF
3	SUISUN CITY OF INTENT TO SELL TWO PARCELS OWNED BY THE
4	HOUSING AUTHORITY OF THE CITY OF SUISUN CITY (ASSESSOR PARCEL NUMBERS 0173-390-160 AND 0173-390-180) LOCATED ALONG
5	THE NORTH SIDE OF HIGHWAY 12 AND EAST OF SUNSET AVENUE
6	WHEREAS, the Housing Authority of the City of Suisun City owns two vacant parcels
7	located along the north side of Highway 12 and east of Sunset Avenue and the Sunset Shopping
8	Center consisting of Assessor Parcel Numbers 0173-390-160 and 0173-390-180 (the
9	"Properties").
10	WHEREAS, \$900,000 is the appraised value of the Properties based on an appraisal
11	dated May 16, 2017, completed by Garland & Associates.
12	WHEREAS, Sutter Retail Development, Inc., a California Limited Liability Company
13	has expressed its desire to purchase the Properties for \$925,000 for a retail development.
14	WHEREAS, Section 37420 et seq. of the Government Code sets forth the procedures
15	to dispose of City-owned real property, and requires that the City Council first adopt a
16	resolution of intent to sell and conduct a noticed public hearing on the disposition prior to taking
17	final action.
18	WHEREAS, Government Code Section 65402 Subsection (b) provides that a city may
19	not dispose of real property until the Planning Agency determines that the location, purpose,
20	and extent of the disposition is consistent with the jurisdiction's general plan.
21	WHEREAS, on November 26, 2019, Housing Authority of the City of Suisun City
22	passed Resolution No. HA 2019-07, declaring its intent to sell the properties and established
23	December 17, 2019 as the date to hold a Public Hearing concerning the sale, and has given
24	proper public notice of the Public Hearing. In that resolution, the Housing Authority authorized
25	the Executive Director to take any and all actions necessary to move forward with the sale of
26	the property, including obtaining a determination of general plan consistency from the Planning
27	Commission.
28	WHEREAS, on November 19, 2019, the Planning Commission adopted Resolution
·	No. PC 19-13, confirming the location, purpose, and extent of the disposition of the Properties

	· .				
1	are in conformance with the Suisun City General Plan.				
2	WHEREAS, at the December 17, 2019 public hearing, considered all protests to the				
3	sale of the Properties and voted to overrule them by a 4/5 vote.				
4	NOW,	THEREFORE, BE IT RESOLVED, THE HOUSING AUTHORITY OF			
5	THE CITY O	F SUISUN CITY DOES HERBY RESOLVE AS FOLLOWS:			
6	Section 1: Fina	al Action: The Housing Authority has determined it will offer the Properties to			
7	the Sutter Retai	l Development Inc. for sale.			
8	Section 2: Aut	hority to Executive Director: The Executive Director is authorized to take the			
9	procedural step	s necessary to complete the sale of the Properties.			
10	Section 3: Sale	e of Properties: The actual sale of the Properties shall be brought forth to the			
11	Housing Autho	rity for consideration and approval under a separate resolution.			
12	PASSE	D AND ADOPTED at a Regular Meeting of said Housing Authority of the City			
13	of Suisun City of	huly held on Tuesday, the 17 ^h day of December 2019, by the following vote:			
14	AYES:	Boardmembers:			
15	NOES: ABSENT:	Boardmembers:Boardmembers:			
16	ABSTAIN:	Boardmembers:			
17	WITNI	ESS my hand and the seal of said City this 17 th day of December 2019.			
18					
19		Donna Pock, CMC			
20		Deputy City Clerk			
21					
22					
23					
24					
25					
26					
27					
28					
	Resolution No. HA 2	019-			
	Adopted December 1 Page 2 of 2				
	1 age 2 01 2	160			

	Item 13 Attachment 3
1	RESOLUTION NO. HA 2019-
2	A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF
3	SUISUN CITY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT FOR PURCHASE AND SALE OF REAL
4	PROPERTY AND JOINT ESCROW INSTRUCTIONS JOINTLY WITH SUTTER RETAIL DEVELOPMENT, INC., AND TAKE ANY AND ALL
5	ACTIONS NECESSARY TO MOVE FORWARD WITH THE SALE OF THE
6	PROPERTY
7	WHEREAS, the Housing Authority of the City of Suisun City owns two vacant parcels
8	located along the north side of Highway 12 and east of Sunset Avenue and the Sunset Shopping
9	Center consisting of Assessor Parcel Numbers 0173-390-160 and 0173-390-180 (the
10	"Properties").
11	WHEREAS, the present value of the Housing Authority's residual interest in the
12	Properties is Nine Hundred Thousand Dollars (\$900,000) as determined by an appraisal issued
13	by Garland & Associates dated May 16, 2017 ("Appraised Value").
14	WHEREAS, Sutter Retail Development Inc. has expressed a desire to purchase the
15	Properties for \$925,000 for retail development.
16	WHEREAS, Section 37420 et seq. of the Government Code sets forth the procedures
17	to dispose of City-owned real property, and requires that the City Council first adopt a
18	resolution of intent to sell and conduct a noticed public hearing on the disposition prior to taking
19	final action.
20	WHEREAS, on November 26, 2019 by a vote of 5-0 the Housing Authority of the City
21	of Suisun City adopted a resolution declaring its intent to sell the Properties and established
22	December 17, 2019 as the date to hold a Public Hearing to hear protests and to take final action
23	on the sale of the Properties, and has given proper public notice of the Public Hearing.
24	WHEREAS, Government Code Section 65402 Subsection (b) provides that a city may
25	not dispose of real property until the Planning Agency determines that the location, purpose,
26	and extent of the disposition is consistent with the jurisdiction's general plan.
27	WHEREAS, on November 19, 2019, the Planning Commission adopted Resolution No.
28	PC19-13, confirming the location, purpose, and extent of the disposition of the Properties are

in conformance with the Suisun City General Plan. 1 WHEREAS, the proceeds from the sale of the Properties will be deposited into the 2 Housing Authority Fund. 3 NOW, THEREFORE, BE IT RESOLVED, THE HOUSING AUTHORITY OF 4 THE CITY OF SUISUN CITY DOES HEREBY RESOLVE AS FOLLOWS: 5 6 Section 1. Recitals Incorporated. The above recitals are true and correct and are incorporated herein by reference. 7 8 Section 2. Final Action: The Housing Authority of the City of Suisun City, by a 9 four fifths vote, approves the sale of the Properties. 10 Section 3: PSA: The Purchase and Sale Agreement for Real Property and Joint 11 Escrow Instructions (PSA) in substantially the form attached hereto at Attachment 4 is hereby 12 approved. The Executive Director is hereby authorized on behalf of the Housing Authority to execute the PSA, and to make revisions to the PSA that do not materially or substantially 13 increase the Housing Authority obligations thereunder, to sign all documents, to make all 14 approvals and take all actions necessary or appropriate to carry out and implement the PSA and 15 to administer the Housing Authority's obligations, responsibilities and duties to be performed 16 under the PSA. 17 **PASSED AND ADOPTED** at a Regular Meeting of said Housing Authority of the City 18 of Suisun City duly held on Tuesday, the 17th day of December 2019, by the following vote: 19 20 AYES: Boardmembers: **Boardmembers**: **NOES:** 21 **ABSENT:** Boardmembers: **ABSTAIN:** Boardmembers: 22 23 WITNESS my hand and the seal of said City this 17th day of December 2019. 24 25 Donna Pock, CMC Deputy City Clerk 26 27 28 Resolution No. 2019-Adopted December 17, 2019 Page 2 of 2 162

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is made this ____ day of _____, 2019 by and between SUTTER RETAIL DEVELOPMENT, INC., a California corporation ("**Buyer**") and HOUSING AUTHORITY OF SUISUN CITY, a public body, corporate and politic ("**Seller**"). PLACER TITLE COMPANY, a California corporation shall be the escrow holder ("**Escrow Holder**").

<u>RECITALS:</u>

A. Seller is the owner of that certain unimproved real property consisting of approximately 8.29 acres located east of Sunset Avenue and north of Highway 12 in the City of Suisun City ("**City**"), County of Solano, State of California (Assessor Parcel Nos. 0173-390-160 and 0173-390-180), more particularly described in <u>Exhibit A</u> attached hereto and by this reference incorporated herein ("**Property**").

B. Buyer proposes to develop a retail center similar to the proposed concept plan attached hereto as <u>**Exhibit B**</u> together with landscaping lighting and public street improvements on the Property ("**Proposed Project**").

C. Seller now desires to sell and Buyer desires to buy the Property based upon the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereto agree as follows:

TERMS AND CONDITIONS:

1. <u>PURCHASE AND SALE OF PROPERTY</u>. Buyer hereby agrees to purchase from Seller, and Seller agrees to sell to Buyer the Property in AS-IS condition subject only to the representations and warranties set forth herein and on the other terms and conditions in this Agreement.

2. <u>EFFECTIVE DATE; OPENING OF ESCROW</u>.

2.1 <u>Effective Date</u>. This Agreement shall be deemed effective upon execution of the Agreement by Seller after approval by the Seller's Board as required by law ("Effective Date").

2.2 <u>Opening of Escrow</u>. Within three (3) business days from the Effective Date, the parties shall open an escrow ("Escrow") with Laura Vierra ("Escrow Officer") at Placer Title Company 1300 Oliver Rd., Suite 120 Fairfield, CA 94534 Phone: (707) 429-2211 ("Escrow Holder") by causing an executed copy of this Agreement to be deposited with Escrow Holder which Escrow Holder shall sign and accept and Buyer concurrently delivering the Deposit to Escrow Holder as specified in Section 3.2.a ("Opening of Escrow"). If Buyer fails to deliver the Deposit in the time specified, Seller shall have the right to terminate this Agreement.

3. <u>PURCHASE PRICE; PAYMENT OF PURCHASE PRICE</u>.

3.1 <u>**Purchase Price.**</u> The purchase price is Nine Hundred Twenty-Five Thousand Dollars (\$925,000) ("**Purchase Price**").

3.2 Payment of Purchase Price.

- a. <u>Initial Deposit</u>. Upon Opening of Escrow, Seller shall deliver the amount of Fifty Thousand Dollars (\$50,000) Dollars ("Initial Deposit") to Escrow Holder.
- **b.** <u>Interest Bearing Account.</u> Buyer shall have the right to direct Escrow Holder to invest the Initial Deposit in an interest bearing demand account provided Buyer complies with all requirements. Interest shall be retained in the Escrow and taxable to Buyer.
- c. <u>Deposit.</u> The term "Deposit" shall mean the Initial Deposit plus any interest earned thereon.
- **d.** <u>Option Consideration.</u> If Buyer elects to exercise the Option to Extend pursuant to Section 5.3, the Extension Consideration paid directly to Seller shall be credited against the Purchase Price at Closing.
- e. <u>Balance of Purchase Price.</u> Buyer shall deposit the balance of the Purchase Price with Escrow Holder in good funds at least one (1) business day prior to the Closing Date.
- f. <u>Good Funds</u>. All funds deposited in Escrow or delivered to Seller under Section 5.2 shall be in "Good Funds" which means a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.

4. FUNDS AND DOCUMENTS REQUIRED FROM BUYER AND SELLER.

4.1 <u>Seller</u>. Seller agrees that on or before 12:00 noon at least one (1) business day prior to the Closing Date, Seller will deposit with Escrow Holder such funds and other items and instruments (executed and acknowledged, if appropriate) as may be necessary in order for the Escrow Holder to comply with this Agreement, including without limitation:

- i. Executed and acknowledged grant deed in the form attached hereto as **Exhibit C** ("**Grant Deed**") and such other documents as reasonably required by Title Company.
- ii. A Non-Foreign Affidavit as required by federal law.
- iii. Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

4.2 Buyer. Buyer agrees that on or before 12:00 noon at least one (1) business day prior to the Closing Date, Buyer will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement, including without limitation:

- i. A Preliminary Change of Ownership Statement completed in the manner required in Solano County ("**PCOR**").
- ii. Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

4.3 <u>Recordation, Filing, Completion and Distribution of Document.</u> Escrow Holder shall confirm that any documents signed in counterpart are matching documents and shall combine the signature pages thereof so as to create fully executed documents. Escrow Holder will cause the Grant Deed to be recorded in the Official Records of Solano County so it can issue the Title Policy in accordance with Section 7. Promptly following Close of Escrow, Escrow Holder shall distribute Escrow Holder's final closing statement and conformed copies of all recorded documents to the parties.

5. <u>CLOSING DATE; EXTENSION OPTIONS; TIME IS OF ESSENCE</u>.

5.1 <u>**Closing Date.**</u> Escrow shall close not later than thirty (30) days after expiration of the Entitlement Period, BUT, in no event, later than fourteen (14) months from the Opening of Escrow ("**Closing Date**"). The terms "**Close of Escrow**" and/or "**Closing**" are used herein to mean the time Grant Deed is filed for recording by the Escrow Holder in the Office of the County Recorder of Solano County, California.

5.2 Option to Extend. Provided Buyer is not in default under this Agreement, Buyer shall have one (1) option to extend the Closing Date for a period of ninety (90) days ("**Option to Extend**"). At least ten (10) days prior to the initial Closing Date, Buyer may exercise the Option to Extend by delivering directly to Seller: (i) written notice exercising the Option to Extend; and (ii) the sum of Fifty Thousand Dollars (\$50,000) as option consideration ("**Extension Consideration**"). A copy of the Option to Extend exercise notice will be provided to Escrow Holder. At Closing of Escrow, the Extension Consideration shall be credited to the Purchase Price. If Escrow does not close, the Extension Consideration shall be retained by Seller as option consideration for the extension.

5.3 <u>**Time is of Essence.**</u> Buyer and Seller specifically agree that time is of the essence under this Agreement.

5.4 Possession. Upon the Close of Escrow, Seller shall deliver possession of the Property to Buyer.

5.5 Executive Director Authority. Seller by its execution of this Agreement agrees that its Executive Director or his/her designee (who has been designated by Executive Director's written notice delivered to Buyer and Escrow Holder) shall have the authority to execute documents on behalf of Seller including, but not limited to, issuing approvals, disapprovals and extensions. Any such approval, disapproval or extension executed by the Executive Director or his/her designee shall be binding on Seller.

6. <u>TITLE POLICY</u>.

6.1 <u>Approval of Title</u>. Promptly following execution of this Agreement but, in no event later than five (5) days following Opening of Escrow, a preliminary title report shall be issued by Placer Title Company ("**Title Company**"), describing the state of title of the Property, together with copies of all exceptions listed therein and a map plotting all easements specified therein ("**Preliminary Title Report**"). Within forty-five (45) days after Buyer's receipt of the Preliminary Title Report, Buyer shall notify Seller in writing ("**Buyer's Title Notice**") of Buyer's disapproval of any matters contained in the Preliminary Title Report except that Buyer may not disapprove any title exceptions caused by Buyer's entry onto the Property pursuant to Section 7.4.("**Disapproved Exceptions**").

In the event Buyer delivers Buyer's Title Notice within said period, Seller shall have a period of ten (10) days after receipt of Buyer's Title Notice in which to notify Buyer of Seller's election to either (i) agree to attempt to remove the Disapproved Exceptions prior to the Close of Escrow; or (ii) decline to remove any such Disapproved Exceptions ("**Seller's Notice**"). If Seller notifies Buyer of its election to decline to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, Buyer may elect either to terminate this Agreement and the Escrow or to accept title to the Property subject to the Disapproved Exception(s). Buyer shall exercise such

election by delivery of written notice to Seller and Escrow Holder within five (5) days following the earlier of (i) the date of written advice from Seller that such Disapproved Exception(s) cannot be removed; or (ii) the date Seller declines to remove such Disapproved Exception(s).

Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement, provided, however, that Buyer's initial period of review and approval or disapproval of any such additional exceptions shall be limited to five (5) days following receipt of notice of such additional exceptions.

6.2 <u>Title Policy</u>. At the Close of Escrow, the Title Company shall furnish Buyer with an ALTA owner's non-extended Policy of Title Insurance ("**Title Policy**") insuring title to the Property vested in Buyer with coverage in the amount of the Purchase Price, containing only (i) the exceptions approved or waived by Buyer in accordance with Section 6.1; (ii) any exception resulting from Buyer's acts under Section 7.4; and (iii) any acts caused by Buyer. The cost of the Title Policy to Buyer shall be paid as set forth in Section 12.4. If Buyer desires to obtain an ALTA extended coverage owner's title policy, Buyer shall deliver an ALTA survey, at Buyer's cost, to Title Company at least thirty (30) days prior to the Closing Date and Buyer shall pay the additional cost for the extended coverage.

7. <u>DUE DILIGENCE</u>.

7.1 <u>Due Diligence</u>. Seller has provided Buyer with any and all documents and information in Seller's possession and control concerning the Property including contracts, leases, and reports which are listed on <u>Exhibit D</u>. Commencing with the Effective Date, Buyer shall have the right to obtain at its cost to conduct such engineering, feasibility studies, soils tests, environmental studies and other investigations as Buyer in its sole discretion may desire, to permit Buyer to determine the suitability of the Property for Buyer's contemplated uses and to conduct such other review and investigation which Buyer deems appropriate to satisfy itself to acquire the Property, including Buyer securing financing and necessary entitlements for Buyer's proposed project.

7.2 <u>Natural Hazard Disclosure Report</u>. Upon Opening of Escrow, Escrow Holder shall promptly order a commercial Natural Hazards Disclosure report for the Property from Disclosure Source ("**NHD Report**") to be delivered to Buyer and Seller.

7.3 <u>Disapproval of Due Diligence Matters</u>. No later than One Hundred Eighty (180) days from the Opening of Escrow ("Due Diligence Expiration Date"), Buyer may, in its sole discretion, notify Seller in writing (with a copy to Escrow Holder) of (i) it's disapproval of the due diligence matters (excluding title matters which are to be approved or disapproved pursuant to Section 6), and (ii) its election to terminate this Agreement and Escrow ("Disapproval and Termination Notice").

If Buyer sends the Disapproval and Termination Notice in the time and manner specified above, the parties shall execute any documents required by Escrow Holder and upon receipt of said documents executed by the parties, Escrow Holder shall return the Deposit (less any cancellation charges) to Buyer. If Buyer does not deliver the Disapproval and Termination Notice in the time and manner specified above, Buyer shall conclusively be deemed to have approved due diligence matters.

7.4 <u>Right to Enter the Property</u>. Commencing with the Effective Date, Seller grants Buyer, its agents and employees a limited license to enter upon the Property for the purpose of conducting engineering surveys, soil tests, investigations or other studies reasonably necessary to evaluate the condition of the Property, which studies, surveys, reports, investigations and tests shall be done at Buyer's sole cost and expense.

Prior to entry onto the Property, Buyer shall (i) notify Seller the date and purpose of each intended entry together with the names and affiliations of the persons entering the Property; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property during or after such investigation; (iii) comply with all applicable laws and governmental regulations; (iv) allow an employee of Seller to be present at Seller's election; (v) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this provision; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California; (vii) provide to Seller prior to initial entry a certificate of insurance evidencing that Buyer has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than TWO MILLION DOLLARS (\$2,000,000) which insurance names Seller as additional insured; (vii) return the Property to substantially its original condition following Buyer's entry; (viii) provide Seller copies of all studies, surveys, reports, investigations and other tests derived from any inspection ("Reports"); and (ix) to take the Property at closing subject to any title exceptions caused by Buyer exercising this right to enter.

Buyer agrees to indemnify, and hold Seller free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which Seller may suffer or incur as a consequence of Buyer's exercise of the license granted pursuant to this Section 7.4 or any act or omission by Buyer, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under Buyer (except Seller and its agents) with respect to the Property, excepting any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) arising from the mere discovery by Buyer of any hazardous materials or conditions and excepting to the extent such claims arise out of the negligence or misconduct of Seller. Buyer's obligations under this Section 7.4 shall survive termination of this Agreement for any reason.

7.5 <u>**Reliance Letters.**</u> If Buyer does not terminate this Agreement pursuant to Section 7.3, Buyer shall provide reliance letters to Seller (in a form reasonably acceptable to Seller) with respect to all reports and investigations conducted by Buyer including, but not limited to, the Phase I and Phase II reports ("**Reliance Letters**").

8. <u>ENTITLEMENTS</u>

8.1 <u>Commencement.</u> Within One hundred twenty (120) days from the expiration of the Due Diligence Period ("Entitlement Period"), Buyer shall use commercially reasonable efforts to apply for and obtain all discretionary governmental permits and approvals for the Proposed Project and diligently prosecute same including, but not limited to, responding to requests and modifications, payment of all necessary fees, etc. ("Entitlements").Entitlements If Buyer is not in breach of this Agreement and if the Entitlements have not been obtained prior to the expiration of the Entitlement Period, Buyer may elect to terminate this Agreement by providing written notice to Seller (with a copy to Escrow Holder) of (i) it's failure to obtain the Entitlements, and (ii) its election to terminate this Agreement and Escrow ("Entitlement Termination Notice"). If Buyer does not provide the Entitlement Termination Notice in writing prior to the expiration of the Entitlement Period, Buyer shall be deemed to have waived the right to terminate under this Section 8.1. Upon issuance of the Entitlement Termination Notice, Escrow Holder shall return the Deposit (less cancellation charges) to Buyer.

8.2 <u>Notice.</u> Buyer understands that Seller is a separate legal entity from the City, does not have legal authority to issue any approvals on behalf of City, and nothing herein is to be construed to imply any approval by the City.

9. <u>CONDITIONS PRECEDENT TO CLOSE OF ESCROW</u>.

9.1 <u>Conditions to Buyer's Obligations</u>. The obligations of Buyer under this Agreement are subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent ("**Buyer's Conditions Precedent**"):

- i. Title Company will issue the Title Policy as specified in Section 6.2.
- ii. Buyer has not elected to terminate this Agreement pursuant to Section 7.3 or 8.1.
- iii. Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.
- iv. Seller is not in default of its obligations under this Agreement.

9.2 <u>Conditions to Seller's Obligations</u>. The obligations of Seller under this Agreement are subject to the satisfaction or written waiver, in whole or in part, by Seller of the following conditions precedent:

- i. Buyer has delivered the balance of the Purchase Price to Escrow Holder.
- ii. Buyer has delivered the Reliance Letters pursuant to Section 7.5.
- iii. Title Company will issue the Title Policy as specified in Section 6.2.
- iv. Escrow Holder holds and will deliver to Seller the instruments and funds accruing to Seller pursuant to this Agreement.
- v. Buyer is not in default of its obligations under this Agreement.

10. LIQUIDATED DAMAGES.

IF BUYER SHOULD DEFAULT UNDER THIS AGREEMENT, BUYER AND SELLER AGREE THAT SELLER WILL INCUR DAMAGES BY REASON OF SUCH DEFAULT WHICH DAMAGES SHALL BE IMPRACTICAL AND EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO ASCERTAIN. THEREFORE, BUYER AND SELLER, IN A REASONABLE EFFORT TO ASCERTAIN WHAT SELLER'S DAMAGES WOULD BE IN THE EVENT OF SUCH DEFAULT BY BUYER HAVE AGREED BY PLACING THEIR INITIALS BELOW THAT THE DEPOSIT SHALL CONSTITUTE A REASONABLE ESTIMATE OF SELLER'S DAMAGES UNDER THE PROVISIONS OF SECTIONS 1671 AND 1677 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE FOR A BREACH PRIOR TO THE CLOSING. IF BUYER FAILS TO PROMPTLY DELIVER THE SUM SPECIFIED ABOVE TO SELLER, SUCH FAILURE SHALL CONSTITUTE A MATERIAL BREACH OF THIS PROVISION AND SELLER MAY ELECT TO SUE BUYER UNDER THIS PROVISION OR TO WAIVE THIS PROVISION AND PROCEED AGAINST BUYER FOR ALL APPLICABLE DAMAGES RESULTING FROM BUYER'S DEFAULT. THIS PROVISION DOES NOT APPLY TO OR LIMIT IN ANY WAY THE INDEMNITY OBLIGATIONS OF BUYER UNDER THIS AGREEMENT OR BUYER'S **OBLIGATIONS TO DELIVER THE REPORTS UNDER SECTION 7.4**

Seller's Initials

Buyer's Initials

11. <u>CONDITION OF THE PROPERTY.</u> Upon the Close of Escrow, Buyer shall acquire the Property in its "AS-IS" condition and Buyer shall be responsible for any defects in the Property, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Property, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on, under or about the Property, and, except as and only to the extent specifically set forth in Section 12, Seller makes no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property, and Seller specifically disclaims all representations or warranties of any nature concerning the Property made by it. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Property is suited, or drainage.

Buyer has an opportunity to conduct all its due diligence and investigation pursuant to Section 7 in order to decide to acquire the Property. If Buyer does not elect to terminate this Agreement pursuant to Section 7, as of Closing, Buyer assumes all responsibility for any existing conditions existing on the Property. In the event Buyer incurs any loss or In connection therewith, Buyer and each of the entities constituting Buyer, expressly agree to waive any and all rights which said party may have with respect to such released claims under Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Buyer Initials_____

Seller Initials

Notwithstanding any other provision of this Agreement, Buyer's release and this Section shall survive the termination of this Agreement and shall continue in perpetuity.

12. <u>REPRESENTATIONS AND WARRANTIES</u>.

12.1 <u>General Representations and Warranties</u>.

Seller hereby makes the following representations and warranties to Buyer, each of which is true in all respects as of the Opening of Escrow and shall be true in all respects on the date of Close of Escrow on the Property to the best of knowledge of Seller's existing staff without duty to investigate:

(a) There are no contracts, leases, claims or rights affecting the Property and no agreements entered into by or under Seller which shall survive the Close of Escrow that would adversely affect Buyer's rights with respect to the Property except as heretofore disclosed in writing by Seller to Buyer.

(b) Seller has not received any written notice from any third parties, prior owners of the Property, of any federal, state or local governmental agency, indicating that any hazardous materials, environmental claims, environmental cleanup liability exists or applies to the Property.

(c) There are no easements or encroachments onto the Property by buildings or improvements from any adjoining property.

(d) Seller is not a foreign person as defined in Internal Revenue Code Section 1445(f)(3).

(e) There are no pending or, any threatened proceedings in eminent domain or otherwise, which would affect the property or any portion thereof.

12.2 <u>Survival of Representations and Warranties of Seller</u>. The representations and warranties provided in this Section 12 shall survive the Closing and delivery of the Grant Deed for a period of one (1) year after the Closing.

13. ESCROW PROVISIONS.

13.1 Escrow Instructions. Sections 1 through 6, inclusive, 9, 13, 15 and 16 constitute the escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail. The terms and conditions in sections of this Agreement not specifically referenced above are additional matters for information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provision upon Escrow Holder's request. To the extent that the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller agree to execute additional instructions, documents and forms provide by Escrow Holder that are reasonably necessary to close Escrow.

13.2 <u>General Escrow Provisions</u>. Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Solano County Recorder to mail the Grant Deed to Buyer at the address set forth in Section 15 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Solano County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be according to that party's instructions.

13.3 <u>Real Property Taxes</u>. As a public agency, Seller is not subject to real property taxes.

13.4 <u>Payment of Costs</u>.

- a. Cost Allocation. Seller shall pay any documentary transfer taxes, the cost of the NHD Report and one-half (1/2) of the escrow fees ("Seller's Charges"). Buyer shall pay the cost of the Title Policy, recording charges for the Grand Deed, one-half (1/2) of the escrow fees and any charges incurred by Buyer's act ("Buyer's Charges"). All other costs of Escrow not otherwise specifically allocated by this Agreement shall be apportioned between the parties in a manner consistent with the custom and usage of Escrow Holder.
- **b. Closing Statement.** At least five (5) business days prior to the Closing Date, Escrow Holder shall furnish Buyer and Seller with a preliminary Escrow closing statement which shall include each party's respective shares of costs. The preliminary closing statement shall be approved in writing by the parties. As soon as reasonably possible following the Close of Escrow, Escrow Holder shall deliver a copy of the final Escrow closing statement to the parties.

13.5 <u>**Termination and Cancellation of Escrow**</u>. If Escrow fails to close due to a failure of a condition precedent, then the party in whose favor the condition precedent runs may elect to

cancel this Escrow upon written notice to the other party and Escrow Holder. Upon cancellation, Escrow Holder is instructed to return (i) the funds in accordance with the foregoing provisions of this Agreement, and (ii) all documents then in Escrow to the respective depositor of the same with Escrow Holder. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Seller may have against each other arising from the Escrow or this Agreement.

13.6 <u>Information Report</u>. Escrow Holder shall file and Buyer and Seller agree to cooperate with Escrow Holder and with each other in completing any report ("Information Report") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Buyer and Seller also agree that Buyer and Seller, their respective employees and attorneys, and escrow Holder and its employees, may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045(e), and further agree that neither Buyer nor Seller shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.

13.7 <u>No Withholding as Foreign Seller</u>. Seller represents and warrants to Buyer that Seller is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

13.8 <u>Brokerage Commissions</u>. Buyer and Seller each represent and warrant to the other that no third party is entitled to a broker's commission and/or finder's fee with respect to the transaction contemplated by this Agreement. Buyer and Seller each agree to indemnify and hold the other parties harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee.

14. <u>**RISK OF PHYSICAL LOSS.</u>** Risk of physical loss to the Property shall be borne by Seller prior to the Close of Escrow and by Buyer after Close of Escrow. In the event that the Property shall be damaged by fire, flood, earthquake or other casualty Buyer shall have the option to terminate this Agreement, provided notice of such termination is delivered to Seller within twenty (20) days following the date Buyer learns of the occurrence of such casualty. If Buyer fails to terminate this Agreement pursuant to the foregoing sentence within said twenty (20) day period, Buyer shall complete the acquisition of the Property, in which case Seller shall assign to Buyer the interest of Seller in all insurance proceeds relating to such damage (subject to the rights of tenants under leases of the Property). Seller shall consult with Buyer regarding any proposed settlement with the insurer and Buyer shall have the reasonable right of approval thereof. Seller shall hold such proceeds until the Close of Escrow. In the event this Agreement is terminated for any reason, Buyer shall have no right to any insurance proceeds.</u>

15. <u>NOTICES</u>. Any notice which either party may desire to give to the other party or to the Escrow Holder must be in writing and may be given by (i) personal delivery which will be deemed received the following day; (ii) by national overnight delivery service which will be deemed received the following business day; or (iii) by mailing the same by registered or certified mail, return receipt requested which will be deemed delivered three (3) days after depositing same in the mail,

addressed to the party to whom the notice is directed as set forth below, or such other address and to such other persons as the parties may hereafter designate:

To Seller:	Suisun City Housing Agency 701 E. Suisun City Street Suisun City, CA 90745 Attention: Greg Folsom
With a Copy to:	Aleshire & Wynder, LLP 18881 Von Karman Avenue, Suite 1700 Irvine, CA 92612 Attention: Anthony Taylor
To Buyer:	Sutter Retail Development, Inc. 1210 Stabler Lane Yuba City, CA 945993 Attn: Kurt Hilbers, Chief Executive Officer
To Escrow Holder:	Placer Title Company 1300 Oliver Road Suite 120 Fairfield, CA 94534 Attn: Laura Vierra, Escrow Officer

16. <u>GENERAL PROVISIONS</u>.

16.1 <u>Assignment</u>. Buyer shall not assign this Agreement without the prior written consent of Seller. Seller shall not unreasonable withhold consent for an assignment to an entity wholly owned and controlled by either Kurt Hilbers or Kristen Longwell. Buyer shall notify Seller of any such proposed assignment and provide copies of the assignment and assumption agreement in a form reasonably accept to Seller. This Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.

16.2 <u>Attorney's Fees</u>. In any action between the parties hereto, seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or in connection with the Property, the prevailing party in such action shall be entitled, to have and to recover from the other party its reasonable attorneys' fees and other reasonable expenses in connection with such action or proceeding, in addition to its recoverable court costs.

16.3 <u>Interpretation; Governing Law; Venue.</u> This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates. The venue for any dispute shall be Solano County.</u>

16.4 <u>No Waiver</u>. No delay or omission by either party in exercising any right or power accruing upon the compliance or failure of performance by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

16.5 <u>Modifications</u>. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.

16.6 <u>Severability</u>. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provisions, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16.7 <u>Merger.</u> This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior to contemporaneous agreements, understandings, representations and statements, oral or written are merged herein and shall be of no further force or effect.

16.8 <u>Construction.</u> In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

16.9 Qualification and Authority. Each individual executing this Agreement on behalf of Buyer represents, warrants and covenants to the Authority that (a) such person is duly authorized to execute and deliver this Agreement on behalf of Buyer in accordance with authority granted under the organizational documents of such entity, and (b) Buyer is bound under the terms of this Agreement.

16.10 No Third Party Beneficiaries. This Agreement is only between the parties, and is not intended to be nor shall it be construed as being for the benefit of any third party.

16.11 <u>Execution in Counterparts</u>. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

16.12 <u>Exhibits</u>. <u>Exhibit A</u>, <u>B</u>, <u>C</u> and <u>D</u> attached hereto are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property and Escrow Instructions as of the date set forth above.

NOTE: Each of Sections 10 and 11.2 must also be initialed.

BUYER:

SELLER:

SUTTER RETAIL DEVELOPMENT, INC, a California corporation

HOUSING AUTHORITY OF SUISUN CITY, a public body, corporate and politic

By: ______ Kurt Hilbers, Chief Executive Officer

By: Greg Folsom, Executive Director

_____, 2019

ACCEPTED BY ESCROW HOLDER:

PLACER TITLE COMPANY, a California corporation

By: _

. Laura Vierra. Escrow Officer

Dated: , 2019

ATTEST:

Linda Hobson, Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: Anthony Taylor, Authority Counsel

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The real property located in the City of Suisun City, County of Solano, State of California described as follows:

Parcel One:

Parcels 1 and 3, as shown on that certain Parcel Map filed in the Office of the County Recorder of Solano County, State of California on October 3, 1996 in Book 40 of Parcel Maps, at Page 21.

Parcel Two:

The non-exclusive easements for the ingress and egress and passage of motor vehicles and pedestrians over and across easements, as set forth in that certain "Declaration of Restrictions and Grants of Easements", recorded November 1, 1979, in Book 1979, Page 94395, Instrument No. 56053.

Parcel Three:

The non-exclusive easements for the ingress and egress and passage of motor vehicles and pedestrians, over and across easements, as set forth in that certain "Second Amendment to Declaration of Restrictions and Grants of Easements", recorded March 18, 1988 in Book 1988, Page 28571, Instrument No. 14752.

APN: 0173-390-160, 0173-390-180

EXHIBIT B

PROPOSED PROJECT - CONCEPT PLAN

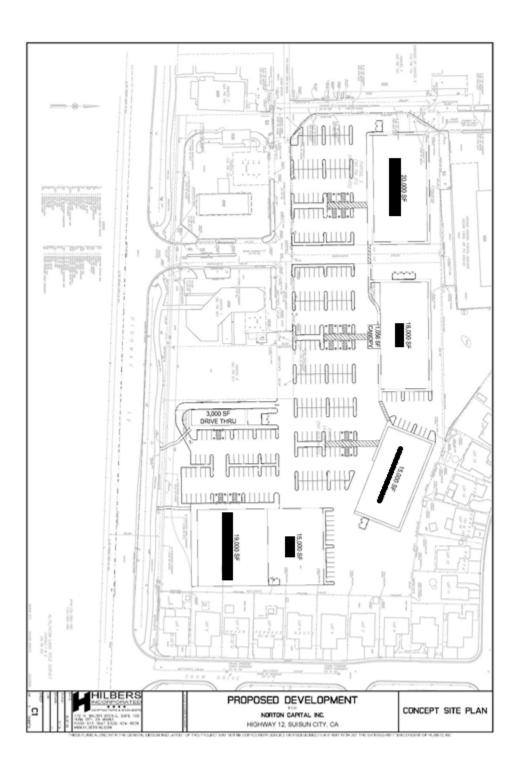


EXHIBIT C

GRANT DEED

FREE RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Sutter Retail Development, Inc. 1210 Stabler Lane Yuba City, CA 945993 Attn: Kurt Hilbers, Chief Executive Officer

APN 0173-390-160 and 0173-390-180 THE UNDERSIGNED DECLARES that the documentary transfer tax (computer on full value) is \$_____ (Space Above This Line for Recorder's Office Use Only)

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the HOUSING AUTHORITY OF SUISUN CITY, a public body, corporate and politic ("**Grantor**"), hereby grants to the SUTTER RETAIL DEVELOPMENT, INC., a California corporation ("**Grantee**"), all of its respective rights, title, and interest in the real property in the City of Suisun City, County of Solano, State of California, as more particularly described in <u>Schedule 1</u> attached hereto and incorporated herein by this reference ("**Property**").

Grantor has determined the Property is not required for its foreseeable needs and is being disposed of pursuant to Health & Safety Code Section 34315.7(d).

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf as of the date written below.

GRANTOR:

Dated: _____, 20___

HOUSING AUTHORITY OF SUISUN CITY, a public body, corporate and politic

By:

Greg Folsom, Executive Director

ATTEST:

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Linda Hobson, Secretary

By:

Anthony Taylor, Authority Counsel

SCHEDULE 1 TO GRANT DEED

LEGAL DESCRIPTION OF THE LAND

That certain real property located in the City of Suisun City, County of Solano, State of California, and is described as follows:

Parcel One:

Parcels 1 and 3, as shown on that certain Parcel Map filed in the Office of the County Recorder of Solano County, State of California on October 3, 1996 in Book 40 of Parcel Maps, at Page 21.

Parcel Two:

The non-exclusive easements for the ingress and egress and passage of motor vehicles and pedestrians over and across easements, as set forth in that certain "Declaration of Restrictions and Grants of Easements", recorded November 1, 1979, in Book 1979, Page 94395, Instrument No. 56053.

Parcel Three:

The non-exclusive easements for the ingress and egress and passage of motor vehicles and pedestrians, over and across easements, as set forth in that certain "Second Amendment to Declaration of Restrictions and Grants of Easements", recorded March 18, 1988 in Book 1988, Page 28571, Instrument No. 14752.

APN: 0173-390-160, 0173-390-180

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

) ss.

STATE OF CALIFORNIA)

COUNTY OF _____)

On _____, 20__ before me, _____, a notary public, personally appeared ______, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Notary Public

SEAL:

EXHIBIT D

LIST OF DUE DILIGENCE DOCUMENTS

GARLAND & ASSOCIATES

Appraisal of an 8.29 Acre Adjacent to Highway 12 Site Suisun City, Solano County, California

DATES OF VALUATION:

March 21, 2016 - Date of Value March 21, 2016 - Date of Inspection August 25, 2016 - Date of Report

PREPARED FOR:

Jason Garben Development Services Director 701 Civic Center Boulevard Suisun City, CA 94585

PREPARED BY:

Garland & Associates 2333 Courage Drive, # H-2 Fairfield, California 94533 (707) 429-8660

Ronald G. Garland, MAI, SRA Steve Salmon, MAI



August 25, 2016

Jason Garben Development Services Director 701 Civic Center Boulevard Suisun City, CA 94585

Dear Mr. Garben:

The following report of an appraisal of a 8.29 acre site located adjacent to Highway 12, Suisun City, California, has been prepared in response to your request. The purpose of this appraisal is to form an opinion of the market value of the fee simple interest in the subject property.

This appraisal report is intended to be in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). Please refer to the Assumptions and Limiting Conditions and Appraisal Scope located on pages IV through VI of the Introduction, which limit this report. All data gathered in this investigation is from sources believed to be reliable.

In my opinion, as of March 21, 2016, the market value of the fee simple interest in the subject property was \$900,000. This letter must remain attached to this report which contains 45 pages and Addenda in order for the value opinion set forth to be considered valid.

Sincerely,

Ronald G. Garland, MAI, SRA CA #AG001662

2333 Courage Drive, Suite H-2, Fairfield, California, 94533 ♦ Phone 707/429-8660

II

EXECUTIVE SUMMARY

Subject Property Owner of Record	City of Suisun City Housing Authority
Assessor Parcel Number(s)	173-390-160 173-390-180
Property Address	The subject does not have an address but is on the north side of Highway 12 approximately 475 feet east of Sunset Avenue.
Size	8.29 Acres
Zoning	City of Suisun City; General Commercial
General Plan	City of Suisun City; Mixed Use Commercial
Building Improvements	None
Site Character	Irregular shape, impaired exposure, impaired access, requires extensive off-site improvements to become a usable site.
Highest and Best Use	The highest and best use of the subject is a non-retail and non-office commercial mixed use project. Some of the uses which might work included hotel, restaurant, service uses including auto service, and other service uses such as religious facilities, event center, or training center uses, and of course self- storage. This mixed commercial project development could potentially include non- commercial use of apartments
Income Approach	\$625,000 to \$850,000
Sales Comparison Approach	\$900,000
Final Market Value Opinion	\$900,000



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Appraisal Process
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OPPOSITE PAGE EXHIBITS

Location Aerial Image Sunset Avenue Commercial; District Aerial Image Subject Property Parcel Map Subject Property Aerial Depiction

ADDENDA

Subject Photographs 4/26/06 Placer Title PTR excepts 6/27/07 Kister, Savio & Rei, Alta Survey Subject Development Proposals Humphreys & Partners Site Layout "off-site" improvement cost estimate Exclusive Right to Negotiate agreement Retail-Hotel Land Sales Data Multi-Family Land Sale Data Additional Land Sale Data Total Property Land Sale Data



PAGE

ASSUMPTIONS AND LIMITING CONDITIONS

The Uniform Standards of Professional Appraisal Practice defines a Hypothetical Condition as:

An assumption which is contrary to what is firmly known to exist, but is supposed or assumed for the purpose of discussion or analysis. In compliance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), we are informing readers and users of this appraisal that the use of a Hypothetical Condition was utilized in our analysis and impacts the assignment analysis, conclusions and opinions.

This appraisal is subject to the following *SPECIFIC* assumptions and limiting conditions:

- 1. The clients is the City of Suisun. The intended user is the client and appropriate staff. The intended use of the appraisal is to serve as a valuation guide for decisions relating to the potential sale of the property. Any other parties choosing to utilize this appraisal do so at their own risk, and without our consent.
- 2. A recent title report was not provided as part of this assignment. It is a specific assumption of this appraisal that there are no title issues or encumbrances that would have a negative impact on value.

This appraisal is subject to the following *GENERAL* assumptions and limiting conditions:

- 1. Reliance upon this report by any intended user is implied concurrence that the Scope of Work of the appraisal assignment is appropriate for the intended use of that user.
- 2. It is the responsibility of the Client to read this report and to inform the appraisers of any errors or omissions of which he/she is aware of before using this report or making it available to a third party.
- 3. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on the property, was not called to our attention nor did we become aware of such during the inspection. We have no knowledge of the existence of such substances on or in the property unless otherwise stated and we are not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion reported herein is predicated on the assumption that no such hazardous substances exist in or on the property, or in such proximity that would cause a loss in value. No responsibility is assumed for any such hazardous substances, or for any expertise or knowledge required to discover them.
- 4. Unless specifically stated in this report, nothing contained herein shall be construed to represent any direct or indirect recommendation to buy, sell, hold, or construct the property appraised at the appraised value. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.



V

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

- 5. No liability is assumed for matters legal in character.
- 6. I assume that there are no defects of title and that the property is free and clear of all liens or encumbrances.
- 7. No right or obligation to expert testimony or attendance in court by reason of this appraisal, with reference to this property, is included, unless arrangements have been previously made.
- 8. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purposes by any but the principal to whom it is addressed without said principal's previous written consent, and in any event, only with the proper qualifications.
- 9. The information furnished by others, as identified in this report, is believed to be accurate and reliable, but no guarantee is made as to the correctness thereof.
- 10. Any sketches in this report are included to assist the reader in visualizing the property. Land dimensions were taken from available public information and we assume no responsibility for these dimensions.
- 11. The projections of costs, income, and expenses for the subject property are not predictions of the future. These projections are our best estimates of the current market thinking about what future income and expenses will be. We make no warranty or representation that these projections will materialize. The real estate market is constantly fluctuating and changing and it is not our task to estimate the conditions of a future real estate market. We can only reflect what the investment community envisions for the future in terms of rental rates, expenses, supply and demand.
- 12. Neither all nor any parts of the content of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute, or to the MAI or SRA designations) shall be disseminated to the public through any media or to any other parties without prior written consent and approval.
- 13. Ronald G. Garland is certified by the State of California as General Real Estate Appraisers. However, I am not licensed or certified in the fields of building inspection or civil, soils, structural, or environmental engineering. I believe that the subject property is not adversely impacted by hidden or unapparent conditions relative to these fields, unless otherwise stated within this report.
- 14. I assume that there are no hidden or unapparent conditions which would influence the value of the subject property.



VI

SCOPE OF APPRAISAL

- 1. Discussed with the Client the nature of the assignment, including an agreement of the purpose and intended use of the report, date of valuation and report, property rights and interest appraised, extraordinary assumptions, values to be reported, and any other appropriate restrictions or limitations to be placed on the scope of the assignment.
- 2. Ronald Garland inspected and photographed the subject property March 21, 2016.
- 3. Investigated the current ownership and recent history of the subject property.
- 4. Investigated the city, area, and immediate location in relation to the impact of these locales on the subject property.
- 5. Interviewed John Kerns Associate Planner with the City of Suisun City Planning Department regarding current and reasonable future land uses, land use policies, and development requirements that may impact the subject property.
- 6. Formed an opinion of the highest and best use of the subject property.
- 7. Researched comparable sales, including public records, other appraisers, active and knowledgeable brokers, and publications providing comparable sale data.
- 8. Inspected all of the comparable sales used in analysis.
- 9. Confirmed comparable data to the extent necessary, preferably with parties immediate to each transaction.
- 10. Developed an opinion of the value of the subject property by use of appropriate appraisal techniques.
- 11. Prepared the written appraisal report document.

PROFESSIONAL QUALIFICATIONS RONALD G. GARLAND, MAI, SRA

Ronald G. Garland, MAI, SRA is a real property analyst and appraiser, experienced in the appraisal of single and multi-family residential, subdivision, office, retail, light industrial, speculative land, development land, and agricultural land. In addition to appraisal, Mr. Garland is experienced in the analysis and valuation of various complex and special purpose properties, along with development valuation, analysis, and feasibility studies. Specialized studies include absorption analysis, financial feasibility analysis, development cash flow analysis, conservation easements, and complex or specialized property highest and best use analysis. Mr. Garland has testified as an expert witness in the Solano, Napa, Contra Costa and Sacramento County Superior Courts and the United States Bankruptcy Court - Eastern District of California relating to various real estate valuation topics. Mr. Garland has taught seminars on the appraisal of conservation easements for both the Northern California and Sierra Nevada Chapters of the Appraisal Institute and for the California Council of Land Trust. Mr. Garland has been published in the California Land Use Law & Policy Reporter.

Mr. Garland holds both the MAI and SRA designations of the Appraisal Institute and has been recertified under the voluntary program of continuing education for the designated members of the Institute. Mr. Garland served an elected term as a member of the National Board of Directors of the Appraisal Institute from 1996 through 1999 and served as the 1995 President of the San Francisco Bay Area Chapter of the Appraisal Institute. Mr. Garland is also certified by the State of California Office of Real Estate Appraisers as a Certified General Real Estate Appraiser (AG001662).

EMPLOYMENT

July, 1983	Owner/Operator, Garland and Associates
July, 1979	District Appraisal Officer, Bank of America
December, 1976	Appraiser, Merced County Assessor's Office

EDUCATION

University University of California at Davis, Bachelor of Science in Agricultural Science and Management (1976)

Appraisal CoursesAppraisal Institute:
Litigation Appraising: Specialized Topics and Applications (2013)
The Appraiser as an Expert Witness: Preparation & Testimony (2013)
Condemnation Appraising: Principles and Applications (2013)
Business Practice and Ethics (2007) (2013)
Valuation of Conservation Easements (2008)
Effective Appraisal Writing (2004)
Uniform Appraisal Standards for Federal Land Acquisitions -
(Yellow Book)(2002)



PROFESSIONAL QUALIFICATIONS RONALD G. GARLAND, MAI, SRA (continued)

Appraisal Courses Appraisal Institute: (cont.) Advanced Income Capitalization (1998) Advanced Sales Comparison and Cost Approaches (1996) Highest & Best Use and Market Analysis (1995) Capitalization Theory & Techniques, Part B (AIREA, 1986) Valuation and Report Writing (AIREA, 1985) Case Studies (AIREA, 1985) Electronic Spreadsheet in the Appraisal Office (AIREA, 1985) Residential Valuation (AIREA, 1984) Subdivision Analysis (AIREA, 1982) Introduction to Appraisal (SREA, 1978) Income Property Appraisal (SREA, 1978) **RECENT CONTINUING EDUCATION** Seminars/Workshops **Appraisal Institute:** Appraisal Litigation Conference (2013) (2012) (2011) (2009) Appraising the Appraisal (2012) The Death of Redevelopment in California (2012) Wind Projects and Land Value (2012) Diminution of Value and Severance Damages (2011) Annual Summer Conference (2011) IRS Valuation Summit II (2011) Qualitative Analysis (2011) Wetlands, Waterways & Unusual Valuation Issues (2011) Economic Forecast (2010 & 2011) Partial Interests/GIS/Ad Valorem Tax/Managing Trainees (2006) California Conservation Easements (2005) Water Rights Symposium sponsored by ASFMRA (2005) Market Analysis and A Site to Do Business (2005) Eminent Domain California Update (2005) Estimating Loss in Value (2004) Appraisal Litigation Practice and Courtroom Management (2003) Case Studies in Limited Partnership and Common Tenancy (2003) Entitlement, Land Subdivision and Valuation (2001) Communications Corridors, Tower Sites, and Property Rights (2001) Federal Land Exchanges and Acquisitions: Appraisal Issues Applications (2000) Public Interest Value vs. Market Value Seminar (1999) The Condemnation Process (1998) Wetlands Valuation (1998) Valuation of Detrimental Conditions (1998) **International Right of Way Association**

Transportation Corridors (1999) Taking "Special" out of Benefits (1997) Condemnation Appraising and Mock Trial (1997) Contaminated Properties (1993)



PROFESSIONAL QUALIFICATIONS RONALD G. GARLAND, MAI, SRA (continued)

AFFILIATIONS

Northern California Chapter, Appraisal Institute Sacramento Sierra Chapter, Appraisal Institute

RECENT PROFESSIONAL ACTIVITIES

Appraisal Institute:

Chair of 2014 Spring Litigation Conference (2013-2014) Spring Litigation Conference Committee (2011) (2012) (2013) California State Legislative Subcommittee (2013-2014) Member of the National Nominations Committee (2000) Member of the National Board of Directors (1997-1999) Region I Vice Chair (1997-1998) National Finance Committee (1998-1999) San Francisco Bay Area Chapter President (1995) San Francisco Bay Area Chapter Vice President (1994) San Francisco Bay Area Chapter Treasurer (1993) Northern California Chapter Secretary (1992) Northern California Chapter Board of Directors (1989-92) Sierra-Nevada Chapter Board of Directors (1989-91) Northern California Chapter Long Range Planning Committee (1989) Northern California Chapter Admissions Committee (1986-90) Professional Standards Review and Counseling Committee (1984-91)

Other:

Committee Work and Seminar Presentations - California Council of Land Trusts (2012 - 2014)

COMMUNITY ACTIVITIES

Cordelia Rotary, Charter Member and 2001-2002 President



Item 13 Attachment 5

Analysis

APPRAISAL ASSIGNMENT

In this appraisal I have formed an opinion of the market value of the fee simple interest in the subject property. The subject property is an 8.29 acre site located adjacent to Highway 12, within Suisun City, California.

This appraisal is intended to be in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP). The value opinions are in terms of cash or cash equivalence.

As a note about this appraisal, I performed this appraisal in early and mid March 2016. I formed a final opinion of value on March 21, 2016. I then verbally reported my conclusions in an oral report to the City of Suisun City Housing Authority Commission on March 22, 2016. Then during July and August 2016, I wrote this report documenting that appraisal. This document is written from the perspective as if it were written in March 2016, and does not reflect facts and events after the March 21, 2016-date of value.

CLIENT, INTENDED USE AND USERS

The client is the City of Suisun City Housing Authority. The intended user is the client and appropriate staff. The intended use of the appraisal is to serve as a valuation guide for client decisions relating to the potential sale of the property.

I do not authorize the use of this appraisal by any other parties, or for any other use. Any other parties choosing to utilize this appraisal do so at their own risk, and without our consent.

DATES OF APPRAISAL

03/21/16 - date of inspection 03/21/16 - date of value 08/25/16 - date of report



PROPERTY RIGHTS APPRAISED

This is an appraisal of the fee simple interest in the subject property. *Fee simple interest* is defined as "absolute ownership, unencumbered by any other interest or estate."¹ However, all ownerships are subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

DEFINITION OF MARKET VALUE

Market Value is "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1. Buyer and seller are typically motivated;
- 2. Both parties are well informed or well advised, and acting in what they consider their best interests;
- 3. A reasonable time is allowed for exposure in the open market;
- 4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."²



¹ Dictionary of Real Estate Appraisal, 4th Edition, The Appraisal Institute

² Dictionary of Real Estate Appraisal, 4th Edition, The Appraisal Institute

APPRAISAL PROCESS

In this appraisal, I will form an opinion of the market value of the fee simple interest in the subject property. In order to form an opinion of the value of the subject, I will analyze those external and internal characteristics of the property that may have an impact on value. As a means of quantifying value, various marketplace activities will be analyzed. In this appraisal, the marketplace activity has been analyzed by both the Income Approach (Developmental Approach) and the Sales Comparison Approach.

In this appraisal the Income Approach is the use of a simplified development approach. This approach analyzes the subject property from the prospective of a land developer when considering the sale of sites as revenues, and development costs, and profit as expenses, in order to arrive at a residual land value.

The Sales Comparison Approach is a direct analysis of sales of comparable properties to draw conclusions regarding the value of the property, and the market provided sufficient data for analysis.

The subject property is a vacant site. The Cost Approach is not appropriate for this appraisal assignment because there is no building to cost. The omission of the Cost Approach does not impact the reliability of the value conclusion opined by the Income and Sales Comparison Approaches.

LOCATION

The subject property is located partially adjacent to the north side of California Highway 12 approximately 475 feet east of Sunset Avenue in Suisun City, Solano County, California.

LEGAL DESCRIPTION

I was provided an April 26, 2006 Placer Title Company preliminary title report order # 501-16068. This preliminary title report covers the subject property. Relevant portions of that preliminary report have been excerpted and included in the addenda. The subject property is located in the City of Suisun City, County of Solano, State of California and is commonly known as Assessor's Parcel Numbers 173-390-160 and 173-390-180.





SOLANO COUNTY & FAIRFIELD/SUISUN CITY MARKET AREA OVERVIEW

The purpose of this report section is to highlight and provide historical information on economic issues that are relevant to the area economy on the date of value, and in relevant real estate marketplaces. Solano County is located roughly midway between San Francisco to the southwest and Sacramento to the northeast, and is the most eastern of the San Francisco Bay Area's nine counties.

The majority of the urban areas in Solano County are positioned along Interstate Freeways-80 and -680, which converge in the center of the county. An area map is opposite this page for reference.

The major element of growth in Solano County has been migration into the county by both businesses and families. The county offers rare circumstances found nowhere else in the San Francisco Bay Area, being most notably relatively affordable housing, available and reasonably priced land, nearby educational opportunities as well as a wide variety of recreational activities.

Geographically, Solano County extends from Vallejo on the southwest to Dixon on the northeast, but locally the county is referred to as southern Solano County and northern Solano County. Southern Solano County is located adjacent to the Sacramento River Delta, Suisun Bay as well as San Pablo Bay, and consists of the three waterfront communities of Vallejo, Benicia and Rio Vista. Northern Solano County consists of the county seat city of Fairfield and the cities of Suisun City, Vacaville and Dixon.

The subject property is located in Suisun City. Adjacent Fairfield is the 2nd largest city, and is the County seat. Based on ABAG and other population studies, it is anticipated that work centers within a 1-hour commute of the Fairfield-Suisun area are expected to remain strong through the next decade.

This area is particularly appealing to households who split the commute between the major employment centers of Contra Costa County/the inner Bay Area to the southwest and the Sacramento area to the northeast. In addition, families are attracted to moving to the Fairfield-Suisun area from larger and more expensive population centers to avoid congestion, air pollution, crime, poor schools and to improve the general quality of life. Major corporations having a profound signature presence in the Fairfield-Suisun area include *Anheuser-Busch* and the *Jelly Belly* Candy Company that manufactures the world-renowned *Jelly Belly* jelly beans, as well as other candies.

Travis Air Force Base, a major area employer, is clearly increasing in importance and thus would appear to indicate that the future of Travis is relatively secure. Travis is the primary Air Mobility Command base for the United States west coast, and the Base is also the host of other large aircraft missions for both the Army and Navy.

The subject property is located in Suisun City, between Fairfield on the north and the protected Suisun Marsh on the south. The location of Suisun City along the waterfront offers a unique opportunity for waterfront development; this has only been explored during the past two decades. There is very limited waterfront property available for development in the Bay Area counties. With the anticipated growth patterns in Solano County, high profile development of the Suisun waterfront may become more economically feasible.

During 1983 Suisun City adopted a specific plan for the historic and waterfront areas with the intent of revitalization and rehabilitation of Old-Town and the waterfront area. The specific plan included a working waterfront and a historic and viable Main Street area, and an *Amtrak* rail station. The *Amtrak* station is on the Capitol Corridor route, which serves the East Bay area and the Sacramento Metroplex, and extends from San Jose to Auburn.

The marina-oriented waterfront has become a popular recreational destination for both local residents and for those residing outside the area. It is clear that Suisun has made positive strides in increasing the social and economic viability of the City, and it also has been successful in establishing an identity separate from that of Fairfield. The city leaders of Suisun City have made a strong effort to promote the new Waterfront District in Suisun City, and there are numerous festivals, events and summer music concerts that are successfully raising the profile of the area.



ECONOMIC OVERVIEW

The stock market as represented by the Dow Jones Industrial Average peaked in September 2007 in the range of 14,000, only to drop to half of that by February 2009. A strong bull run ended in February 2015 with a peak just more than 18,000. The last year plus has been a mild bumpy ride for the Dow, with several up and down cycles spanning a 2,000 point range; with the Dow now back near its record high.

International instability and international terrorism along with dramatically dropping oil prices have sent the international economy in much of the world into varying degrees of recession, which has not yet penetrated the US economy. International capital appears to be fleeing countries with financial instability and collapsing oil economies for the perceived security of the US dollar and stability of the US economy. However, with a record high market much of that international capital flowing into the US is going into tangible assets; of which real estate is one of the major categories.

All but the most major metropolitan areas are still struggling with soft office and less than robust retail sales; therefore, significant portions of that international capital seeking a home are seeking agricultural land, and California agricultural land in particular. However, international funded real estate investment influence is felt throughout most investment product California real estate market segments.

Local	Per Capita Income	Household Income	Retail Sales Per Capita	Median Home Price
City of Suisun	\$25,809	\$71,306	\$2,779	\$304,000
Solano County	\$29,132	\$67,341	\$12,137	\$350,000
California	\$29,906	\$61,489	\$12,665	\$430,800

Available on-line data in the following table provides some insight into the City of Suisun:

One interesting observation is that while the Suisun average household income is strong in comparison to the County of Solano or the State of California household incomes, the per capita income in Suisun is considerably less than that of the County or State. The apparent reason for this inverse relationship is likely that the average household size in Suisun is considerably larger than the average household size in the County or State. The significance to this appraisal of a commercial site in Suisun is household incomes in Suisun are likely proportionally more dedicated to necessities of life, and less dedicated to discretionary spending.



An even more important to this appraisal is the \$2,779 annual per capita's retail sales in Suisun. This does not mean that people in Suisun spend amazingly little per year. What this means is residents of Suisun spend most of their money outside of Suisun City.

This is not so much commentary that residents of Suisun choose to go outside of the City to spend their money, as it is a commentary about the retail market in this region. In this region large ticket item retailers mostly choose to locate within a commercial district within a few thousand feet of an I-80 interchange. This is not only auto, and appliance sales, but also includes home improvement stores, apparel, sporting goods, consumer electronics, book stores, and most consumer goods retailing. This also extends to chain restaurants, and commercial recreational activities. I-80 does not go through Suisun, and Suisun has not been able to attract these larger ticket and more discretionary purchase item retailers to locate in Suisun.

COMMERCIAL MARKETPLACE OVERVIEW

I wish to comment on my view as to the overall state of the area wide commercial real estate marketplace, and how I have related that view to my analysis. Following the great recession, the resulting contraction in the credit markets took financial leverage out of almost every associated marketplace, including real estate.

Investors were more concerned about risk, and there were fewer dollars available in the marketplace. However, interest rates have returned to historically low levels, and despite a less leveraged lending environment that is reliant on more cash heavy buyers, there are increasing levels of buyers returning to the marketplace attempting to take advantage of the reduced price levels and currently low interest rates. At this time, there is more money in the marketplace in comparison to five years ago, but less than what was in the market ten years ago.

The overall marketplace appears to have stabilized in the second half of 2011, and positive absorption occurred over calendar year 2012 and 2013. In 2014 and 2015 the overall marketplace has continued to be under strain. Institutional demand for prime properties has increased notably. There is currently a larger than typical gap between the strength of the top tiered prim market properties and second or third tiered properties.

In the northern Solano County market area, significant commercial development activity and demand has returned to primary market areas, generally clustered along the Interstate 80 commercial corridor. However, secondary assets, or assets in secondary markets/locations continue to struggle. Assets with notable detriments, or that requires speculation on improved





future market conditions continue to largely sell at liquidation levels.

Marketplace tolerance for risk is low; despite notable increases in demand and value for prime assets, participants continue to prefer to compete for prime assets at even very low yield rates rather than acquiring unproven, or secondary assets. It appears that until competition for prime assets boils over, the secondary asset marketplace will continue to see underwhelming levels of demand and absorption.

MARKET AREA DESCRIPTION

The subject property is located in what I term the Sunset Avenue Commercial District. This district is largely centered on both sides of Sunset Avenue from Merganser Dr on the north to HWY12 on the south, On the east side of Sunset Avenue is the Sunset Shopping Center, of which the subject property is titled phase II. The west side of Sunset is the Heritage Park Shopping Center. An illustration of the Sunset Avenue Commercial District appears on the opposite page.

The Sunset Center opened circa 1981. With all of its satellite pads, and restaurants, Sunset is approximately 100,000 square feet in size. When Sunset first opened it was anchored by a Lucky's supermarket, and a Thrifty's Drugs. The Thrifty's is now a Rite Aid. The Lucky's closed circa 2000 and that space remained vacant for many years. Circa 2011 In-Shape Fitness opened in the former Lucky's space

Sunset Center has a typical mix of neighborhood center inline tenants such as, ethnic restaurants, liquor store, donuts, hair salons, and such. By my visual observation the inline space within Sunset Center appears to be 20% to 35% vacant. The broker reports asking rents for Sunset Avenue fronting inline space of \$1.50 per square foot per month, and less than that for the northern and southern facing inline spaces.

Originally Sunset Center featured pads adjacent to Sunset Avenue hosting McDonalds, Taco Bell, and Kentucky Fried Chicken. On the date of value the Kentucky Fried Chicken building had been vacant for a period of time but was scheduled to reopen as a Mountain Mikes Pizza. Originally along the HWY 12 exposure was a free standing Denny's. That Denny's closed and the building is now occupied by Black Bear Diner.

A newer retail strip in Sunset Center is located along the north side of the front parking lot, backing to Merganser Dr. That strip hosts Starbucks and O'Reilly Auto parts, along with other typical strip center tenants.



The major portion of the Sunset Center, excluding its pads and the newer strip, sold in August 2013. According to available public records, at the time the lender in possession of Sunset Center after foreclosing, sold the major part of Sunset Center for just less than \$145 per square feet.

The Heritage Park Shopping Center, located on the west side of Sunset Avenue, opened circa 1989. Heritage with all of its satellite and pad spaces is approximately 175,000 square feet. Its grocery store anchor is Raley's. Raley's appears to have struggled prior to Lucky's closing across the street. However, Rayley's appears to have remained economically viable with closure of the Lucky's competition across the street. Raleys' durability that remains to be seen with a new super Walmart in the area.

The other "anchor" in Heritage is an Ace Hardware. The original Ace Hardware franchisee went bankrupt. The space remained vacant for a number of years. Another Ace Hardware franchisee within the region acquired the franchise, and leased the space (presumable at a lot lower rate than the original lease) and that store has been open for a few years.

There are a few other junior anchor inline spaces in Heritage Center which have struggled with occupancy over the years. A southern exposure HWY 12 facing junior anchor space has successfully been occupied by Dollar Tree for a few years.

The inline space in the Heritage Center is absolutely struggling. By my visual observation the inline space within Heritage Center appears to be 35% to 50% vacant. According to broker information on their website there is 38,823 square feet of inline available in 15 Heritage Center suits. I have repeatedly attempted to contact that broker via email and phone without response. This suggests to me that this broker no longer has a contract to represent this property. Therefore this reported 38,823 square feet of vacancy may not be an accurate number, but it is visually at least that level of vacancy.

Heritage Center has only one Fast Food pad. It opened nearly three decades ago as a Carl's Jr but recently change to a Del Taco.

Public records indicated a notice of default on the Heritage Center debt was recorded in July 2015. A notice of trustees sale was recorded in November 2015, with a final judgment amount of slightly less than \$30 million. This suggests a debt amount of $170 \pm$ per square foot. A couple of court house steps auctions have been noticed, but none of those auctions have come to fruition.



I have no inside information about this specific situation. However, I have four decades experience as a real estate appraiser, and that experience leads me to believe that the lender does not want to take the property back at its $170 \pm$ per square foot of debt because they think the property value is less than that. I surmise that the lender is attempting to negociate some new equity interest ownership to recapitalize the equity position. It appears the lender would rather take a loan right down that have to take ownership of the property. Whatever the specific facts are, it is clear that the Heritage Center is in financial trouble.

Between the troubles of both the Sunset and Heritage Centers it is clear that the Sunset Avenue Commercial District is significantly over built.

As if the Sunset Avenue Commercial District was not struggling enough, a competing 177,000 square foot Super Walmart opened in March 2015. This Super Walmart is located a mile and a half east of Sunset Avenue on HWY 12 at Walters Road. While a Super Walmart is a single store not technically a "district" it is essentially the same size as the entirety of the Heritage Park Shopping Center. Again, while this is not technically a "district" it certainly draws significant retail trade customers away from the Sunset Avenue Commercial District.

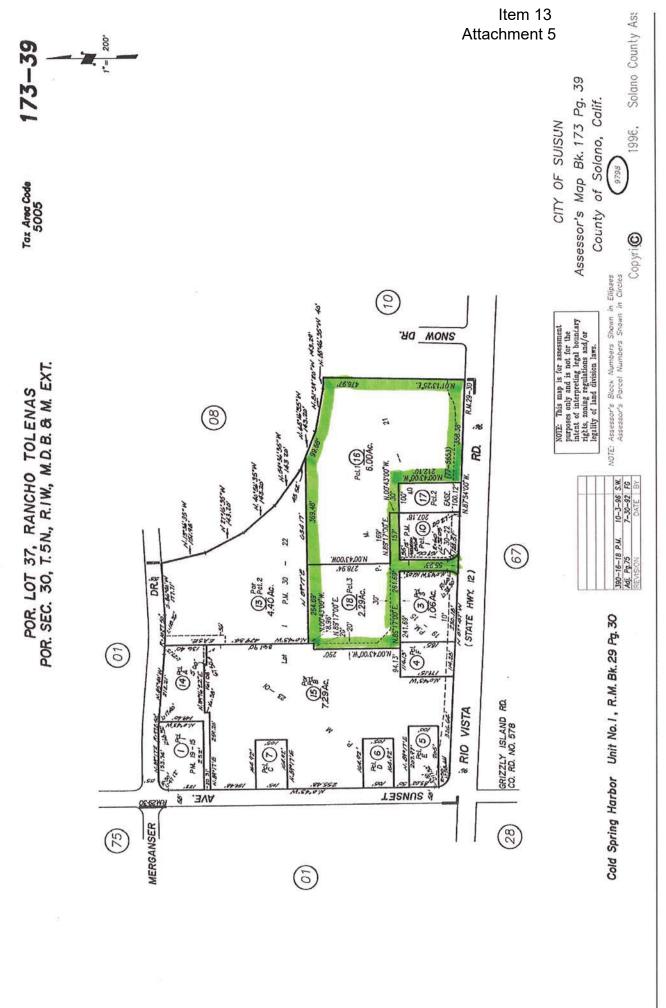
The nearly 100,000 square foot Marina Center is located three-quarters of a mile west of Sunset Avenue on the south side of HWY 12. The Marina Center has many retail development design flaws including that it is nearly 100,000 square feet without an anchor tenant, or anchor tenant space. It is designed as entirely inline retail strip space.

Marina Center is designed with inward facing storefronts which do have exposure to any street. The majority of the storefronts are only visible from the central parking lot. The Marina Center site plan design creates a reasonable site area coverage ratio, but fails to design any of the space to contemporary retail access and exposure standards.

As if Marina Center did not have enough design problems on its own during the mid 1990s CalTrans widened HWY 12 to a median divided four lane arterial in which the Marina Center lost its HWY 12 left in left access.

That 1990s access impairment hit to the Marina Center on top of the then new Heritage Park Shopping Center competition was the death of Marina Center as a retail viable center. Most of the tenants of the Marina Center are religious and social club entities, along with various social services-nonprofits and such. There are some third tier quasi-retail tenants such as martial arts, and nail studios but very little actual retail sales tenants. Asking rents in the Marina Center are in the \$1.00 to \$1.50 per square foot range. In my opinion, while Maria Center was conceived as





a retail project, it simply does not compete in the retail segment of the marketplace.

In a broader perspective of Suisun the Sunset Avenue Commercial District is the only significant retail district in Suisun. There are quaint shops in the downtown waterfront district but these do not compete with the Sunset Avenue Commercial District. Additionally, there is a smattering of neighborhood convenience stores throughout Suisun. However, there are not any other significant retail districts within Suisun.

DESCRIPTION OF THE SUBJECT PROPERTY

Site

The site is 8.29 gross acres, or 361,112 SF and is commonly known as Solano County Assessor Parcel Numbers 0173-390-16 and 0173-390-18. It is very irregularly shaped site as illustrated on the Assessor's Parcel Map on the opposite page. An aerial image is on the following opposite page.

The subject is part of the land development of the Sunset Shopping Center with various reciprocal access and utility corridors servicing not only the subject but also all of the Sunset Shopping Center development including the US Post office north of the subject fronting onto Merganser Dr.

The subject parcel shape is almost an inverted "L" with an access "cherry stem" to State Highway 12. There is $358 \pm$ lineal feet of HWY 12 frontage in the eastern part of the site. Ingress and egress along this $358 \pm$ lineal feet of HWY 12 frontage has been dedicated to CalTrans, such that the subject does not have HWY 12 access through any part of that $358 \pm$ lineal feet of frontage.

The "cherry stem" access is located between an existing Chevron gas station, mini-mart, car wash on the west and a Union 76 gas and Seven-Eleven mini-mart on the east. The "cherry stem" is approximately 55 feet wide and 250 feet long for approximately 13,750 square feet. This "cherry stem" is a third of an acre or 3.8% of the total subject property site area. This "cherry stem" access is the sole HWY 12 access point for the subject property. It is also the sole HWY12 access point for the entire Sunset Shopping Center. This HWY 12 access point is a right in right out only access to west bound HWY 12.

A copy of the June 27, 2007 Kister, Savio & Rei, Inc Alta Survey of the subject property may be found in the addenda. Among many things the Alta Survey illustrates are the public access right of way, and utilities corridors. The survey does not present a calculation of that circulation and





Except the one north extending easement along the line between APNs 0173-390-16 & 18, the remainder of the access corridors are paved. That pavement is now 35 years old and in poor condition. It is likely that the City of Suisun will require repaving of the access corridors as a condition of project approval. However, more importantly the marketplace will demand the developer repave these access corridors.

The subject is generally level, and generally relatively native soil conditions and topography.

Utility Services

I understand that adequate "backbone" infrastructure exists to support reasonable development of the subject. That is that there is adequate water and sewer treatment and line capacity to support development of the subject.

Relatively minor utility service extensions are necessary but as I understand these are within the range of typical commercial site utility extension requirements. Later, I will address a Peabody Engineering cost estimate that addresses these utility extension costs as well as the above referenced paving costs.

Exposure

The subject property is within the world of commercial and retail in particular exposure challenged. The core of this retail development node is Sunset Avenue. The subject has no exposure to Sunset Avenue. It is behind the Sunset Shopping Center. More particularly the subject is primarily behind the In-Shape.

The $358 \pm$ lineal feet of HWY 12 frontage within the eastern part of the site provide HWY 12 exposure. However; for an 8.29 acre site, $358 \pm$ feet of frontage exposure is simply not competitive in the realm of retail development. The majority of the subject site area has exposure to HWY 12 which is significantly blocked (called filtered in the industry) exposure. The Chevron gas station, mini-mart, car wash, the Union 76 gas and Seven-Eleven mini-mart, and the Black Bear Diner largely block the HWY 12 subject property exposure.

One of the subject property exposure changes there is not a left in, left out, HWY 12 access point. Therefore, east bound HWY 12 traffic is past a commercially viable access point prior to the subject being visible to that east bound traffic.

Access

There are three access routes to the subject. The major subject property access route is through the Sunset Shopping Center around the south side of the main structure between the Black Bear Diner and the store front strip along the south end of the main building. This access route benefits from a left in, left out, signalized intersection near the center of the Center's Sunset Avenue frontage. One subject property challenges with this access point is there is not a visual connection between the access point and the subject property.

There is a right in right out Sunset Avenue driveway between the McDonalds and Taco Bell. This driveway lines up with the driveway between the main building and the Black Bear Diner. Again, this access point offers virtually no subject property exposure prior to progressing a fair way down the driveway.

There is a legal access point via the easement to Merganser Drive to the north. This easement is on the west side of the subject and along the rear loading dock area of the Sunset Shopping Center, this easement expends north between the rear of the Sunset Center and the Post Office on Merganser Dr. This is a legal and physical subject property access point. The Merganser Dr access point has virtually no commercial utility or value. It provides the necessary alternate emergency vehicle access. However, in the realm of commercial development this access point is not significant.

Over the years many developers, along with the City of Suisun, have attempted to obtain CalTrans permits for a right in right out HWY 12 access point within the $358 \pm$ feet of subject property HWY 12 frontage. None of those efforts have proved fruitful. Further in studying the history of these various attempts, one has to conclude that there is little to no chance of developing a second HWY 12 access point.

The sole subject property owned access point is the "cherry stem" driveway to HWY 12 between the Chevron and the 76/Seven-Eleven. This access point possesses a visual connection albeit a filtered visual connection of the subject property from the access point.

Only one subject property access point possesses a visual connection between the access point and the subject property. A problem with this access point is there is only filtered subject property visibility. A further problem with this access point is that it is only accessible to less than a quarter of the traffic count of the Sunset Avenue commercial node district.

Tax & Assessment Data

The subject property is currently owned by a public entity, and therefore is not subject to property taxes. California law requires the Assessor to reassess a property upon sale, and current levels of assessment are of no consequence to a potential buyer of the subject property.

Zoning

The subject is zoned General Commercial. This is a very liberal commercial zoning which allows a wide range of commercial uses. The zoning is consistent with the General Plan land use element Mixed Use Commercial designation.

Table 3-1 of the General Plan offers the following summarization of the Mixed Use Commercial designation.

Provides for "horizontal" (same site) and "vertical" (same building) mixed-use development. Allows retail, commercial service, professional office, public services and facilities, and other compatible uses. Allows higher-density residential uses, as described in the "Higher-Density Residential" Land Use Designation. Mixed-use projects may use FAR to regulate intensity of combined residential and nonresidential sites or may use the FAR and density (units per acre) separately for the nonresidential and residential portions of the project.

This Mixed Use Commercial General Plan designation allows residential uses within the commercial district. As will be discussed later, at least one development proposal for the subject property includes a portion of the property being a residential apartment development.

That residential use is allowed within the Mixed Use Commercial General Plan designation district. However, a change in zoning to high density residential would be necessary. This is a discretionary zoning change which is consistent with the General plan designation. A change in zoning for a portion of the subject, to high density residential, is considered to be not very speculative because the General Plan already provides for that use.

Easements & Other Title Matters

I was provided an April 26, 2006 Placer Title Company preliminary title report order # 501-16068. This preliminary title report covers the subject property. Appraisal relevant portions of that preliminary report have been excerpted and included in the addenda

I was also provided a copy of a June 27, 2007 ALTA/ACSM Land Title Survey performed by Kisler, Savio & Rei, Inc. A copy of that survey may be found in the addenda.

I have considered the matters of record within these title documents. I am not aware if additional matters have become of record since these decade old documents were created. However, if additional title matters have become of record since these documents were prepared, those matters have not been considered in this appraisal.

The subject appears to be encumbered by thirteen easements to host various utility services and shared project access. These various easements are clustered in corridors which reasonablely serve as traffic circulation corridors servicing the subject and the broader Sunset Shopping Center. These easements are not onerous to value other than the fact that they contribute to the subject property to have a very low net usable to gross land area ratio.

There are effectively Covenants, Conditions and Restrictions (CC&Rs) covering the entirety of the Sunset Shopping Center project including the subject. These CC&Rs have been amended a few times. The net result of these CC&Rs is there are some reasonable limitation upon the subject, and the subject benefits from those same CC&R restrictions and access provisions applying to other parts of the Sunset Shopping Center. It appears that an amendment to the CC&Rs would be necessary in order for residential development to occur on the subject.

Flood Zone/Seismic/Environmental Information

The subject property is not located in a FEMA Flood Zone according to the FEMA Solano County Map 06095C 0457E, dated May 4, 2009. This area is not located in a designated Alquist-Priolo Earthquake Fault Zone, although all areas of California are subject to seismic activity.

I did not have access to any environmental studies. I am not aware of any environmental problems associated with this area. The value contained within this report assumes there are no environmental problems, including any soil/ground water contamination, or endangered species habitat.

Ownership & Sale History

The April 26, 2006 Placer Title Company preliminary title report order # 501-16068 I was provided indicates the subject property was owned by *The Redevelopment Agency of the City of Suisun City*. I believe that through the grant deed document 20698 recorded March 9, 2011 title was transferred to the *City of Suisun City Housing Authority*. This was not an arm's length sale and does not provide an indication of market value.



During 2015 Hall Equities had some type of an exclusive right to negociate agreement with the Housing Authority to acquire the subject property. I am not aware of a sale price being associated with this exclusive right to negociate agreement. Hall Equities is the owner of the major portion of the developed Sunset Shopping Center.

Through CBRE; Hall Equities marketed the leasing of 80,000 plus square feet of mid-size and small box retail space and a small amount of in-line strip retail space Hall was proposing on the subject property. That development project failed to attract sufficient tenant interest to get the development project off of the ground. The exclusive right to negociate agreement terminated without a sale or development.

In a December 15, 2015 agreement, the Housing Authority entered into a Due Diligence and Exclusive Right to Negotiate (ERN) with Harbor Park LLC (Camran Nojoomi). This ERN contains a 75-day exclusive negotiations period with a stated intent of negotiating a sale price and a disposition and development agreement during the period Harbor Park LLC is performing their due diligence investigation. This appraisal is being performed to assist the City of Suisun City Housing Authority in decisions regarding establishing a sale price for this potential transaction.

SFP-E, LLC, an Oregon limited liability company (Les Schwab) issued a January 12, 2016 Letter of Intent to Purchase (LOI) to Camran Nojoomi. This non-binding agreement offers Mr. Nojoomi \$336,000± for a 48,000± square foot site located in the south east portion of the subject. The LOI then states the price is to be \$7.00 per square foot of land area not for public roadways or exclusively by third parties. The LOI explicitly addresses that the seller, Mr Nojoomi, is responsible for recording a parcel map making the Les Schwab site a legal parcel. While not explicitly stated in the LOI it appears Les Schwab's intent is that Mr Nojoomi would sell a finished site with access to the site and utility extensions to the site developed and paid for by Mr Nojoomi.

Recent Development Proposals

During 2015 Hall Equities marketed leasing of 80,000 plus square feet of mid-size and small box retail space, with a small amount of in-line strip retail space proposed on the subject. This space was actively marketed by CBRE.

Within the *Subject Development Proposals* section of the addenda are two illustrations of the project Hall Equities was proposing. This proposal included 50,000 square feet that could host a single 50,000 square foot retail tenant or could be divided in various configurations. Additionally, the plan included three small box spaces ranging from 7,000 to 12,000 square feet.



An additional 6,200 feet of in-line strip space, and an undefined building pad was included in the plan.

This plan was much as that planned for the subject site when the Sunset Shopping Center was in the planning stages during the late 1970's. The plan is similar in configuration to the vast amount of retail development that occurred during the 1990s and the first half of the 2000 decade.

In my opinion retailing has changed dramatically during the past 15 years. There has been significant contraction within the small and mid size retail box users by tenants such as Circuit City, Good Guy's, Linens Plus, Boarders Books, Sports Authority, and such retailers. This segment of the marketplace of retailers has been hit hard from two sides, being Super Walmarts on one side of the marketplace, and internet shopping on the other side of the consumer goods retail sales marketplace. This small and mid-sized box retail segment is in a contraction mode, not an expansionary mode. I am not surprised that Hall Equities was not able to get their proposed project off of the ground because the project was designed for a contracting segment of the retail marketplace.

In December 2015 Harbor Park LLC (Camran Nojoomi) entered into a Due Diligence and Exclusive Right to Negotiate (ERN) agreement for the subject property. Mr. Nojoomi is proposing a mixed use development of the subject. This proposed project is summarized as:

Use	Size	
Holiday Inn Express Hotel	54,233 sf	
Restaurant	5,000 sf	
Les Schwab (Tire Store)	14,348 sf	
Residential Apartments	80 units	

A Humphreys & Partners Architects, LP site layout designed to host this development proposal may be found in the addenda. Following that site layout are architectural renderings of the proposed Holiday Inn Express Hotel, Les Schwab, and Residential Apartments.

Jack Varozza P.E., LEED AP, QSD, Vice President, Peabody Engineering has designed the site development plan for this proposed project. Mr. Varozza has provided the following net site area calculations.



Use	Development Pad Sizes
Holiday Inn Express Hotel	1.55 acres
Retail pads	1.79 acres
Residential Apartments	3.69 acres
Total net usable site area	7.03 acres
Gross site area	8.29 acres
Net usable area percentage	85%

A fifteen present traffic circulation and utility corridor load factor is a very large traffic circulation site load factor. Typically with street frontage parcels this load factor is in the 0% to 5% range. This 1.26 acre gross to net area loss is greater than the 1.05 acres loss I have estimated for the recorded public access and utilities corridors. This is because this 1.26 acre estimate includes an eastward access and utility corridor extension necessary to create the proposed Les Schwab pad.

Mr. Varozza also provided an "off-site" improvement cost estimate of \$900,100, for this development proposal. A copy of that cost estimate may be found in the addenda within the Subject Development Proposals section. Depending on how one classifies the term "off-site" improvements one might not consider these to be "off-site" improvements because they are improvements within the subject property lines. However, there are traffic circulation and utility services extensions necessary to make the subject property four buildable pads, and in that sense these are "off-site" of the four building pads proposed in this development scenario.

This Due Diligence and Exclusive Right to Negotiate agreement does not contain a sale price offer. Rather the price is to be a matter of negotiations once the potential buyer performs their due diligence investigations. A copy of that Due Diligence and Exclusive Right to Negotiate agreement may be found in the addenda

Site Summary

The subject property is a difficult property to develop, and a property the marketplace has not been beating down the doors for. The subject was created 35 years ago and has remained vacant through the Sunset Avenue Commercial District heyday into the current Sunset Avenue Commercial District market decline cycle.

The subject faces physical development challenges relating to access, exposure, shape, and site utility (gross to net useable land area ratio). Additionally, the subject faces the marketplace of an overbuilt Sunset Avenue Commercial District with vast amounts of vacancy and retail market rent levels far lower than necessary to support the cost of new retail development on the subject property.

HIGHEST & BEST USE

Highest and best use is defined as: "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and results in the highest value."³

There are four essential steps in analyzing highest and best use. The use must be a possible use, or physically possible on the site. It must be a permissible use, or a use permissible by zoning and deed restrictions. It must be a feasible use, or the use which produces a net return to the owner of the property. The last test is it must be the highest and best use, which is the use that produces the highest net return, or highest present value.

Appropriately Supported or Legally Permissible Local zoning ordinances, private restrictions, and other legal restrictions limit the potential uses of a site. The subject property is currently zoned Mixed Use Commercial. This is a very liberal commercial zoning which allows a wide range of commercial uses well beyond retail uses.

The zoning is consistent with the General Plan land use element Mixed Use Commercial designation. The Mixed Use Commercial General Plan designation allows all of the uses allowed within the Mixed Use Commercial zoning. However, the Mixed Use Commercial General Plan designation also allows development of mixed commercial and residential uses. This mixed commercial/residential use is allowed in both vertical and horizontal mixed configurations.

A zoning change would be necessary in order to facilitate residential development upon all or a portion of the subject. A change in zoning to include medium or high density residential development appears to be relatively noncontroversial because the General Plan already designates higher density residential development in this district.



³ The Appraisal of Real Estate, 12th Edition, The Appraisal Institute

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The CC&Rs through their various amendments appear to allow reasonable commercial development of the subject including non-retail commercial development. I believe but am not absolutely certain that residential development is not allowed in the CC&Rs. Likely an amendment to the CC&Rs is necessary to allow residential development on the subject.

In my opinion a change in the CC&Rs, to allow residential development on the subject, is reasonably likely to be granted. My opinion is in part due to the fact that apartment development upon the subject is of greater benefit to the retail tenants of the Sunset Center, than say self-storage, or various service commercial uses, that might otherwise occupy that space. Because apartments are likely to bring additional customers to the Sunset Center and not create additional competition for this already overbuilt market there are benefits to the existing owners within the broader Sunset Center development to allow apartment construction on the subject.

Physically Possible Potential uses of a site are related to its location, size, shape, and topography. While the subject has fairly level topography and its soils conditions readily support typical suburban development, the subject has several physical development challenges. These physical development challenges include:

- poor retail exposure characteristics
- only fair access characteristics for most development models
- a poor 85% to 87% net usable land area ratio

These physical constraints impair the subject property rank and appeal in comparison to most available competing commercial development sites in the market area.

<u>Financially Feasible</u> The subject property is part of the Sunset Avenue Commercial District. The dominant retail commercial factors in the marketplace include:

- The Sunset Avenue Commercial District is clearly significantly oversupplied with retail real estate products as evidenced by the significant vacancy factors within both the Sunset and the Heritage Park Shopping Centers.
- The $1.50 \pm$ per square foot asking rents indicates that rent levels in the Sunset Avenue Commercial District are not nearly adequate to support new retail development.



- The majority of the Sunset Center recently sold for just less than \$145 per square feet. Currently it appears the lender on the Heritage Park Shopping Center is trying to figure out what to do as an alternate to foreclosing on the Center at a $170 \pm$ per square foot debt level. The obvious reason the lender is avoiding taking the property back at this debt level is that they believe they cannot sell the property for near $170 \pm$ per square foot. Retail property values in the \$150 per square foot range within the Sunset Avenue Commercial District are less than half of the cost new to create such properties.
- Hall development was recently unable to gain marketplace traction for a retail development plan for the subject property.

The extraordinary high vacancy rate, the low rental rates, the low property values, and Hall's inability to attract retail tenants to the subject all indicate that the general rate of external, economic obsolescence in retail real estate product in the Sunset Avenue Commercial District is likely in the range of 25% to 40%. In simple English this means that new retail development in the Sunset Avenue Commercial District is likely to have a market value 25% to 40% less than the cost to develop that retail real estate product.

It is clear that retail development of the subject massively fails to meet the financial feasibility highest and best use test.

Office use in Solano County has been a weak market segment for at least eight years. Colliers International reports a current Solano County office vacancy rate of 18.2% and a Fairfield/Suisun vacancy rate of 22.9%. These vacancy rates peaked in the range of 33% in the 2012 time period and have been in decline since 2012. This office vacancy rate is still well above a healthy office market vacancy rate in the 5% to 10% range.

Recent sales of office buildings in Solano County have been at prices far below replacement cost indicating that there continues to be external, 'economic obsolescence' within office real estate product within Solano County

Much as with the Suisun regional retail market, weakness of not being close enough to the I-80 corridor to be competitive, the none waterfront Suisun City office market, is also too distant from I-80 to be competitive. Suisun City struggles with demand for office space. Suisun City is just too distant from I-80 to be competitive in the office marketplace.

As with retail, the subject is simply not an office development site.

So the highest and best use challenge is; what non-retail non-office commercial uses might be financially feasible on the subject?

- Likely automotive service uses works on the subject as evidences by the Les Schwab offer.
- Lower end to mid-market hotel use might work. As recently as a few years ago the subject property did not possess the exposure and access attribute necessary for this type of lodging product to be successful. However, during recent years the consumer end of the lodging marketplace has changed from an exposure and access driven marketplace to an internet-based price competitive marketplace. That internet price-based consumer spending is supported by GPS directions directing consumers to less visible sites in pursuit of lower lodging costs.
 - Restaurant use might work on a portion of the subject. This might be in the form of fast food, or budget family sit-down restaurants. I don't think that high end diner-house, or even a national chain casual dining restaurants will choose this location. Further the potential available pad adjacent to the HWY 12 frontage is questionable if it possesses adequate traffic volume access to support a drive-through. The subject is certainly not a strong competitor for a fast food drive-through location. In addition to fast food the subject might feasiblely host a lower end family restaurant in competition with the Black Bear Diner, or as an alternate a buffet style family restaurant might work.
- The obvious commercial use in the marketplace for which demand appears strong, and the use that is not as exposure and access sensitive as retail, is self-shortage use. Self-storage appears to meet the financial feasability test.
- Significant tax credit incentives created an apartment development boom in the early and mid 1980's. An end to those tax credits in the late 1980 brought a nearly three decade dearth of apartment development. However, during the past few years the marketplace indicates that financial feasiblely has returned to the apartment development marketplace.

<u>Maximum Productivity</u> The maximally productive use of the subject property has been a challenge for its three-decade life. The subject is the vacant phase II portion of a shopping center in which the retail real estate market is massively overbuild. The only thing abundantly clear is the subject is not a retail development site. Also it is clear that the subject in not an office site in the marketplace. The subject faces the challenges of being within a Shopping Center CC&R jurisdiction, and is zoned for commercial use, but is not suitable for typical



shopping center retail uses.

In my opinion the highest and best use of the subject is a non-retail and non-office commercial mixed use project. Some of the uses which might work included hotel, restaurant, service uses including auto service, and other service uses such as religious facilities, event center, or training center uses, and of course self-storage. This mixed commercial project development could potentially include non-commercial use of apartments.

Many professionals within the appraisal industry including myself subscribe to the idea that frequently a Highest and Best Uses analysis is enhanced by identifying the profile of the most probable buyer of the subject property. Identifying the use of a property is critical to understanding value. However, continuing on to identifying the profile of the most probable buyer assists in putting a finer point on identifying what motivates a potential buyer to acquire the subject property. This then leads to understanding what factors have value influence to the buyer profile beyond simply identifying the use.

In my opinion a very important highest and best use factor is the subject property appears best suited for a mixed use development rather than a single use development. Inherent in mixed use development is that the development competes within multiple market segments. That fact then means that a buyer focused upon a single market segment is not a likely buyer of the subject. The subject is too complicated for that buyer profile.

For example a hotel developer operator may be interested in a portion of the subject. That might be one to three acres of the subject. However, seven net acre is far too much land for a hotel developer operator to deal with. Likewise while Les Schwab is interested in a portion of the subject they are not interested in seven net acres.

This then leads to the conclusion that the subject property simply does not appeal to an owneruser profile buyer. The buyer has to see the bigger picture of a mix of uses, not just a single owner-user use. The buyer profile in the marketplace then has to be one who understands the bigger mixed use picture. They have to understand the various demand and supply factors, and understand the real estate economics of these various land uses. The buyer profile who does that is a land developer.

This land developer does not necessarily build the structure product for any or all of the uses within the mixed use development. Rather the land developer buyer of the subject is motivated to do so by the prospects of making a profit from developing the land to support the appropriate mixed uses.



This land development profit is the incentive to induce a developer to deal with; project entitlements, potentially including some rezoning, arranging and financing the physical land development, and coordinating the end development of the various mixed uses, potentially including reselling finished pads to end users.

In my opinion the most probable buyer of the subject property is a land developer, who then is motivated to buy the subject for the prospects of making a profit on the land development.

VALUATION

The highest and best use of the subject is a non-retail and non-office mixed commercial use development. This mixed commercial use development may or may not include a portion of the subject as residential apartment use.

The valuation section has been bifurcated into an Income Approach development model analysis plus an overall Sales Comparison analyses which are then reconciled to a final value conclusion.

INCOME APPROACH - DEVELOPMENT MODEL

In this appraisal the Income Approach is the use of a simplified development approach. This approach analyzes the property from the prospective of a land developer buyer when considering the sale of sites as revenues, and development costs, and profit as expenses, in order to arrive at a residual land value.

This at least predominantly non-retail, non-office mixed commercial and possibly apartment highest and best use subject property needs to be analyzed in an economic model replicating the highest and best use.

There is an inherent weakness in the developmental approach which is this analysis requires many very subjective inputs to the analysis. These include, what is:

- the uses to which the individual pads will be put
- the size and shape of the individual pads
- the price the developer anticipates for the pads
- the cost of creating the pads
- the marketing and sales costs
- the profit motivation necessary to induce a developer to take the risk



Indeed these challenges cause the developmental approach to be prudently be viewed with some reservation.

On the other hand, the developmental approach specifically, and directly, deals with the valuation difficulty of the subject property being much less monolithic than the comparable sales available. That is most of the comparable sales are fairly straightforward sites with typical road frontages, access, and exposure. Additionally, most of the comparable sales available are suitable for a single use type across the entire properly. That is not the case with the subject. The atypical road frontages, access, and exposure of the subject property most decidedly do not reasonably accommodate a single use type across the whole property.

The developmental approach directly deals with the access, and exposure variation caused use variation across the subject. These access and exposure caused used variations cause zones of value across the property to become apparent. These zones of value can then be analyzed in a developmental approach.

There are pragmatic difficulties in such analysis because the economic model requires engineering inputs beyond the skill set of appraisers. The best engineering information available to me is Mr. Varozza's engineered the site development plan. Mr. Varozza has provided the following net site area calculations.

Use	Development Pad Sizes
Holiday Inn Express Hotel	1.55 acres
Retail pads	1.79 acres
Residential Apartments	3.69 acres
Total net usable site area	7.03 acres
Gross site area	8.29 acres
Net usable area percentage	85%

Mr. Varozza also provided an "off-site" improvement cost estimate of \$900,100, corresponding with this engineered plan.

This is a reasonable development plan. While there are nearly an infinite number of potential development plans, this plan is reasonable and in my opinion fairly representative of how the marketplace of buyers might view the subject property potentials.

The one area that causes me some concern is that I view the subject property to be questionable as to the feasiblely hosting a residential apartment complex. I am not saying that apartments are unfeasible, what I am saying is that I think apartments in fundamentally a shopping center are risky.

Therefore I am going to run two development approach models one with the use of the northeast portion of the subject as apartment use, and the other model with the northeast portion being put to a less risky and less profitable alternate lower use such as self-storage, religious facility or meeting/training venue use.

After the development approach model (land area, land uses, development costs) have been landed upon the next step is to survey the marketplace much as a developer would to decide upon appropriate land use and land sale price correlation. To do this I have surveyed the below referenced three land sale data sets.

- Retail & Hotel Pad Land Sale
- Multi-Family Residential Land Sales
- Additional Relevant Land Sales



These sales are analyzed below. More complete information regarding each sale within each data set is available in the addenda.

#	Location Comments	Sale DateAcreZoningSF		Sale Price	\$ /SF
1	1500 North First Street, Dixon	07/15 CS-MH-ML-PD Commercial	0.970 42,253	\$200,000	\$4.73
2	Cernon Street, Vacaville	02/15 GC, Comm	0.680 29,621	\$150,000	\$5.06
3	1445-1485 Market Lane, Dixon	09/15 5.63 CH-PAO-PD 245,243		\$1,216,000	\$4.96
4	2650 & 2700 Plaza Court, Dixon	06/15 CH			\$5.15
5	1001 State Highway 12, Rio Vista	12/14 Highway Commercial	0.830 36,155	\$350,000	\$9.68
6	Off Business Center Drive, Fairfield	07/15 CO	2.750 119,790	\$598,950	\$5.00
7	176 Grant - East, Winters	07/14 C-1	0.961 41,861	\$251,500	\$6.01
8	E. Grant & East Street -SE Corner, Winters	08/14 C-2	0.616 26,833	\$161,000	\$6.00

Summary Table of the Retail & Hotel Pad Land Sales

1. <u>1500 North First Street, Dixon, 0.970 Ac sold 07/15 for \$4.73/Sq Ft</u>

This is the sale of a site in the newer North First Street lineal commercial strip in Dixon. It appears to have been purchased for an automotive service use.

2. Cernon Street, Vacaville 0.680 Ac sold 02/15 for \$5.06/Sq Ft

This is the sale of an owner-user office site, located a little north of downtown Vacaville. The buyer is considering a residential apartment of an office.

3. <u>1445-1485 Market Lane, Dixon, 5.63 Ac sold 09/15 for \$4.96/Sq Ft</u>

This is a sale of a site in which the buyer is seeking a use within the spectrum of office, self-storage or budget hotel uses but did not have a specific use at time of purchase.



4. <u>2650 & 2700 Plaza Court, Dixon, 2.118 Ac sold 06/15 for \$5.15/Sq Ft</u>

This is the sale of a vacant site within a strip retail project with filtered I-80 exposure. The existing buildings within the $10\pm$ year old center are about 50% vacant. The buyer purchased for a long term speculative hold. As an interim use a used car dealer has leased this site and a small portion of the adjacent building within the strip center.

5. <u>1001 State Highway 12, Rio Vista, 0.83 Ac sold 12/14 for \$9.68/Sq Ft</u>

This is the sale of a site that has been developed as the Family Dollar store in Rio Vista. The site is on HWY 12 but has direct access to and from HWY 12.

6. Off Business Center Drive, Fairfield, 2.750 Ac sold 07/15 for \$5.00/Sq Ft

This is the sale from the City of Fairfield RDA successor agency to "The Falls Event Center." This site has direct street access but limited visibility. The exposure character of this site supports only a destination use. The use is intended to be a commercial event center.

7. <u>176 Grant - East, Winters, 0.961 Ac sold 07/14 for \$6.0/Sq Ft</u>

This is the sale of a site that has been developed to a Dollar General store in Winters. The site is on HWY 128.

8. <u>E. Grant & East Street - SE Corner - East, Winters, 0.616 Ac sold 08/14 for \$6.00Sq Ft</u>

This is the sale of a site that has been developed to a Yolo Federal Credit Union building in Winters. The site is on HWY 128.

My analysis of these sales in addition to my general knowledge of the market area leads to believe a developer is likely to anticipate land sale prices of those portions of the subject to be in the range of \$7.50 per square foot for the 1.79 acres of HWY 12 retail exposure land area, and \$6.00 per square foot for the 1.55 acres of hotel use land with less exposure.



#	Location Comments	Sale Date Zoning	Acres SF	Sale Price	\$ /SF
1	Tabor Avenue, Fairfield	10/14 RH	1.53 66,647	\$132,500	\$1.99
2	3900 Business Center Drive, Fairfield	08/14 RH	13.640 594,158	\$6,000,000	\$10.10
3	4000 Business Center Drive, Fairfield	04/15 RH	3.210* 139,828	\$1,200,000	\$8.58

Summary Table of the Multi-Family Residential Land Sales

* net of Dan Wilson Creek land area

The quality of the market data available for analyses within the multi-family land use spectrum is poor, because there is very limited pool of sales. In part, the limited number of sales, is because of the inherent risks associated with multi-family development. These risks are not necessarily very apparent to the lay person, but the risks have to do with the very high multi-family impact fee obligations of multi-family development, and how those impact fees challenge the financial feasibility of multi-family development. I have been able to find only three recent multi-family sales within the marketplace and none are very similar to the subject.

1. Tabor Avenue, Fairfield, 1.53 Ac sold 10/14 for \$1.99/Sq Ft

This is the sale of a remaining infill site within a neighborhood of small 30 to 40 year old multi-family developments. The neighborhood is known as a high crime neighborhood.

2. <u>3900 Business Center Drive, Fairfield, 13.64 Ac sold 08/14 for \$10.10/Sq Ft</u>

This is Spano's purchase of the 286 unit Verant at Green Valley project site. The purchase price included not just the site but also the development entitlements including a fully excused development agreement with the City.

3 <u>4000 Business Center Drive, Fairfield, 3.210 (net) Ac sold 04/15 for \$8.58/Sq Ft</u>

Sale 3 is adjacent to Sale 2. The legal area of the site is 5.46 acres but because of Dan Wilson Creek only 3.21 acres are developable. The primary cause of the sale price difference between Sales 2 and 3 is that Sale 2 was a turnkey ready to build project, while Sale 3 still required development entitlements including a development agreement.

The marketplace reality is there are not good comparable sales for the multi-family use portion of the subject. My analysis of these sales in addition to my general knowledge of the market area leads to believe a developer is likely to anticipate land sale prices of multi-family portion of the subject to be in the range of \$7.50 per square foot.

#	Location Comments	Sale Date Zoning	Acres SF	Sale Price	\$ /SF
1	613-615 East Street, Woodland	06/15 C3C, Comm	3.250 141,570	\$900,000	\$6.36
2	Off Business Center Drive, Fairfield	07/15 CO	2.750 119,790	\$598,950	\$5.00
3	1445-1485 Market Lane, Dixon	09/15 CH-PAO-PD	5.63 245,243	\$1,216,000	\$4.96
4	3630 Ritchie Road, Fairfield	01/15 CS	4.37* 190,357	\$1,142,000	\$6.00
5	East Monte Vista Avenue, Vacaville	06/15 IP	4.946 215,435	\$1,250,000	\$5.80

Summary Table of Additional Relevant Land Sales

* Usable acreage net of undevelopable designated wetlands

Analysis of this group of five sales is relevant to analysis of the 3.69 acre northeast portion of the subject on an alternate to multi-family use basis.

1. <u>613-615 East Street, Woodland, 3.250 Ac sold 06/15 for \$6.36/Sq Ft</u>

This is the sale of a site purchased for development of a Mosque and Islamic Cultural Center. A religious faculty use of the northeast 3.69 acres is a reasonable use.

2. Off Business Center Drive, Fairfield, 2.750 Ac sold 07/15 for \$5.00/Sq Ft

Again disguised, this is the sale from the City of Fairfield RDA successor agency to "The Falls Event Center." This site has direct street access but limited visibility. The exposure character of this site supports only a destination use. The use is intended to be a commercial event center. An event center use of the northeast 3.69 acres is a reasonable use.

3. <u>1445-1485 Market Lane, Dixon, 5.63 Ac sold 09/15 for \$4.96/Sq Ft</u>

This is a sale of a site in which the buyer is seeking a use within the spectrum of office, self-storage or budget hotel uses. This is the sale of a commercial site that suffers from access and exposure limitations that leaves the buyer wandering the marketplace for a low end commercial user. This is somewhat the character of the northeast 3.69 acres is a reasonable use.

4. <u>3630 Ritchie Road, Fairfield, 4.370 (net) Ac sold 01/15 for \$6.00/Sq Ft</u>

This is the sale of a site in which the buyer intends to develop a large regional construction supply company sales yard. This is a destination use that is not particularly exposure driven in their site selection process. A similar destination non-consumer supported quasi-retail use of the northeast 3.69 acres is a reasonable use.

5. <u>East Monte Vista Avenue, Vacaville, 4.946 Ac sold 06/15 for \$5.80/Sq Ft</u> This is the sale of a site in which the buyer intends upon developing a self-storage facility. A self-storage faculty use of the northeast 3.69 acres is a reasonable use.

The northeast 3.69 acre portion of the subject is zoned commercial but has inadequate exposure and traffic circulation to support traditional consumer retail use. The use of the northeast 3.69 acre portion of the subject is limited to non-industrial destination commercial use. This is a mixed bag of land uses which have the cental theme that they are not consumer retail use sites. The uses of these site sales are various destination commercial uses. These sales have a value range generally from \$5.00 to \$6.50 per square foot. These sales are similar in that none have consumer retail viable exposure. However, all of the sales above the \$5.00 per square foot range are sites with exposure superior in comparison to the subject northeast 3.69 acres. There is still some use and value differentiation within the spectrum of commercial properties with less than viable consumer retail exposure. Being at the low end of the exposure spectrum suggests that the value is also at the low end of the spectrum.

My analysis of these sales in addition to my general knowledge of the market area leads to believe a developer is likely to anticipate a nonresidential land sale price for the northeast 3.69 acre portion of the subject to be in the range of \$5.00 per square foot.

Use	Acres	Sq Ft	\$/Sq Ft	Total \$
Service/Restaurant	1.79	77,972	\$7.50	\$584,793
Hotel	1.55	67,518	\$6.00	\$405,108
Apartment	3.69	160,736	\$7.50	\$1,205,523
Aggregate Land Pad Sales	7.03			\$2,195,425
///////////////////////////////////////	////			/////
Less:				
Off-Site Improvement Costs	\$900,100			
Overhead & Profit @ 20% of A	\$439,085			
Land Residual				\$856,239

Mixed Commercial and Apartment Development Model

Mixed Commercial Development Model

Use	Acres	Sq Ft	\$/Sq Ft	Total \$			
Service/Restaurant	1.79	77,972	\$7.50	\$584,793			
Hotel	1.55	67,518	\$6.00	\$405,108			
Self-Storage/Service	3.69	160,736	\$5.00	\$803,682			
Aggregate Land Pad Sales	7.03			\$1,793,583			
Less:							
Off-Site Improvement Costs	\$900,100						
Overhead & Profit @ 15% of A	\$269,037						
Land Residual				\$624,446			

After appropriate rounding so as to not suggest a degree of precision that does not exist, the Income Approach indicates a subject property value of \$625,000 to \$850,000.

INCOME APPROACH = \$625,000 TO \$850,000

SALES COMPARISON APPROACH

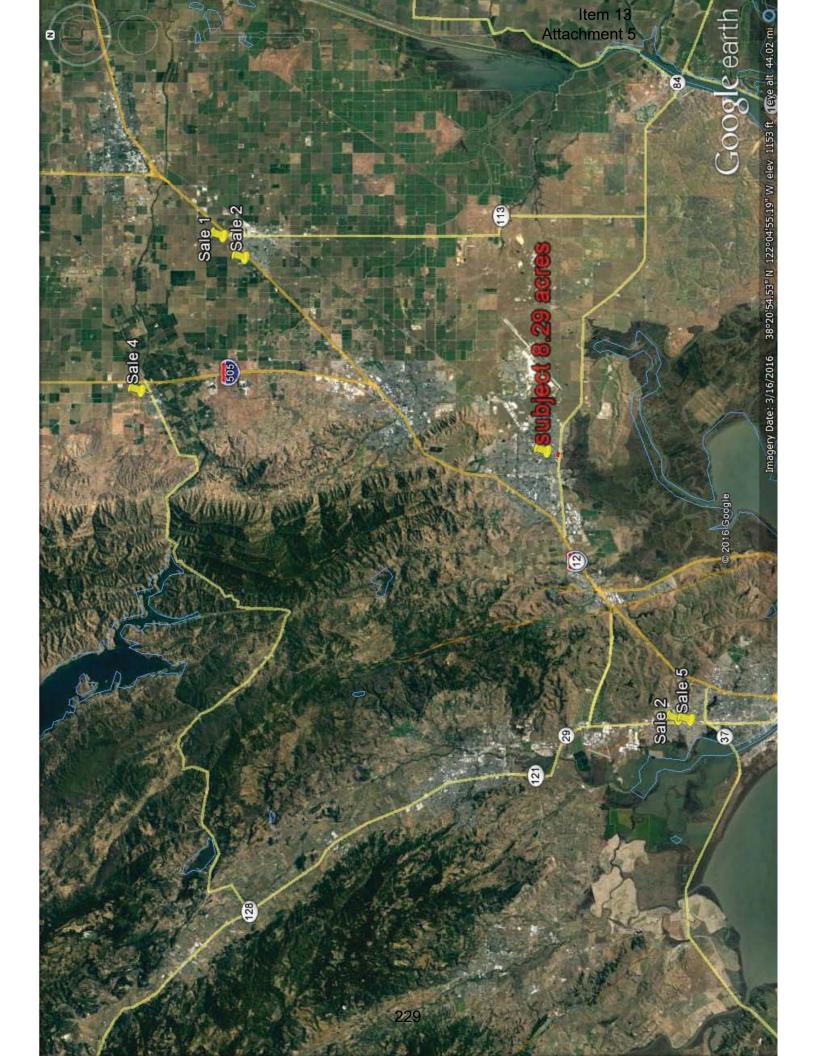
The Sales Comparison Approach is a process in which comparable sales are analyzed and compared to the subject property. The sale price of the comparable sales is then adjusted to reflect the difference between the comparable sale and the subject property. The theory of this approach is with the adjustments for differences the comparable sale is essentially hypothesized as a surrogate for the subject property in the marketplace. This analysis is essentially a theory that works as; if property A sells for X, and we adjust for the differences we then theorize the property A would have sold for Y instead of X. This adjusted sale of a surrogate property then suggests that the subject is also likely to also sell for Y.

Commercial land is typically analyzed on a dollar per square foot basis rather than on a total property sale price basis. Through experience we can see that there is a much greater correlation of sale per square foot sale prices in comparison to total property sale prices. The Sales Comparison Aproach will therefore be based upon a sale price per square foot basis.

The subject property is atypical in the marketplace because the shape and location of the site necessitates a significant portion of the site area be dedicate to utility extensions but more importantly must be dedicated to, traffic circulation use, to support the entire Sunset Center complex, and not simply traffic circulation to support the 8.29 acre subject as a stand-alone site. Essentially some of the functional and economic benefit of the subject site has already been transferred to the greater Sunset Shopping Center. Because of this atypical condition the sales will be compared to the subject on both a gross and net square foot basis.

Of course the gross size is 8.29 acres or 361,112 square feet. The more problematic issue is; what is the appropriate net square footage to utilize? My estimate of the subject property land area net of the recorded $45,738 \pm$ square feet of shared traffic circulation easements is 7.24 acres or $315,474 \pm$ square feet. However, it is arguable that the most valuable portion of the subject property is the $1.79 \pm$ acres in the southeast corner of the subject with 358 feet of HWY 12 frontage. Additional common driveways are necessary in order to create commercially viable access to this $1.79 \pm$ acres. With a dedicated access to this $1.79 \pm$ acres portion of the subject, as previously reported Mr. Varozza has calculated the net usable are of the subject to be 7.03 acres or 306,227 square feet. In my opinion this 306,227 square feet estimate best represents how the marketplace views the net usable area of the subject property. I think marketplace expectations are closest to the 7.03 acres or 306,227 net square feet for valuation on a usable land area. Again this is an atypically low usable area ratio of 84.8%.





Another largely traffic circulation value influencing factor is the \$910,000 "off-site" improvement costs. In this analysis I will be analyzing five comparable sales. These five sales range from upcoming Sale 3 requiring no off-site improvements to upcoming Sale 2 requiring off-site improvements roughly proportional to that necessary for the subject property. The cost of the comparable sale required off-site improvements are not known. Therefore it is not possible to make quantified off-site improvement cost adjustments. Those off-site improvement cost adjustments have to fall into the subjective, qualitative adjustment category. However, it is useful for the reader to understand that \$900,100 off-site improvement cost are a very significant value influencing considerations.

A search of the marketplace yielded five sales I consider to be relevant to valuing the subject property. Those five sales are summarized in the following table, and more complete information about the comparable sales may be found in the sale data sheets in the addenda. A map illustrating the location of the comparable sales is on the opposite page

#	Location Comments	Sale Date Zoning	Acres SF	Sale Price	\$ /SF
1	SE I-80 & W. Dorset Dr, Dixon Planned for 175K sq ft inline retail & 3 retail pads	03/15 CH-PAO- PD	16.64 724,838	\$2,150,000	\$2.97
2	5190 Mini Dr, Vallejo Planned mixed commercial and residential	11/14 CL, IU	13.96 608,098	\$1,800.000	\$2.96
3	1445-1485 Market Ln, Dixon possibly self storage - possible mixed commercial	09/15 CH-PAO- PD	5.63 245,243	\$1,216,000	\$4.96
4	East Grant Ave, Winters mixed commercial use anticipated	3/15 C-1	6.010 261,796	\$1,250,000	\$4.77
5	5170 Sonoma Blvd, Vallejo rear of Shopping Center location, access challenges	07/15 IU, Comm	3.010 131,116	\$499,100	\$3.81

Summary Table of the Subject Property Comparable Sales



1. <u>SE I-80 & W. Dorset Drive, Dixon, 16.64 Ac sold 03/15 for \$2.97/Sq Ft</u>

This is a site on the southeast side of I-80 in Dixon, adjacent to the west of the Cattlemen's Restaurant. During the market boom, the Sale 1 property had been in a contract to sell to Home Depo. Home Depo was actually more interested in the Davis market area. However because of a "Big Box retail" prohibition in Davis, Home Depo was interested in this site as the closest to Davis site available with adequate backbone infrastructure in place. This backbone infrastructure means existing allocated water and sewer treatment plant capacity. At the peak of the market cycle reportedly the Sale 1 site was in a contract to Home Depo for \$13.00 per square foot. As the economy declined reportedly the sale price kept declining until it was in the range of \$8.00 per square foot. Then by 2010 or so it fell out of the contract. The lender foreclosed on the property after the Home Depo sale failed.

The buyer in this transaction is a developer planning approximately 175,000 square feet of inline retail development and three pads between one and two acres each. Signage to east bound I-80 is good and access is reasonable. However, access from east bound I-80 is circuitous. Signage to west bound I-80 is only visible a half mile past the west bound exit. The westbound access route is not only lacking in visual connection to the subject, but it is also very circuitous access, which is not an intuitive route.

Sale 1 requires significant off-site improvement costs but likely significantly less on a square foot cost basis than the subject. There are gross to net land area consideration to Sale, but Sale 1 is clearly superior to the subject in its net usable area ratio characteristics. The I-80 exposure is superior to the subject exposure. The Sale 1 access attributes are very different from the subject. However, they are generally of similar scale of being less than desirable access. Sale 1 is twice the size of the subject, warranting an upward size adjustment.

After considering all relevant factors the \$2.97/Sq Ft price of Sale 1 indicates a subject property value in the range of \$2.25 to \$2.75 per gross square foot and in the range of \$2.75 to \$3.25 per net square foot.

2. <u>5190 Mini Drive, Vallejo, 13.96 Ac sold 11/14 for \$2.96/Sq Ft</u>

The Sale 2 property is located at the southeast corner of HWY 29 (Sonoma Blvd.) and Mini Drive in northern Vallejo. Mini Drive is a signalized intersection of HWY 29.

The Sale 2 property is a very long narrow triangular parcel between HWY 29 on its west and Broadway on its east. The north tip of the triangle is approximately 150 feet of frontage on Mini Dr and $547 \pm$ feet on its southern property between HWY 29 and Broadway. The parcel is approximately 1,750 feet long. All of the street frontage curb gutter and sidewalk along Broadway are necessary. CalTrans has extinguished the abutter's rights of ingress and egress access along the HWY 29 frontage.

The zoning is IU or intensive use. This is essentially a commercial zoning. At the time of sale the buyer did not have a specific idea or plan for the property. However, the buyer express interest in a commercial use of the northern tip of the property and apartment use of the balance of the property. The buyer would like to develop a co-branded gas/mini-mart/fast-food at the northern tip. He is considering some additional strip retail next to the co-brand, and apartments for the majority of the site. The retail uses are allowed in the IU zoning. A change in zoning, and General Plan amendment are necessary for the apartment use.

A decade ago another developer was processing approvals for a generally similar mixed use project of commercial and apartment use. It appears that the General Plan amendment necessary was likely to be approved then. However, with a deteriorating economy and market the developer quit spending money on the entitlement process and eventually let his option-to-purchase expire. That prior sale 2 property entitlement activity suggests that this buyer is likely to be able to obtain the General Plan amendment necessary to allow for apartment use of the majority f the property.

Sale 2 requires significant off-site improvement costs likely similar on a square foot cost basis the subject offsite improvement costs. There are minimal gross to net land area consideration to Sale 2. Sale 2 is superior to the subject on a gross site area basis. The HWY 29 exposure and access are both far superior to the subject. On a net usable site are basis Sale 2 is twice the size of the subject, warranting an upward size adjustment.

After considering all relevant factors the \$2.96/Sq Ft price of Sale 2 indicates a subject property value in the range of \$2.25 to \$2.75 per gross square foot and in the range of \$3.25 per net square foot.



3. <u>1445-1485 Market Lane, Dixon, 5.63 Ac sold 09/15 for \$4.96/Sq Ft</u>

The Sale 3 property is located at the southwest "L" corner of Market Lane, and Ary Lane in Dixon. Only the northeast corner of Sale 3 abuts the street, making Sale 3 have only one access point, and after buildout of the area fairly filtered exposure. The rear or west end of the site abuts I-80.

The Sale 3 property is a fully finished site requiring no off-site improvements, nor any gross to net usable land area loss.

The buyer is trying to find a self-storage, budget hotel, or owner-user office user.

Sale 3 requires downward adjustment for the in-place offsite improvements and because of the greater functional utility of the site.

After considering all relevant factors the \$4.96/Sq Ft price of Sale 3 indicates a subject property value, on a gross square foot basis is in the range of half of this \$4.96/Sq Ft price, and in the range of \$3.00 per net square foot.

4. East Grant Avenue, Winters, 6.010 Ac sold 03/15 for \$4.77/Sq Ft

The Sale 4 site is located on the south side of Grant Avenue. Grant Avenue is also known as HWY 128 in Winters. The site is located a half mile west of I-505 between the freeway and downtown Winters. The site extends from E. Main Street to Morgan Street and extends in depth to approximately 220 feet to E. Baker Street.

The E. Main Street, Morgan Street and E. Baker Street frontages of Sale 4 are complete, requiring not off-site improvement costs. The Grant Avenue frontage requires significant frontage improvement including under grounding an existing drainage ditch. All utilities are reported to be available to Sale 4 within E. Baker Street.

Sale 4 requires downward adjustment because of is vastly superior shape, configuration, exposure and its less onerous offsite improvement cost obligations.

After considering all relevant factors the \$4.77/Sq Ft price of Sale 4 indicates a subject property value on a gross square foot basis in the range of half of this \$4.77/Sq Ft price, and in the range of \$3.00 per net square foot.

5. <u>5170 Sonoma Boulevard, Vallejo, 3.010 Ac sold 07/15 for \$3.81/Sq Ft</u>

In many ways Sale 5 is the ideal comparable sale for this appraisal. Sale 5 is an access impaired commercial site located on the back side of a shopping center sited along a fourlane divided State Highway.

Sale 5 is located on the east side of Sonoma Boulevard approximately 1,000 feet north of HWY 37. Sonoma Boulevard is HWY 29. In this area HWY 29 is a limited access divided State Highway with a somewhat landscaped center median.

Sale 5 is located at the rear of the Walmart Store which has been closed for several years. The Walmart building is the south end of the struggling Meadows Shopping Center

This site is located on the northbound side of HWY 29 one parcel north of HWY 37. HWY 29 is one of the main entries into Napa Valley. On the date of sale a prior CalTrans encroachment permit to access HWY 29 had expired.

The site was created though a two-parcel split that created a self storage site to the east along its Broadway frontage. In the parcel split a 381-foot access and utility easement was created from the northeast corner of the site to Broadway. At the time of the parcel split utilities were stubbed to the Northeast corner and the access easement to Broaday was paved.

The then developer of the site submitted its application to the City the spring of 2004 for a project named Vallejo Crossings. The Vallejo Crossings project was approved by the City in 2007, and was marketed as a retail development featuring roughly 20,000 SF of retail space. The project included a service station with a drive thru car wash, a roughly 4,600 SF freestanding retail building with a drive thru window, and two multi-tenant freestanding retail buildings roughly featuring 7,200 SF and 8,200 SF.

City approvals were contingent upon developer receipt of a CalTrans a right in, right out, driveway-encroachment-permit along the HWY 29 frontage. That encroachment permit was issued by CalTrans but had a five-year termination if not developed. If the project was not completed and opened within five years the Cal Trans permit was to expire.

The buyer had optioned the property and processed project approvals. They closed escrow at a price of \$3.3 million in October 2006 when they had confidence that the final project approvals were going to be awarded within a few months.



Final development approvals were issued in 2007. However by that time the economic downturn was well underway and tenants would not commit to leases. Without leases the construction financier would not finance construction. The CalTrans encroachment permit expired in 2011. and WestAmerica Bank foreclosed on the property shortly thereafter.

At the time of this 2013 sale all project approvals had expired. The City reported being generally favorable to a similar development project approval however, the entire entitlement process including the arduous to obtain CalTrans encroachment permit has to be obtained again.

Sale 5 requires downward adjustment because of the higher retail, fast food, gas uses potential in comparison to the mixed use potential of the subject. Further downward adjustment is needed because of the superior functional utility of Sale 5. The access issues are different in that Sale 5 requires expense, risk, and time delay to fix the access problem but then fixed the access of Sale 5 will be superior to the access problem of the subject which cannot be fixed. In my opinion the two access "issues" while different have similar amount of value diminution.

After considering all relevant factors the \$3.81/Sq Ft price of Sale 5 indicates a subject property value in the range of \$2.25 to \$2.75 per gross square foot and less than the \$3.81/Sq Ft price in the range of \$3.00 per net square foot.



#	Location Comments	Sale Date Zoning	Acres SF	Sale Price \$ /SF	Indicated \$/gross sf	Indicated \$/gross sf
1	SE I-80 & W. Dorset Dr Dixon	03/15 CH-PAO-PD	16.64 724,838	\$2,150,000 \$2.97	\$2.25 - \$2.75	\$2.75 - \$3.25
2	5190 Mini Dr Vallejo	11/14 CL, IU	13.96 608,098	\$1,800.000 \$2.96	\$2.25 - \$2.75	\$2.75 - \$3.25
3	1445-1485 Market Ln Dixon	09/15 CH-PAO-PD	5.63 245,243	\$1,216,000 \$4.96	\$2.50±	\$3.00±
4	East Grant Ave Winters	3/15 C-1	6.010 261,796	\$1,250,000 \$4.77	\$2.50±	\$3.00±
5	5170 Sonoma Blvd Vallejo	07/15 IU, Comm	3.010 131,116	\$499,100 \$3.81	\$2.25 - \$2.75	\$3.00±

SUMMARY OF SALES COMPARISON ANALYSIS

Sales 2 and 5 most nearly replicated the subject property development challenges. In weighing all of the factors Sales 2 and 5 are the best indicators of value. After all considerations the Sales Comparison Approach indicates the subject property value as:

361,112 gross sq ft x \$2.50/ gross sq ft = \$902,781 306,227 net sq ft x \$2.50/net sq ft = \$918,680

After appropriate rounding so as to not suggest a degree of precision that does not exist, the Sales Comparison Approach indicates a subject property value of \$900,000.

SALES COMPARISON APPROACH = \$900,000

RECONCILIATION

The subject property has been analyzed by use of the Income and Sales Comparison Approaches with the following value indications

INCOME APPROACH = \$625,000 TO \$850,000

SALES COMPARISON APPROACH = \$900,000

These two value indications do not correlate well. This lack of correlation between valuation approaches is common when appraising properties which are atypical assets within their property type category.

The subject is one of those properties which does not fit will within its commercial site property type. The impaired exposure, impaired access, gross to net usable area, and significant off-site improvement costs, makes the subject an odd duck within the universe of competitive commercial sites available.

Understanding that because the subject is an unusual property, it is difficult to appraise still does not answer the question of what is its value.

In my opinion, total property Sales 2 and 5 are in my opinion the best subject property surrogate available im the market area.

Sale 2 was purchased for development of a retail and apartment mixed use development. Sale 2 requires significant off-site improvements although not to the square foot weighted extent of the subject off-site improvement obligations. This property also faces severed state highway frontage access rights. Although, Sale 2 sill possesses better access characteristics than the subject.

Sale 5 is a commercial site located on state highway frontage, with severed rights of access to the highway. It is also a commercial site generally located at the rear of behind a struggling shopping center.

Given the subject property appraisal challenges, I am fortunate and pleased to happen to have available for analysis, the sale of two properties which share many of the subject property quirky characteristics.



The somewhat analytically challenging fact is, the two sales of property best replicating the subject provide the greatest value indication. On the surface this may be bewildering. However, in my opinion this represents a notable common characteristic of the most probable buyer profile. Recalling back to the Highest and Best Use analysis, I concluded that the most probable buyer of the subject is a developer. Developers tend to share a few very common personality characteristics. They tend to be very optimistic people. They just tend to see positive future outcomes. Additionally developers tend to be fairly egotistic. This is not said with a derogatory inflection. What I am say is developers tend to think they can accomplish what others cannot accomplish.

In my opinion, in many ways what I think is that developmentally challenged properties tend to inspire the creative juices within developers, such that they tend to pay more than what a detached uninspired view of the property might indicate.

In weighing all of various factors, despite the preponderance of evidence of a lesser value, total property comparable Sales 2 and 5 are in my opinion the best indicators of the subject property value in the marketplace. After consideration of both approaches to value, all of the available market data and analysis with primary consideration given to the analysis of total property comparable Sales 2 and 5 in my opinion the market value of the subject property is \$900,000.

MARKET VALUE AS OF MARCH 21, 2016 = \$900,000

EXPOSURE TIME

The Uniform Standards of Professional Appraisal Practice (USPAP) require that opinions of market value be expresses in relation to exposure time.

Exposure time⁴ is defined as:

1. The time a property remains on the market.

2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort.

Exposure time is different for various types of real estate and value ranges and under various market conditions. Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal.

There is no empirical evidence of how long the subject property would have needed to be exposed to the market under these conditions in order to result in a sale at market value on the date of value. Therefore based more on my experience in the marketplace than specific empirical evidence; given the limited numbers of buyers currently in the marketplace, our opinion is the subject property would have had to been offered for sale for approximately eighteen months prior to the date of value.



⁴ Dictionary of Real Estate Appraisal, 4th Edition, The Appraisal Institute

CERTIFICATION

I certify that, to the best of our knowledge and belief

- 1. The statements of fact contained in this report are true and correct.
- 2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standard of Professional Appraisal Practice.
- 8. I have made a personal inspection of the property that is the subject of this report, unless noted otherwise in the SCOPE OF WORK.
- 9. I have made a personal inspection of all of the comparable sales used in analysis.
- 10. No one provided significant professional assistance to the persons signing this report.



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- 11. To the best of our knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 12. As of the date of this report, Ronald G. Garland has completed the requirements of the continuing education program of the Appraisal Institute.
- 13. I have the necessary education and experience to competently perform this appraisal assignment.
- 14. I have not provided any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of the assignment.
- 15. Ronald G. Garland is currently certified by the State of California Office of Real Estate Appraisers as a Certified General Real Estate Appraiser (AG001662).
- 16. This appraisal is intended to be in full compliance with the Uniform Standards of Professional Appraisal Practice.

Ronald G. Garland, MAI, SRA CA #AG001662

25/16

Date



Subject Property Photographs



HWY 12 entrance. The cental portion of the Subject is behind the two gas stations in the foreground and in front of the post office in the background.



View north of the west end of the Subject. The subject in on the right, the rear of the post office is in the right background, and the rear of the Sunset Shopping Center is on the left



Item 13 SUBJECT PROPERTY PHOTOGRAPHS



View Northeast across the cental portion of the Subject and the cental east/west drive isle.



View southeast across the southeast portion of the subject towards HWY 12 in the background.



Item 13 Attachment 5 SUBJECT PROPERTY PHOTOGRAPHS



Front side of Sunset Shopping Center to the west of the Subject.



View of the two gas stations at the Subject property entrances, viewed from the south side of HWY 12.



Item 13 SUBJECT PROPERTY PHOTOGRAPHS



View southeast of the subject from HWY 12 frontage, from the south side of HWY 12.



Excerpted Title Documents

PLACER TITLE COMPANY

Preliminary Report

Order No. 501-16089 UPDATE

Issued By:

PLACER TITLE COMPANY 1300 OLIVER RD., SUITE #110 FAIRFIELD, CA 94534 Escrow Officer: Laura Vierra Phone: 707-429-2211 Fax: 707-429-6199 Escrow Officer Email: lvierra@placertitle.com Email Loan Docs To: 501edocs@placertitle.com

Customer Reference: 8.29 ACRE COMMERCIAL - ADJACENT TO HIGHWAY 12

Property Address:

ress: APN'S: 0173-390-160 AND 0173-390-180, SUISUN CITY, CA 94585

In response to the above referenced application for a policy of title insurance, PLACER TITLE COMPANY hereby reports that it is prepared to issue, or cause to be issued, through one of its authorized underwriters, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in the attached. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in the attached. Copies of the Policy forms should be read. They are available from the office which issued this report.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN THE ATTACHED CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED. IT IS IM-PORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of April 11, 2006 at 7:30 a.m.

Title Officer: Laura Vierra

PRELIM

CLTA Preliminary Report

Order No. 501-16089 UPDATE

The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy

The estate or interest in the land hereinafter described or referred to covered by this Report is:

A FEE AS TO PARCEL ONE; AN EASEMENT AS TO PARCELS TWO AND THREE

Title to said estate or interest at the date hereof is vested in:

THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY, A PUBLIC BODY, CORPORATE AND POLITIC OF THE STATE OF CALIFORNIA

The land referred to herein is described as follows:

SEE EXHIBIT "A" ATTACHED

PRELIM.A

Order No. 501-16089 UPDATE

EXHIBIT "A" LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SOLANO, CITY OF SUISUN CITY, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCELS 1 AND 3, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF SOLANO COUNTY, STATE OF CALIFORNIA ON OCTOBER 3, 1996 IN BOOK 40 OF PARCEL MAPS, AT PAGE 21,

PARCEL TWO:

THE NON-EXCLUSIVE EASEMENTS FOR THE INGRESS AND EGRESS AND PASSAGE OF MOTOR VEHICLES AND PEDESTRIANS OVER AND ACROSS EASEMENTS, AS SET FORTH IN THAT CERTAIN "DECLARATION OF RESTRICTIONS AND GRANTS OF EASEMENTS", RECORDED NOVEMBER 1, 1979 IN BOOK 1979, PAGE 94395, INSTRUMENT NO. 56053.

PARCEL THREE:

PRE.LEGAL

THE NON EXCLUSIVE EASEMENTS FOR THE INGRESS AND EGRESS AND PASSAGE OF MOTOR VEHICLES AND PEDESTRIANS, OVER AND ACROSS EASEMENTS, AS SET FORTH IN THAT CERTAIN "SECOND AMENDMENT TO DECLARATION OF RESTRICTIONS AND GRANTS OF EASEMENTS, "RECORDED MARCH 18, 1988 IN BOOK 1988, PAGE 28571, INSTRUMENT NO. 14752.

APN: 0173-390-160 AND 0173-390-180

CLTA Preliminary Report

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EXCEPTIONS

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

- 1. THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5, (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE, OF THE STATE OF CALIFORNIA.
- 2. THE HEREIN DESCRIBED PROPERTY LIES WITHIN THE BOUNDS OF THE SOLANO IRRIGATION DISTRICT AND SUISUN RESOURCE CONSERVATION DISTRICT, AND IS THEREFORE SUBJECT TO ALL THEIR TAXES AND ASSESSMENTS THEREOF.
- 3. MUNICIPAL AND ANY UNPAID CHARGES FOR THE CITY OF SUISUN CITY, IF ANY. FOR AMOUNTS DUE, PLEASE CONTACT SOLANO GARBAGE AT (707) 439-2800.
- 4. AN EASEMENT OVER SAID LAND FOR SEWER TRUNK MAIN AND INCIDENTAL PURPOSES, IN FAVOR OF THE FAIRFIELD-SUISUN SEWER DISTRICT, A PUBLIC CORPORATION IN DEED RECORDED JUNE 13, 1966, BOOK 1402, PAGE 637, INSTRUMENT NO. 16339, OFFICIAL RECORDS.

AFFECTS: THE SOUTHERLY PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

5. AN EASEMENT OVER SAID LAND FOR WATER LINE AND INCIDENTAL PURPOSES, IN FAVOR OF THE CITY OF SUISUN CITY, RECORDED APRIL 22, 1976, BOOK 1976, PAGE 21443, INSTRUMENT NO. 13297, OFFICIAL RECORDS.

AFFECTS: THE SOUTHERLY PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

6. AN EASEMENT OVER SAID LAND FOR WATER MAINS AND INCIDENTAL PURPOSES, IN FAVOR OF THE CITY OF SUISUN CITY, RECORDED APRIL 22, 1976, IN BOOK 1976, PAGE 21448, INSTRUMENT NO. 13298, OFFICIAL RECORDS.

AFFECTS: THE SOUTHERLY PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

7. AN EASEMENT OVER SAID LAND FOR STORM DRAINS AND INCIDENTAL PURPOSES, IN FAVOR OF THE CITY OF SUISUN CITY, RECORDED JANUARY 28, 1977, IN BOOK 1977, PAGE 5653, INSTRUMENT NO. 3316, OFFICIAL RECORDS.

AFFECTS: THE SOUTHERLY PORTION OF THE PROPERTY

PRELIM.E

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

Order No. 501-16089 UPDATE

EXCEPTIONS (Continued)

8. AN EASEMENT OVER SAID LAND FOR ACCESS, AND INCIDENTAL PURPOSES AS SET FORTH ON PARCEL MAP FILED OCTOBER 12, 1979, IN BOOK 19 OF PARCEL MAPS, PAGE 15.

AFFECTS: PORTIONS OF THE PROPERTY

9. TERMS, PROVISIONS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, BUT OMITTING ANY COVENANT, CONDITION OR RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION VIOLATE 42 U.S.C. 3604 (C) AS SET FORTH IN THE DOCUMENT RECORDED NOVEMBER 01, 1979, BOOK 1979, PAGE 94395, INSTRUMENT NO. 56053, OFFICIAL RECORDS.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS DO NOT PROVIDE FOR REVERSION OF TITLE IN THE EVENT OF A BREACH THEREOF.

SAID COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS WERE MODIFIED IN PART BY INSTRUMENT RECORDED MAY 11, 1984, IN BOOK 1984, PAGE 40102, INSTRUMENT NO. 20639, OFFICIAL RECORDS.

SAID COVENANTS, CONDITIONS RESTRICTIONS AND EASEMENTS WERE MODIFIED IN PART BY INSTRUMENT RECORDED MARCH 18, 1988, IN BOOK 1988, PAGE 28751, INSTRUMENT NO. 14752, OFFICIAL RECORDS.

10. AN EASEMENT OVER SAID LAND FOR UNDERGROUND COMMUNICATION FACILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF PACIFIC TELEPHONE AND TELEGRAPH COMPANY, RECORDED DECEMBER 11, 1980, IN BOOK 1980, PAGE 90035, INSTRUMENT NO. 54958, OFFICIAL RECORDS.

AFFECTS: A PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

11. AN EASEMENT OVER SAID LAND FOR SANITARY SEWER PIPE LINES AND WATER PIPE LINES AND INCIDENTAL PURPOSES, IN FAVOR OF THE CITY OF SUISUN CITY, RECORDED MAY 13, 1981 BOOK 1981, PAGE 34236, INSTRUMENT NO. 19911, OFFICIAL RECORDS.

AFFECTS: A PORTION OF THE PROPERTY

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EXCEPTIONS (Continued)

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

12. AN EASEMENT OVER SAID LAND FOR ELECTRIC FACILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, RECORDED SEPTEMBER 3, 1981 IN BOOK 1981, PAGE 65076, INSTRUMENT NO. 37567 OFFICIAL RECORDS.

AFFECTS: A PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

13. AN EASEMENT OVER SAID LAND FOR UNDERGROUND PIPES AND INCIDENTAL PURPOSES, IN FAVOR OF PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION, RECORDED SEPTEMBER 3, 1981 IN BOOK 1981, PAGE 65083, INSTRUMENT NO. 37568 OFFICIAL RECORDS.

AFFECTS: A PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

14. THE FACT THAT SAID LAND IS INCLUDED WITHIN A PROJECT AREA OF THE REDEVELOPMENT PLAN FOR THE SUISUN CITY REDEVELOPMENT PROJECT, AND THAT PROCEEDINGS FOR THE REDEVELOPMENT OF SAID PROJECT HAVE BEEN INSTITUTED UNDER THE REDEVELOPMENT LAW, SUCH REDEVELOPMENT TO PROCEED ONLY AFTER THE ADOPTION OF THE REDEVELOPMENT (PLAN) AS DISCLOSED BY A DOCUMENT RECORDED JULY 14, 1982, INSTRUMENT NUMBER 25626, BOOK 1982, PAGE 45007, OFFICIAL RECORDS.

AND AS MODIFIED BY AN INSTRUMENT RECORDED JULY 21, 1989 INSTRUMENT NO. 890047829.

- 15. THE TERMS, CONDITIONS AND PROVISIONS CONTAINED IN AN INSTRUMENT ENTITLED "AGREEMENT AND COVENANTS TO ENTER INTO ASSESSMENT DISTRICT", BY AND BETWEEN CAL LAND INVESTORS, AND SOLANO INVESTORS, RECORDED SEPTEMBER 30, 1986, IN BOOK 1986, PAGE 112571, INSTRUMENT NO. 54567, OFFICIAL RECORDS.
- AN EASEMENT OVER SAID LAND FOR ACCESS AND INCIDENTAL PURPOSES AS SET FORTH ON PARCEL MAP FILED OCTOBER 03, 1996, IN BOOK 40, PAGE 21 OF PARCEL MAPS.

AFFECTS: A PORTION OF THE PROPERTY

SCHB2

17. AN EASEMENT OVER SAID LAND DISCLOSED AS AN UNRECORDED PACIFIC GAS AND

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EXCEPTIONS (Continued)

ELECTRIC EASEMENT, AS SET FORTH ON PARCEL MAP FILED OCTOBER 03, 1996, IN BOOK 40, PAGE 21 OF PARCEL MAPS.

AFFECTS: A PORTION OF THE PROPERTY

 AN EASEMENT OVER SAID LAND FOR PUBLIC ACCESS AND PUBLIC UTILITIES, AND INCIDENTAL PURPOSES AS SET FORTH ON PARCEL MAP FILED OCTOBER 03, 1996, IN BOOK 40, PAGE 21 OF PARCEL MAPS.

AFFECTS: THE SOUTHERLY PORTION OF THE PROPERTY

19. AN EASEMENT OVER SAID LAND FOR INGRESS AND EGRESS, UTILITIES AND INCIDENTAL PURPOSES, IN FAVOR OF CAL-LAND INVESTORS, A CALIFORNIA LIMITED PARTNERSHIP, RECORDED OCTOBER 4, 1996, BOOK 1996, INSTRUMENT NO.1996-00067362, OFFICIAL RECORDS.

AFFECTS: A PORTION OF THE PROPERTY

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

SAID DOCUMENT WAS RE-RECORDED NOVEMBER 3, 1997, INSTRUMENT NO. 1997-00074482.

- 20. ANY FACTS, RIGHTS, INTEREST OR CLAIMS WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS, BUT WHICH COULD BE ASCERTAINED BY AN INSPECTION OF THE LAND OR WHICH MAY BE ASSERTED BY PERSONS IN POSSESSION THEREOF.
- 21. EASEMENTS, LIENS OR ENCUMBRANCES, OR CLAIMS THEREOF, WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.
- 22. DISCREPANCIES, CONFLICTS IN BOUNDARY LINES, SHORTAGE IN AREA, ENCROACHMENTS, OR ANY OTHER FACTORS WHICH A CORRECT SURVEY WOULD DISCLOSE, AND WHICH ARE NOT SHOWN BY THE PUBLIC RECORDS.

*** CHAIN OF TITLE REPORT:

ACCORDING TO THE PUBLIC RECORDS, NO DEEDS CONVEYING THE PROPERTY DESCRIBED IN THIS REPORT HAVE BEEN RECORDED WITHIN A PERIOD OF 2 YEARS PRIOR TO THE DATE OF THIS REPORT, EXCEPT AS SHOWN HEREIN:

NONE

SCHB2

NOTE: TAXES, SPECIAL AND GENERAL, ASSESSMENT DISTRICTS AND SERVICE

Order No. 501-16089 UPDATE

EXCEPTIONS (Continued)

AREAS, FOR THE FISCAL YEAR 2005-2006: 1ST INSTALLMENT: \$0.00 CANCELLED 2ND INSTALLMENT: \$0.00 CANCELLED ASSESSED VALUATIONS: LAND: \$0.00 IMPROVEMENTS: \$0.00 EXEMPTION: \$0.00 PARCEL NO.: 0173-390-160 AND 0173-390-180

CODE AREA: 5005

NOTE: ANY CONVEYANCE OF INTEREST (OR PARTIAL INTEREST) AFFECTING THE HEREIN DESCRIBED PROPERTY MAY REQUIRE DOCUMENTARY TRANSFER TAX.

PLEASE CONTACT THE TITLE DEPARTMENT OR THE SOLANO COUNTY RECORDER'S OFFICE AT (707) 421-6290 PRIOR TO THE CLOSE OF ESCROW TO DETERMINE IF YOUR TRANSACTION WILL BE SUBJECT TO SUCH TRANSFER TAX.

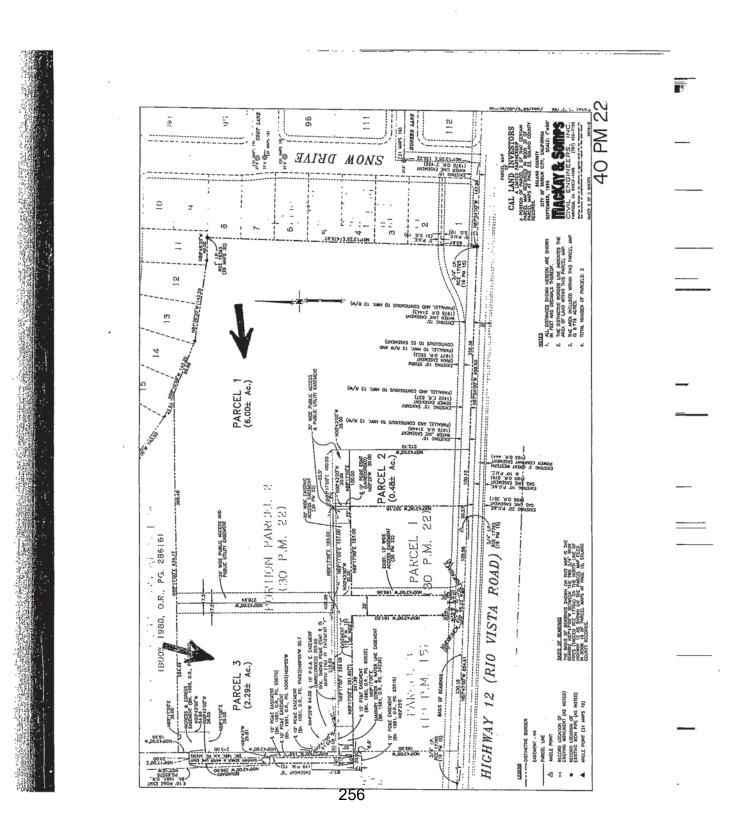
NOTE: THE CHARGE FOR A POLICY OF TITLE INSURANCE, IF ISSUED THROUGH THIS TITLE ORDER, WILL BE BASED ON THE BASIC INSURANCE RATE.

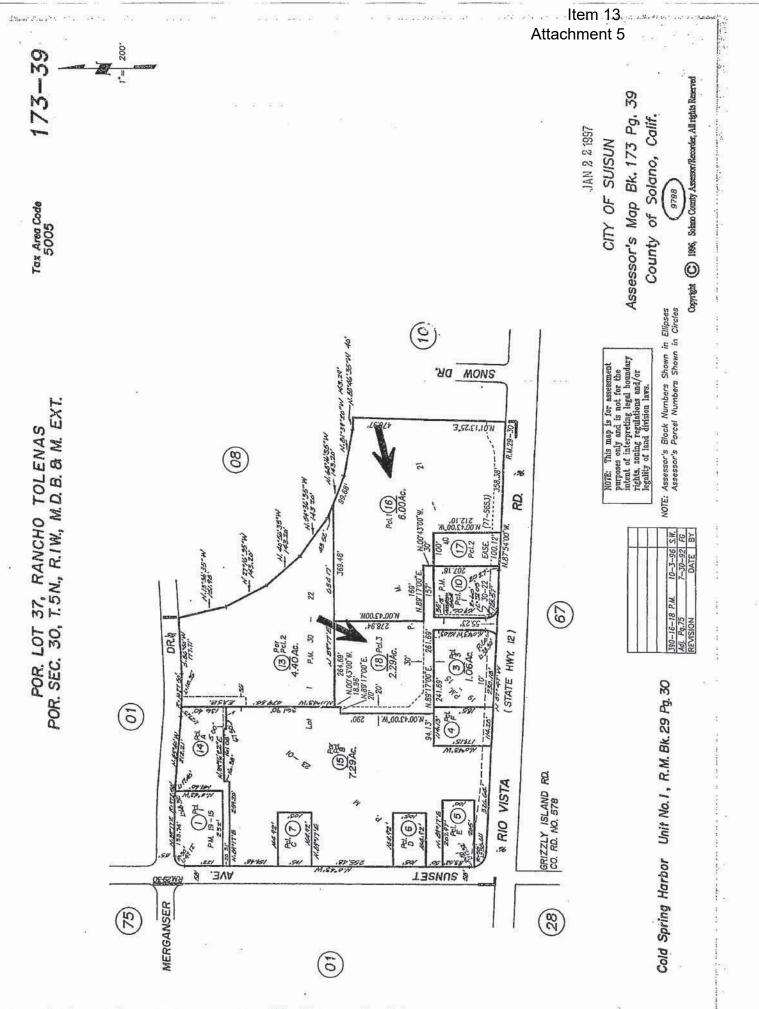
SCHB2

NOTE: IT HAS BEEN DETERMINED THAT STEWART TITLE COMPANY WILL BE THE UNDERWRITER FOR THIS TRANSACTION.

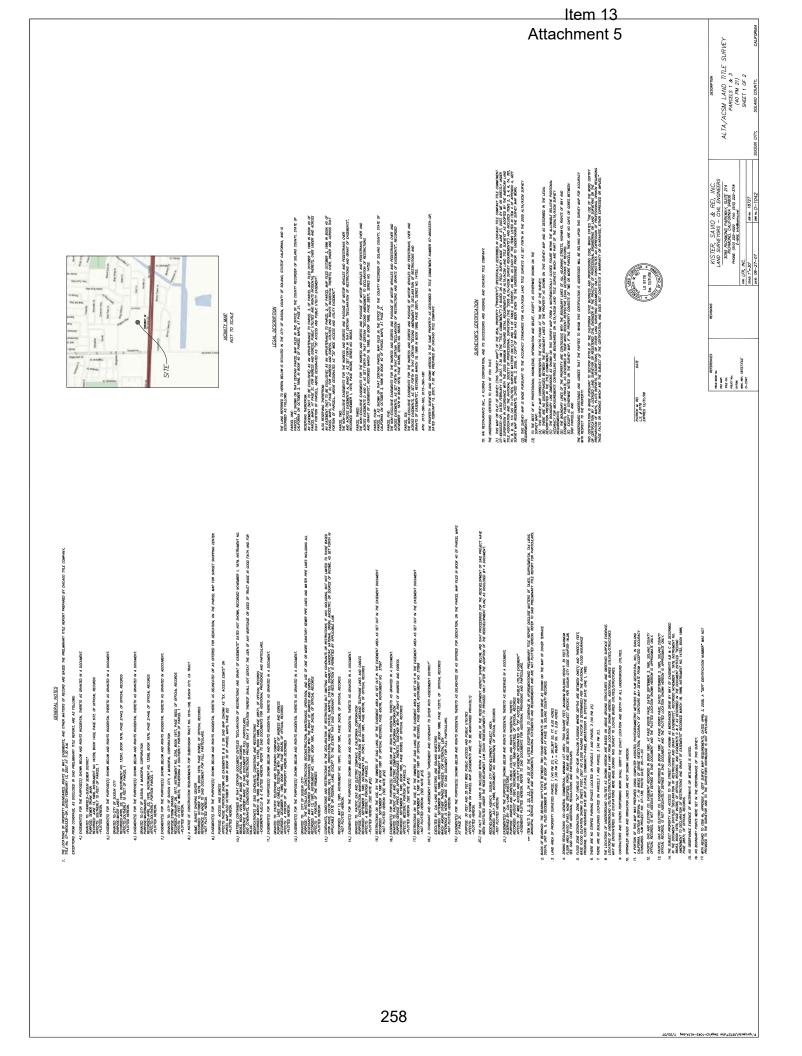
Item 13

Order: - Comment: 2 Parcel Map 40.21 Page: 2 of 2





Description: Solano,CA Assessor Map 173.39 Page: 1 0257 Order: - Comment:





Subject Development Proposals



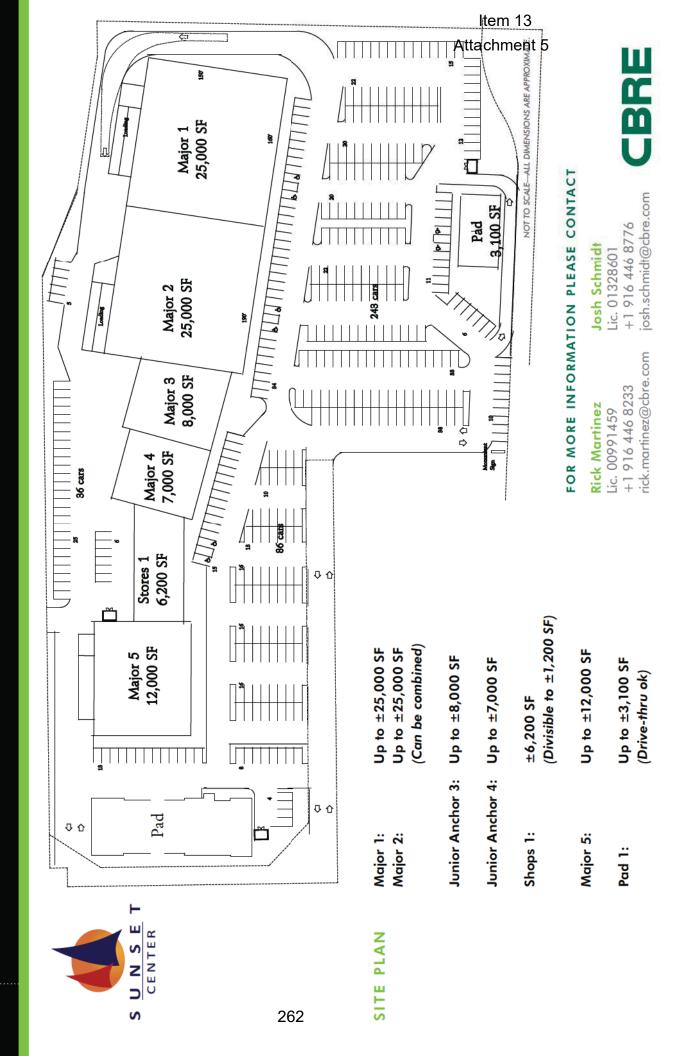
П Τ, . Π SUISUN CITY :: CALIFORNIA 94585 Π Π LEASING MON

ANCHOR, PAD & SHOP SPACE AVAILABLE





SUNSET CENTER - PHASE II NEC HIGHWAY 12 & SUNSET AVE SUISUN CITY :: CALIFORNIA 94585



Attachment 5 8.29 (+/- AC) 80 UNITS 50 SPACES 351 SPACES **39 SPACES** 160 SPACES 102 SPACES 54,233 GFA 5,000 GFA 14,348 GFA 113 SPACES 10 SPACES 20 SPACES 143 SPACES RESIDENTIAL SUMMARY: OPEN SPACE PROVIDED: 0UTDOOR : 48,900 S.F. 4,500 S.F. 80 UNITS 18,600 S F 30,800 S F 4,000 S F 53,400 S.F. 80 SPACES 80 SPACES 160 SPACES 53,400 S.F. 2,800 SF 4,500 SF %9 PARKING SUMMARY: 2-BEDROOM: 44 UNITS 55% 1-BEDROOM: 31 UNITS 39% OUTDOOR: 48,900 (REC. AREA & AREA ALONG MAIN STREET, IN FRONT OF LEASING) OPEN SPACE REQUIRED: 3-BEDROOM: 5 UNITS 80 UNITS SITE SUMMARY: (3-STORY BUILDING) TOTAL RES. UNITS: **GROSS SITE AREA:** 1BR @ 600 S.F.: 2BR @ 700 S.F.: 3BR @ 800 S.F.: 1BR/2BR @ 1.5: 3BR @ 2: TOTAL ON SITE: CLUB/FITNESS: PARKING PROV SURFACE TOTAL PROV CLUB/FITNESS: GUEST@ 0.25: TOTAL REQ.: RESTAURANT: **RESIDENTIAL:** PARKING REQ: TOTAL PROV LES SCHWAB: **RESTAURANT**: RESIDENTIAL: LES SCHWAB: TOTAL REQ. CARPORTS: 3-STORY) LEASING: HOTEL: HOTEL: TOTAL 10 10 10.4 AND JUST A 3 Ø. Œ 8 BAY BTB (1-STORY W/ MEZZ) ONIT A Ð LES SCHWAB ۰, GATE Æ RACE 181 W 181 Ø ØØ MAR I Ø Ð £ Ø ø Ð and a second REC. / Ð Ø RESTAURANT (1 STORY) -in-101,16 1 2 Ē 1 ¢ (A)2 SITE PLAN - k Ĺ, 12 19 Ó PARCEL 2 40 PM 211 NORTH 9 CARPORTS (TYP HIGHWAY - A-00.45.48 0 157.00 D ASING PARCEL 1 Ì Æ Œ A-80'38'16' 780 A PROPERTY. Ð 12899, DR PG 236181 1268, DR PG 236181 100.0 SITE Serence and Ø 額 Ø Ø NUTED : NOT A 1 HOLE 100 mm ¢A) HOTEL (4- STORY) 林道 Chene Countries 12 SPT08-4-F W(N) Constant on Ø 1111 ÐØØ PARCEL 3 120 ABPITOTE 8 8 (1027HC 10(1881)) (1.148 # 22431 Ad M.00.881 1 12 wint of V Balon N: 11 263

HUMPHREYS & PARTNERS ARCHITECTS, L.P. URANTO - MONTEVIDEO coad suite 300 dallas. Te S. Chicago new orleans Sanramon - Scottsdale - Ei ΠE HPA# 16035 HWY 12 & SNOW ROAD HARBOR PARK, LLC SUISUN, CA 01/28/2016

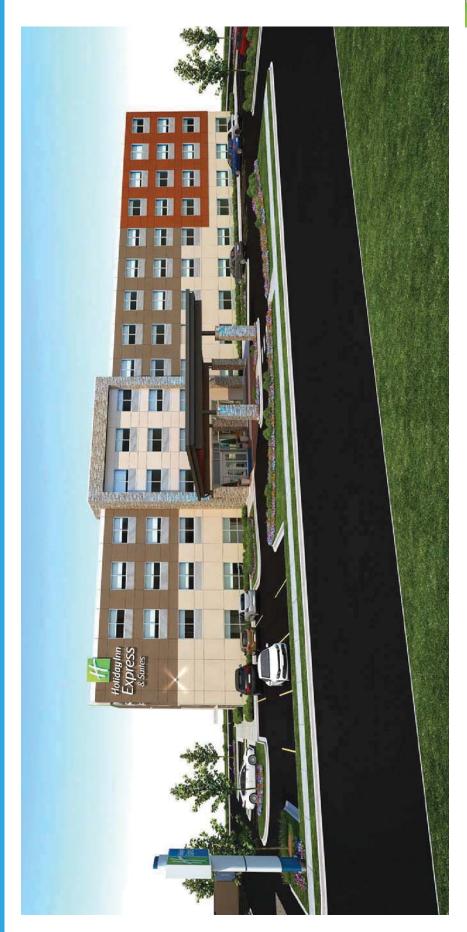
Item 13







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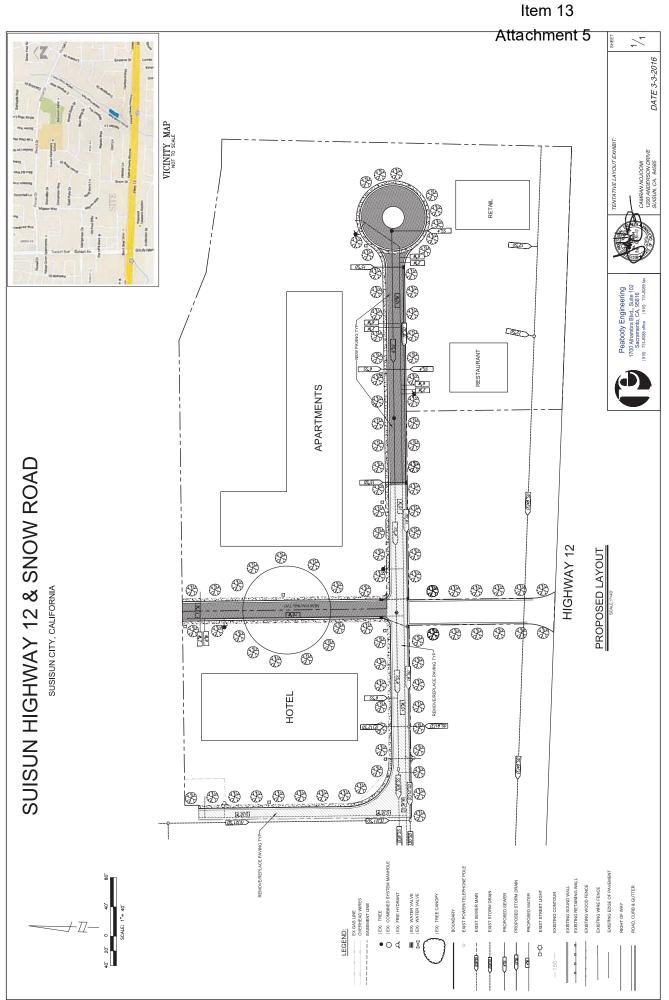
Prototype

8 - BAY BACK TO BACK W/ OPT. CANOPY

LES SCHWAB TIRE CENTERS







Suisun Highway 12 Suisun City, CA PRELIMINARY OFFSITE COST ESTIMATE

ITEM NO DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
SITE PREPARATION				
1. Traffic Control	1	LS _	\$15,000.00	\$15,000
2. Mobilization	1	LS _	\$10,000.00	\$10,000
SITE PREP SUBTOTAL				\$25,000
ROADWAY				
1. New Roadway Paving	18,740	SF	\$3.50	\$65,590
 Grind & Replace Roadway Paving 4" PCC Sidewalk 	13,680 7,240	SF SF	\$2.50 \$10.00	\$34,200
 4 PCC Sidewark 4. Vertical Curb and Gutter 	2,880	LF	\$10.00	\$72,400 \$41,760
ROADWAY SUBTOTAL				\$213,950
SEWER				
1. 8" Sewer Main	730	LF	\$75.00	\$54,750
2. 6" Commerical Sewer Service	2	EA	\$2,500.00	\$5,000
 4" Commerical Sewer Service 48" Manhole 	2	EA _	\$1,850.00	\$3,700
	3	EA _	\$4,200.00	\$12,600
SEWER SUBTOTAL				\$76,050
WATER				
1. 10" Water Line	1,105	LF _	\$85.00	\$93,925
 Irrigation Service 3" Domestic Service 	4	EA EA	\$1,000.00 \$1,850.00	\$4,000 \$3,700
4. 2" Domestic Service	2	EA -	\$1,500.00	\$3,000
5. Fire Hydrants	4	EA	\$3,200.00	\$12,800
6. 6" Fire Service	4	EA _	\$2,250.00	\$9,000
WATER SUBTOTAL				\$126,425
DRAINAGE				
1. 18" Storm Drain	625	LF _	\$100.00	\$62,500
2. 15" Storm Drain 3. Drain Inlet	60 6	LF EA	<u>\$80.00</u> \$3,800.00	\$4,800 \$22,800
DRAINAGE SUBTOTAL			+ - ,	\$90,100
				<i>\</i> \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
<u>MISC</u>			¢ / 0 =	* / · ·
 Landscape Trees Irrigation System 	94 1	EA LS	\$125.00 \$20,000.00	\$11,750 \$20,000
3. Street Lights	8	EA	\$3,750.00	\$30,000
4. Dry Utilities	1,500	LF	\$150.00	\$225,000
MISC SUBTOTAL				\$286,750
TOTAL CONSTRUCTION SUBTOTAL 10% Contingency				\$818,275 \$81,828
TOTAL CONSTRUCTION ESTIMATE				\$900,100

DUE DILIGENCE AND EXCLUSIVE NEGOTIATION AGREEMENT

THIS DUE DILIGENCE AND EXCLUSIVE NEGOTIATION AGREEMENT ("Agreement") is entered into this <u>10th</u> day of December, 2015 ("Effective Date") by and between the HOUSING AUTHORITY OF SUISUN CITY, a public body, corporate and politic ("Authority") and HARBOR PARK, LLC, a limited liability company ("Developer").

RECITALS

- A. Authority owns that certain unimproved real property consisting of approximately 361,112 square feet of land, and identified as Solano County Assessor's Parcel Numbers 0173-390-160 and 0173-390-180 as depicted on attached <u>Exhibit A</u> ("Property").
- **B.** The Property is adjacent to that certain shopping center known as Sunset Shopping Center, two (2) gas stations, a US Postal facility and a single family residential development.
- C. Authority desires to sell the Property for the maximum value through a high quality commercial or mixed-use development that will complement the existing surrounding uses and take full advantage of the Property's characteristics.
- D. In accordance with the terms of this Agreement, Authority and Developer desire to enter into a period to permit Developer to conduct due diligence which, under certain circumstances, may be followed by a period of exclusive negotiations for the sale of the Property to Developer.

NOW, THEREFORE, Authority and Developer agree as follows:

1. <u>DUE DILIGENCE PERIOD</u>. During the period commencing on Effective Date through June 30, 2016, ("**Due Diligence Period**"), Developer shall conduct reasonable due diligence with respect to the Property at its own cost and expense. Such due diligence perform and perform all studies and other research required to determine the feasibility of development of the Property including, but not limited to, appraisal, soil examination, marketing investigations, financial analysis, and comprehensive information to determine the appropriate land use for the Property. During the Due Diligence Period, Developer shall have the right to enter the Property in accordance with Section 3 below. Prior to expiration of the Due Diligence Period, Developer may exercise the option to enter into the Exclusive Negotiation Period in accordance with Section 2 below. Within five (5) business days of the Effective Date, Authority shall provide Developer with appropriate information and documents in its possession relevant to the Property.

The Developer shall actively market the property to prospective tenants or end-users during the Due Diligence Period; and not later than the 15th of each month shall provide written updates of its marketing efforts and results which summary shall be shared with Authority. Authority shall treat information regarding prospects in a confidential manner.

During the term of this Agreement, Developer may place signage on the Property for purposes of marketing the Property for possible development. All signage is subject to approval of the Executive Director or her designee, and shall comply with Section 3 below and the standard requirements of

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City of Suisun City ("City"). Upon termination of this Agreement, any signage shall be promptly removed by Developer at its sole cost and expense.

2. EXCLUSIVE NEGOTIATION PERIOD.

- Exercise of Exclusive Negotiation Option. Developer has the option to enter the 2.1. Exclusive Negotiation Period (as defined in Section 2.2) ("Exclusive Negotiation Option") which Developer may exercise (a) provided Developer is not in default under this Agreement; and (b) prior to expiration of the Due Diligence Period, Developer delivers written notice of exercise to Authority together with (i) the sum of Twenty Five Thousand Dollars (\$25,000) in good funds¹ ("**Deposit**"), (ii) a proposed development plan together with supporting information, (ii) copies of all Reports (as defined in Section 3), (iii) enhanced conceptual drawings showing a refined preliminary property plan and conceptual architecture with respect to the project proposed for the development, (iv) copies of all findings, determinations, studies, reports and other work conducted during the Due Diligence Period related to the feasibility of the development, and (v) a development budget, financing plans, schedule of performance and a pro forma operating statement. If Developer fails to exercise of Exclusive Negotiation Option in the time and manner specified, this Agreement including the Exclusive Negotiation Option shall automatically terminate and, except for Section 3, the parties shall have no further obligations under this Agreement. Except for the Reports, all other Developer submissions shall remain the property of Developer except as otherwise provided in Section 6.
- 2.2. Exclusive Negotiation Period. If Developer exercises the Exclusive Negotiation Option as specified in Section 2.1, then for a period of seventy-five (75) days following expiration of the Due Diligence Period ("Exclusive Negotiation Period"), the parties agree to negotiate diligently and in good faith to negotiate terms and conditions of a sale transaction to be reflected in a disposition and development agreement ("DDA") for a high quality commercial development in accordance with a development plan that will complement the existing surrounding uses and maximizing the Property's characteristics. If, upon expiration of the Negotiation Period, Developer and Authority staff have not negotiated a mutually satisfactory DDA, to the point where Authority staff is prepared to submit same for Authority Board consideration, then this Agreement shall automatically terminate at the end of the Exclusive Negotiation Period, unless mutually extended in writing executed by both parties. The Executive Director shall have discretion to extend the Negotiation Period on behalf of Authority. If a mutually satisfactory DDA has been successfully negotiated by Developer and Authority staff within the Negotiation Period, to the point where Authority staff is prepared to submit same for Authority Board consideration, this Agreement shall terminate upon either (1) execution of the DDA by Developer and the approval and execution of the DDA by the Authority Board, or (2) disapproval of the submitted DDA by the Authority Board in its policy discretion as more fully provided for in Section 2.3 below.
- **2.3.** Limitations. Developer understands that Authority's execution of this Agreement does not commit it (i) to sell or transfer the Property to Developer or (ii) to take any other acts or activities requiring the independent exercise of discretion by Authority, the City, or any

¹"Good funds" is defined to mean a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.

Authority or department therefor. Any DDA resulting from the negotiations under this Agreement shall be effective only after the DDA has been considered and approved by Authority and the City Council, in their policy discretion, at a public hearing called for such purpose in accordance with applicable law. This Agreement does not constitute a disposition of property or exercise of control over the Property by Authority or the City and does not require a public hearing. Execution of this Agreement by Authority is merely an agreement to enter into a period to negotiate according to the terms hereof, reserving final discretion and approval by Authority and the City as to any DDA in accordance with applicable law and all proceedings and decisions in connections therewith. The purchase price and/or other consideration to be paid by the Developer for the Property or portion thereof under the DDA will be based on fair market value as established by an MAI appraisal. Mere failure by the parties to agree to the economic terms of the DDA shall not constitute negotiating in bad faith by either party hereunder.

3. <u>**RIGHT TO ENTER THE PROPERTY.</u>** During the Due Diligence Period, Authority grants Developer, its agents and employees a limited license to enter upon the Property for the purpose of conducting engineering surveys, soil tests, investigations or other studies reasonably necessary to evaluate the condition of the Property, which studies, surveys, reports, investigations and tests shall be done at Developer's sole cost and expense.</u>

Prior to entry onto the Property, Developer shall (i) notify Authority the date and purpose of each intended entry together with the names and affiliations of the persons entering the Property; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property during or after such investigation; (iii) comply with all applicable laws and governmental regulations; (iv) allow an employee of Authority to be present at Authority's election; (v) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this provision; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California; and (vii) provide to Authority prior to initial entry a certificate of insurance evidencing that Developer has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than TWO MILLION DOLLARS (\$2,000,000) which insurance names Authority as additional insured.

Further, Developer shall; (i) return the Property to substantially its original condition following Developer's entry; (ii) provide Authority copies of all studies, surveys, reports, investigations and other tests derived from any inspection but with the right of Authority to use the report without further consent from the issuer ("**Reports**"); and (iii) if the parties enter into a DDA, to take the Property at closing subject to any title exceptions caused by Developer exercising this right to enter.

Developer agrees to indemnify, and hold Authority free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which Authority may suffer or incur as a consequence of Developer's exercise of the license granted pursuant to this Section or any act or omission by Developer, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under Developer (except Authority and its agents) with respect to the Property, excepting any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs

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and legal or other expenses (including reasonable attorneys' fees) arising from the mere discovery by Developer of any hazardous materials or conditions and excepting to the extent such claims arise out of the negligence or misconduct of Authority. Developer's obligations under this Section 3 shall survive termination of this Agreement for any reason.

4. **DEPOSIT.** The Deposit shall be delivered to the Authority to ensure that (i) Developer will proceed diligently and in good faith to negotiate, and (ii) perform all of Developer's obligations under this Agreement. Authority shall place the Deposit in an interest bearing account earning interest at not less than the average interest rate earned by Authority on similar funds held for investment, taking into account the size of the Deposit and the length of time held for investment. Any interest shall be allocated for tax purposes to Developer but shall be added to the Deposit held by Authority. Except as otherwise provided in Section 5 below, if this Agreement expires at the end of the Negotiation Period without the parties reaching agreement on a DDA despite their mutual good faith efforts, or if the parties enter into the DDA, the Deposit shall be returned to Developer.

5. **DEVELOPER DEFAULT.** If Developer fails to negotiate in good faith and/or otherwise fails to comply with the terms of this Agreement, Authority shall give written notice to Developer specifying in reasonable detail the alleged violation and specifying a date (which shall not be sooner than ten (10) business days from the date of the notice) by which time Developer must recommence negotiating in good faith or otherwise comply with the terms of this Agreement ("**Default Notice**"). If Developer fails to cure the alleged default within the time period specified in the Default Note, Authority may, in its sole discretion, terminate this Agreement and retain the Deposit by delivery of notice of such termination to Developer.

IF DEVELOPER BREACHES THIS AGREEMENT BY FAILING TO NEGOTIATE IN GOOD FAITH AND/OR FAILING OTHERWISE TO COMPLY WITH THE TERMS OF THIS AGREEMENT, THEN THE DEPOSIT SHALL BE PAID TO AUTHORITY AS LIQUIDATED DAMAGES FOR SUCH DEFAULT, IT BEING AGREED THAT SUCH PAYMENT SHALL BE AUTHORITY'S SOLE REMEDY IN THE EVENT OF SUCH DEFAULT AND THAT SUCH ACTUAL DAMAGES THAT WOULD RESULT FROM SUCH A DEFAULT ARE UNCERTAIN AND WOULD BE EXTREMELY DIFFICULT TO FIX AT THIS TIME AND WOULD BE DIFFICULT TO PROVE. THE PARTIES AGREE THAT THEY WOULD HAVE NEGOTIATED THE AMOUNT OF SUCH DEPOSIT AS BEING THEIR BEST ESTIMATE AT THE DATE HEREOF OF AUTHORITY'S LOSS IN THE EVENT OF A DEFAULT BY DEVELOPER. NOTWITHSTANDING THE FOREGOING, THIS LIMITATION SHALL NOT APPLY TO DEVELOPER'S OBLIGATIONS IN SECTION 3.





6. <u>AUTHORITY DEFAULT</u>. In the event Authority fails to negotiate diligently in good faith during the Exclusive Negotiation Period and/or otherwise fails to comply with the terms of this Agreement, Developer shall give written notice to Authority specifying in reasonable detail the alleged violation and specifying a date (which shall not be sooner than ten (10) business days from the date of the notice) by which time Authority must recommence negotiating in good faith or must otherwise comply with the terms of this Agreement ("Default Notice"). If Authority fails to cure the alleged default in the time specified in the Default Notice, Developer may terminate this Agreement by delivery of termination notice to Authority ("Termination Notice"). Upon receipt of the Termination Notice, Authority shall return the Deposit, and Developer may seek compensation from Authority in an amount not to exceed Fifty Thousand Dollars (\$50,000), to offset actual documented expenses, incurred by Developer to prepare reports, plans and/or specifications required by this Agreement.

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Upon payment of any Demand, all such plans, reports and other specifications shall become the sole property of Authority. Developer understands and agrees that Developer shall not have any right to seek specific performance or any other equitable remedies and shall not have any right to the Property.

IF AUTHORITY BREACHES THIS AGREEMENT BY FAILING TO NEGOTIATE IN GOOD FAITH AND/OR FAILING OTHERWISE TO COMPLY WITH THE TERMS OF THIS AGREEMENT, THEN DEVELOPER MAY SEEK RECOVERY OF THE INVESTIGATION COSTS TO THE MAXIMUM SET FORTH ABOVE. FURTHERMORE, DEVELOPER SPECIFICALLY AGREES THAT DEVELOPER SHALL NOT HAVE ANY RIGHT TO SEEK SPECIFIC PERFORMANCE OR ANY OTHER EQUITABLE REMEDIES OR OTHERWISE CLAIM ANY RIGHT OR INTEREST IN THE PROPERTY.

Developer's Initials

Authority (Initials)

7. <u>FULL DISCLOSURE AND APPROVAL.</u> Developer shall make full disclosure to Authority of its principals, offices, stockholders, partners, joint venturers, employees, other associates and all other pertinent information concerning Developer and its associates. Developer shall also make full disclosure to Authority of the methods of financing to be used in purchasing and developing the Property. Developer's negotiators, development manager, consultants, professionals and directly-involved employees in the proposed redevelopment project are subject to the reasonable approval of Authority.

8. **NO COLLUSION.** No official, officer, or employee of Authority has any financial interest. direct or indirect, in this Agreement, nor shall any official, officer, or employee of Authority 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. Developer warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, Authority or any of its officials, officers, or employees, any money, consideration, or other thing of value as a result or consequence of obtaining this Agreement. Developer further warrants and represents that 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 Authority, as a result or consequence of obtaining this Agreement. Developer 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 Agreement void and of no force or effect.

9. <u>COMMISSIONS.</u> Authority has not engaged a broker, agent or finder in connection with this transaction, and Developer agrees to hold Authority harmless from any claim form commission by any broker, agent or finder retained by Developer.

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10. MISCELLANEOUS.

- **10.1 Assignment.** Neither party may assign this Agreement or any of its rights or obligations hereunder (including, without limitation, its rights and duties of performance) to any third party or entity without the prior written consent of the other party which shall not be unreasonably withheld, conditioned or delayed. Agreement will be binding upon and inure to the benefit of each of the parties hereto and, except as otherwise provided herein, their respective legal successors and permitted assigns.
- **10.2** Notices. Any notices, demands or communications under this Agreement between the parties shall be in writing, and may be given either by (i) personal service, (ii) overnight delivery, or (iii) mailing via United States mail, certified mail, postage prepaid, return receipt requested ("US Mail"), addressed to each party as set forth below or such other address as may be furnished in writing by a party, and such notice or communication shall, if properly addressed, be deemed to have been given as of the date so delivered, or three (3) business days after deposit into the U.S. Mail.

To Developer:	Harbor Park, LLC 8850 Bella Terra Place Granite Bay, 95746 Attn: Mr. Camran Nojoomi
To Authority:	Housing Authority of Suisun City 701 Civic Center Blvd. Suisun City, CA 94585 Attention: Executive Director
With Copy to:	Aleshire & Wynder, LLP 18881 Von Karman Ave. Suite 1700 Irvine, CA 92612 Attention: Anthony Taylor

- **10.3** Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.
- **10.4 Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of California. If any legal action is necessary to enforce the terms and conditions of this Agreement, the parties agree that a court of competent jurisdiction in Solano County shall be the sole venue and jurisdiction for the bringing of such action.
- **10.5** Legal Fees and Costs. In the event of any litigation or other legal proceeding including, but not limited to, arbitration or mediation between the parties arising from this Agreement, the prevailing party will be entitled to recover, in addition to any other relief awarded or granted, its reasonable costs and expenses (including attorney's fees) incurred in the proceeding.
- 10.6 Final Agreement. This Agreement supersedes all prior agreements and under-

Page 6 of 9 Pages

standings between the parties with respect to such subject matter.

- **10.7 Construction.** In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.
- **10.8 Qualification; Authority.** Each individual executing this Agreement on behalf of Developer represents, warrants and covenants to the Authority that (a) such person is duly authorized to execute and deliver this Agreement on behalf of Developer in accordance with authority granted under the organizational documents of such entity, and (b) Developer is bound under the terms of this Agreement.
- **10.9 Modifications in Writing.** Any modification or amendment of any provision of this Agreement must be in writing and executed by both parties.
- 10.10 Arbitration of Disputes. Any controversy or claim arising out of or relating to this Agreement or any breach or default hereof (including, without limitation, any claims relating to the arbitration, retention, or return of the Deposit pursuant to Section 4 above) shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any Court having jurisdiction thereof. An arbitration may be initiated by either party providing a written demand for arbitration in accordance with the above referenced Rules, which demand and ensuing arbitration shall take place precedence over any other pending court action or proceeding. The arbitration shall be conducted in Solano County, California. Any action, which is brought to enforce the arbitration provisions hereof or to enforce an arbitration award, may be brought in the Superior Court of Solano County and each party hereto agrees to submit to the jurisdiction of such court and expressly waives any claim of forum non-conviens. The arbitration will take place before an arbitrator who is licensed to practice law with experience in public agency and real property law. The arbitrator shall determine the rights and obligations of the parties according to the substantive law of the State of California. The arbitrator shall award to the prevailing party that party's reasonable attorney's fees and other legal costs as set forth in Section 10.5.
- **10.11** No Waiver. The failure of either party to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other, term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.
- **10.12** No Third Party Beneficiaries. This Agreement is only between the parties, and is not intended to be nor shall it be construed as being for the benefit of any third party.
- **10.13 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the

Page 7 of 9 Pages

Exclusive Negotiation Agreement 8.29 Acre Property Harbor Park, LLC

same instrument, and a facsimile copy of such execution shall be deemed an original.

10.14 Exhibit. Exhibit A attached hereto is incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date set forth above.

REMINDER: Both parties must also initial Sections 5 & 6.

DEVELOPER:

AUTHORITY:

Harbor Park, LLC, a limited liability company

By: Camran Nojoomi

lts:

HOUSING AUTHORITY OF SUISUN CITY, A public body, corporate and politic

By: S izanne Bragdon, Executive Director

ATTEST:

Bv: Authority Secretary - DEP 4 TY

APPROVED AS TO FORM:

ALESHIRE & WYNDER

By: Anthony Taylor Authority Counsel

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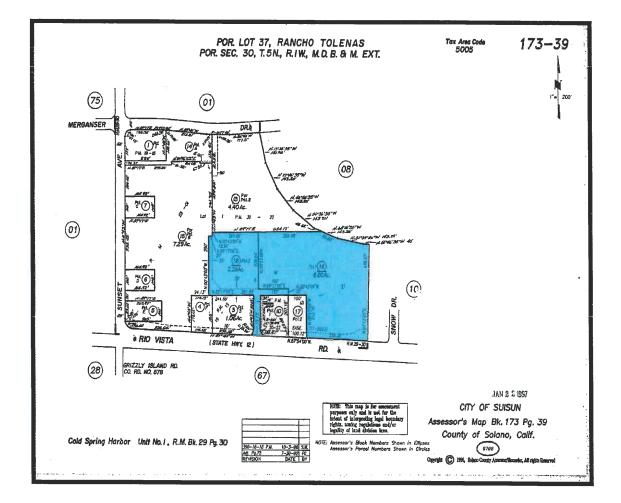


EXHIBIT A DEPICTION OF PROPERTY

Page 9 of 9 Pages

Retail - Hotel Land Sale Data Sheets



Retail - Hotel Land Sale No. 1

<u>Property Identification</u> Record ID Property Type Address Tax ID	1329 Commercial, Service Commercial 1500 North First Street, Dixon, Solano County, California 95620 0111-090-900
<u>Sale Data</u> Grantor Grantee Sale Date Conditions of Sale Financing Sale History Verification	Kim Hillebrants Ralph & Nicole Perkins July 27, 2015 Arm's length Seller financing of \$120,000 Sold \$45,000 on 10/15/13 Other sources: Deed, prior appraisal, Confirmed by Ronald Garland
Sale Price Cash Equivalent	\$200,000 \$200,000
<u>Land Data</u> Zoning Topography Utilities Dimensions Shape	CS-MH-ML-PD, Commercial Level All to site 176 X 243 Irregular
<u>Land Size Information</u> Gross Land Size Front Footage	0.970 Acres or 42,253 SF 200 ft North First Street
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$206,186 \$4.73

Remarks

All off- site were improvements in place at time of sale. The buyers own Import Master Auto Service in Vacaville, and are believed to be interested in developing a similar Dixon business location on this site.

Retail - Hotel Land Sale No. 2

<u>Property Identification</u>	
Record ID	1170
Property Type	Commercial, Service Commercial
Address	Cernon Street, Vacaville, Solano County, California 95688
Tax ID	0125-272-110, -120
<u>Sale Data</u>	
Grantor	Martindale Properties LLC
Grantee	Rahmati Nasrullah
Sale Date	February 11, 2015
Deed Book/Page	11053
Property Rights	Fee simple
Marketing Time	48 Months
Conditions of Sale	Arms length
Verification	Elizabeth Fry; August 06, 2015; Other sources: MLS, Realist, CoStar,
	Confirmed by Steve Salmon
Sale Price	\$150,000
Cash Equivalent	\$150,000
-	
Land Data	
Zoning	General Commercial, Commercial
Topography	Generally level
Utilities	All available
Dimensions	Roughly 165' x 180'
Shape	Rectangular
Utilities	All available
Off-site improvements	Complete
•	*
Land Size Information	
Gross Land Size	0.680 Acres or 29,621 SF
Front Footage	175 ft Cernon Street
-	
Indicators	
Sale Price/Gross Acre	\$220,588
Sale Price/Gross SF	\$5.06



Remarks

This is the sale of 0.68 acres of general commercial zoned land on Cernon Street, on the fringe of the downtown core of the City of Vacaville. The site consists of two parcels, and was reported to have previously been approved for a roughly 8,000 SF single story office building. The dominant land use in the immediate market area are professional offices.

The property has been on and off the market for the last seven years, with limited market response. The property was initially marketed for an asking price of \$221,000 prior to a price reduction to \$175,000 in October of 2012.

The site has access to all urban services, and offsite improvements are complete. The site does not have a trafficked location on Cernon street, has no notable exposure potentials, and is a ranked as a secondary professional office location.

The listing broker stated that the property is impacted by native oak trees on the property, which require permits to be removed. It was intoned that this may make development of the site more difficult to navigate, or worst case scenario may limit building placement onsite and allowed building density.



Retail - Hotel Land Sale No. 3

<u>Property Identification</u> Record ID Property Type Address Tax ID	1283 Commercial/Office 1445 - 1485 Market Lane, Dixon, Solano County, California 0113-440-170,-310 & -320
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Dixon Properties - Wu Sommer, et.al. September 01, 2015 15-79483 Fee simple Larry Santella - broker; (707) 480-8548, September 21, 2015; Other sources: Deed, Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$1,216,000 List @ \$1.2-mil. \$1,216,000
<u>Land Data</u> Zoning Topography	CH-PAO-PD Level
<u>Land Size Information</u> Gross Land Size	5.630 Acres or 245,243 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$215,986 \$4.96

Remarks

This property has only a limited frontage on Market Avenue, which is an at this time secondary commercial corridor with portions, including this property, having I-80 frontage (primarily eastbound) exposure. The area now has an adjacent (to this property) Motel 6, a multi-tenant commercial/office building and a former (now "shuttered") Chevy's restaurant that was converted into a credit union branch. This site has improved frontage on Market Lane with a long and narrow run westward to a limited (reportedly under 500-ft.) western boundary frontage on I-80. Apparently, there is at least partial approval for a self-storage project on the site. However, the broker advises that the buyer may/may not build that project, and likely is looking to assemble more property in the immediate area. The property was on the market for roughly 5-months prior to this sale, and essentially sold at the asking price.

Retail - Hotel Land Sale No. 4

<u>Property Identification</u>	1278
Record ID	Commercial
Property Type	2650 & 2700 Plaza Court Dixon, Dixon, Solano County, California
Address	95620
Tax ID	0113-490-030, -150
Sale Data	Ghasem Tousinezhad
Grantor	Mash Petroleum, Inc.
Grantee	June 26, 2015
Sale Date	57247
Deed Book/Page	Fee simple
Property Rights	2+ Years
Marketing Time	Arms length
Conditions of Sale	See remarks
Sale History	Chuck Krouse; 707-678-0500, August 11, 2015; Other sources:
Verification	Offering, Loopnet, Realist, Deed, Confirmed by Steve Salmon
Sale Price	\$475,000
Cash Equivalent	\$475,000
<u>Land Data</u> Zoning Topography Utilities Shape	CH - Highway Commercial Generally level All available Irregular
<u>Land Size Information</u> Gross Land Size	2.118 Acres or 92,260 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$224,268 \$5.15

Remarks

This is the sale of a 2.12 acre site located at 2650 & 2700 Plaza Court, in the City of Dixon. The site is clustered near the developing highway commercial node on the east side of the Interstate 80 and West A Street intersection.

The site has filtered exposure attributes to eastbound Interstate 80 due to it being north of the West A Street freeway overpass, and has average exposure attributes to westbound I-80. In addition, the site is host to the Dixon Gateways freeway pylon sign, and transferred with rights to two slots on the developed sign.

Plaza Court is a non-trafficked roadway, and access to these sites from the freeway interchange is a bit circuitous. While the prime, trafficked highway commercial sites in this developing highway commercial node have been developed to high intensity commercial uses, (Chevron, Carls Jr.) there is a significant standing inventory of commercial land in the immediate market area that have less desirable, low traffic locations.

Adjacent is a developed strip retail mall that was roughly 50% vacant upon inspection (08/15) and suffers from low credit tenancy. This suggests that this location, despite desirable I-80 exposure, may not be suitable for more intensive commercial retail uses at this time, due to its non-trafficked location and circuitous access attributes.

The property features two separate sites that were assembled in 2008. Both sites are fully served with all urban utilities, road frontage improvements to Plaza Court are complete, and are in a development ready condition. It was reported the property sold with a small road frontage improvement assessment bond load that was set to pay off in a year or two. The selling broker stated this was likely less than \$0.25/SF and was not a value consideration of the buyer.

The site was marketed for over two years with an asking price of \$725,000 (\$7.86/SF) prior to this sale at \$475,000 (\$5.17/SF). Demand for the site was reported as weak, and the site sold to a speculative investor who has acquired other distressed highway commercial projects along the I-80 corridor between Vacaville and Dixon.

The site was assembled by the seller in this transaction in January of 2008 for a combined purchase price of 1,269,500. This subsequent resale indicates a loss of 62.5% for the seller over the period of 01/08 to 06/15.



Retail - Hotel Land Sale No. 5

<u>Property Identification</u> Record ID Property Type Property Name Address Tax ID	1276 Commercial, Retail Rio Vista Family Dollar site 1001 State HWY 12, Rio Vista, Solano County, California portion of 0049-131-090
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Verification	D & L Ventures (Bill Dutra & Jim Lira) Boos-Rio Vista December 22, 2014 98375 fee simple Arms length but was not on the market for sale at time of sale Cash to seller Other sources: Deed, Purchase & Sale agreement, parcel map, Confirmed by Ronald Garland
Sale Price Cash Equivalent	\$350,000 \$350,000
<u>Land Data</u> Zoning Topography Utilities Shape Off-Site Improvements	Highway Commercial, Commercial Generally level Available in street Nearly square Required street frontage improvements
<u>Land Size Information</u> Gross Land Size Front Footage	0.830 Acres or 36,155 SF 170 ft HWY 12
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$421,687 \$9.68

Remarks

The site was not being actively marketed at the time of sale. The buyer had Family Dollar lined up as a tenant/user prior to making an unsolicited offer to purchase.

Pending Retail - Hotel Land Sale No. 6

<u>Property Identification</u> Record ID Property Type Address Tax ID	1240 Industrial Bus. Park Off Business Center Drive, Fairfield, Solano County, California 94534 Portion of 0148-280-490
Sale Data Grantor Grantee Closing Date Property Rights Verification	City of Fairfield The Falls Event Center July 01, 2015 Fee simple Ken Cantrell; February 19, 2015; Other sources: City Minutes, Realist, Appraisal, Confirmed by Steve Salmon
Contract Price Cash Equivalent	\$598,950 \$598,950
<u>Land Data</u> Zoning Topography Utilities Shape	CO Generally level All available Generally rectangular
<u>Land Size Information</u> Gross Land Size	2.750 Acres or 119,790 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$217,800 \$5.00



<u>Remarks</u>

This is the sale of a 2.75 acre portion of a larger 15.19 acre property (APN 0148-280-490). The larger parcel is proposed to be subdivided into three lots: Parcel A, an 11.69 acre property the City of Fairfield has approved for sale to Lewis Land Developers, a regional residential land development company, Parcel B a 0.75 acre site fronting to Business Center Drive, and Parcel C, the 2.75 acre portion of the property that City of Fairfield has agreed to sell on February 17, 2015.

The sale was negotiated in the fall of 2014, and the City of Fairfield successor agency singed a letter of event with the buyer, The Falls Event Center, in December of 2014. It is anticipated after the board's approval on February 17, 2015, the property will enter into escrow in roughly 6 weeks, due to required approvals from the CA state dept of finance. The contract calls for a 60 day escrow and due diligence period, and the sale is anticipated to close by July 1, 2015.

The site zoned for Commercial office, but due to limited demand for office use the City has decided to allow a rezone of Parcel A for residential use, and Parcel C to be utilized for an events center. The buyer intends to develop a 14,000 SF event center complex on the site.

The sale price was based on an appraisal of the larger 12.19 acre property, with a reported range of \$5 to \$7 per SF. The \$598,500 sale price was based on the negotiated price of \$5 per SF.

The parcel has no trafficked exposure attributes, and is located on a cul-de-sac bulb, located off the north side of the Business Center Drive. All road frontage improvements are complete, the site is fully served with urban utilities, and is in a development ready condition.



Retail - Hotel Land Sale No. 7

<u>Property Identification</u> Record ID Property Type Property Name Address Tax ID	1281 Commercial Site - Dollar General Store - Winters 176 Grant - East, Winters, Yolo County, California 003-370-042
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Financing Verification	City of Winters Cross Development July 21, 2014 14-15919 Fee simple Cash City of Winters - documents; Other sources: Deed, contract, Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$251,500 @ \$6/sf \$251,500
<u>Land Data</u> Zoning	C-1
Land Size Information Gross Land Size	0.961 Acres or 41,861 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$261,707 \$6.01

Remarks

This is the sale from the City of Winters for construction of a Dollar General Store, which occurred in 2015. There were only limited frontage improvements on the East Grant frontage. It appears that some fill was required for development of this site. According to City documents there was an estimated \$2.20 per square foot (total site area) for City right-of-way improvements plus inspection fees. There were numerous easement adjustments, and it is unknown whether the buyer or seller perfected those adjustments. It appears that those easements included an access easement across the parcel to the east, which is a small multi-tenant commercial center constructed some years earlier. The property is not in a flood zone requiring insurance.

Retail - Hotel Land Sale No. 8

<u>Property Identification</u> Record ID Property Type Property Name Address Tax ID	1282 Commercial Yolo Fed. Credit Union site E. Grant & East St SE Corner, Winters, Yolo County, California 003-370-044
Sale Data Grantor Grantee Sale Date Deed Book/Page Financing Verification	City of Winters Yolo Fed. Credit Union August 22, 2014 14-19049 Cash City of Winters - documents; Other sources: Deed, contract, Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$161,000 \$161,000
<u>Land Data</u> Zoning Topography Utilities	C-2 Generally level All available
<u>Land Size Information</u> Gross Land Size	0.616 Acres or 26,833 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$261,364 \$6.00

Remarks

This is the sale from the City of Winters to the Yolo Federal Credit Union for a future owner-user facility. There are only limited frontage improvements on the East Grant frontage and no improvements on East Street. It appears that some fill will be required for development of this site. The property is not in a flood zone requiring insurance.

Multi-Family Land Sale Data Sheets



Multi-Family Land Sale No. 1

<u>Property Identification</u> Record ID Property Type Address	350 Residential Tabor Ave. eastside west of N. Texas north of Peach Tree, Fairfield,
Tax ID	Solano County, California 0034-122-100
Sale Data	
Grantor Grantee	Paul Maguire NOI Investments
Grantee Sale Date	October 30, 2014
Deed Book/Page	83751
Property Rights	Fee simple
Conditions of Sale	Distressed - See remarks
Sale History	Sold 03/05 for \$650,000
Verification	Randy Dawson - broker; May 22, 2014; Confirmed by John Zazrivy
Sale Price	\$132,500
Land Data	
Zoning	RH
Topography	Level
Utilities	Street
Shape	Rectangle
Off-site improvements	Frontage complete
Land Size Information	
Gross Land Size	1.530 Acres or 66,647 SF
Front Footage	215 ft Tabor Avenue
Indicators	
Sale Price/Gross Acre	\$86,601
Sale Price/Gross SF	\$1.99

Remarks

This site has been listed as for-sale for some time and is located in a primarily multi-family residential area, and backs to the improved commercial uses along the North Texas Street commercial corridor. The zoning has a range of potentially between 15 and 22-units per acre.

There are no entitlements and likely no impact fee credits. It is likely this property will be required to annex into CFD 2012-2, with single-family homes facing a maximum annual tax at \$737, or an apartment tax of \$503/unit.

The property was marketed extensively for a price of \$295,000 with minimal interest. The property owner acquired the site 03/05 for \$650,000. The owner was at risk of losing the property due to delinquent property taxes, and sold the property to an investment group who intend to hold the property.

Multi-Family Land Sale No. 2

Property Identification	
Record ID	359
Property Type	Multi-family
Property Name	Spanos Green Valley Apartments
Address	3900 Business Center Drive, Fairfield, Solano County, California
Location	Next to Catholic Church future site
Tax ID	0027-350-030 & -040
Sale Data	
Grantor	Fairfield Residential Commons (Denova Hms.)
Grantee	The Spanos Corp.
Sale Date	August 04, 2014
Deed Book/Page	14-58013
Property Rights	Fee simple
Verification	Seller; Other sources: DTT, Confirmed by John Zazrivy
Sale Price	\$6,000,000
Cash Equivalent	\$6,000,000
Land Data	
Zoning	RH
Topography	Level
Utilities	To site
Shape	Irregular
Land Size Information Gross Land Size	13.640 Acres or 594,158 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$439,883 \$10.10

Remarks

This is the sale is to The Spanos Corporation for the construction of the 286-unit Green Valley Apartments project. The site is a super-pad adjacent to Dan Wilson Creek, which separates this project from the Campus for Solano Community College. There will be eleven 3-story buildings (21 to 32-units each - 1, 2 & 3-bedrooms) with each building having 8-garages each with access to an interior hall. Both open and covered parking will be provided. The project will have a clubhouse, pool, spa and cabanà. A pedestrian bridge will access the College campus, crossing the Creek. All street frontage improvements have been completed and there are various community facility fees (CFD's) including CFD 2012-12, which has caused some area developers to re-evaluate some projects because of this CFD's new (2013) existence. The buyer bought essentially a turnkey project and assumed an existing development agreement.



Multi-Family Land Sale No. 3

<u>Property Identification</u> Record ID Property Type Address Location Tax ID	 378 Multi-family 4000 Business Center Dr., Fairfield, Solano County, California N.side Business Ctr. next to Spanos 0027-350-120
<u>Sale Data</u> Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Garaventa Meadow Creek Grp. (DeNova/Sanson April 15, 2015 15-30117 Fee simple Other sources: Deed
Sale Price Land Data	\$1,200,000
Zoning Topography Shape Off-Sites Required	RH Generally level Very irregular Curb & gutter only
<u>Land Size Information</u> Gross Land Size Net Land Size Number of units	5.640 Acres or 245,678 SF 3.210 Acres or 139,828 SF , 56.91% 63
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF Sale Price/Net Acre Sale Price/Net SF Sale Price/ Unit	\$212,766 \$4.88 \$373,832 \$8.58 \$19,048

Remarks

This site is very irregular, with only 57% of the site area buildable. This is next to the Spanos Green Valley Apartments site. A long frontage lies along Suisun Creek and there is bridge access to Solano College. The buyer purchased the property with full entitlements which the buyer processed. 63 apartment units are planned in four buildings. The property is encumbered by CFD 2012-2 and its assessments, as well as appearing to have Corporate Commons infrastructure bonds.



Additional Land Sale Data Sheets



Additional Land Sale No. 1

<u>Property Identification</u> Record ID Property Type Property Name Address Location Tax ID	 1337 Commercial, Service Commercial Woodland Mosque & Islamic Center 613 - 615 East Street, Woodland, Yolo County, California NEC East & Oak Streets 066-021-025, 026, 027. & 028
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Marketing Time Conditions of Sale Financing Verification	Myrtle Street Flats LLC Woodland Mosque & Islamic Center June 12, 2015 16321 Fee 12 years Arm's length All cash to seller Other sources: deed, prior listing, costar, Confirmed by Ronald Garland
Sale Price Cash Equivalent <u>Land Data</u> Zoning Topography Utilities Shape	\$900,000 \$900,000 C3C, Commercial Level All on site Irregular
<u>Land Size Information</u> Gross Land Size Front Footage <u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	3.250 Acres or 141,570 SF 213 ft East St.;504 ft Oak St \$276,923 \$6.36

Remarks

The property had previously been developed to a low intensity light industrial use, but had been vacant for many years. The seller had attempted to lease the property. However interested tenants were interested in at least some open storage yard use that the City of Woodland would not allow. The seller reportedly felt the City resisted light industrial and industrial service tenancy because the City wanted this property to be redeveloped to a higher use. The property had been on and off the market for a dozen years with an asking price of \$1,099,000.

The buyer reportedly plans to demolish all of the preexisting buildings and develop a Mosque and Islamic Cultural Center. East Street is a major north/south corridor through Woodland, and the property is three blocks south of Main Street. All off-site improvements were complete but the burbs and sidewalks likely need replacement.

Item 13 Attachment 5

Pending Additional Land Sale No. 2

Property Identification	
Record ID	1240
Property Type	Industrial Bus. Park
Address	Off Business Center Drive, Fairfield, Solano County, California 94534
Tax ID	Portion of 0148-280-490
<u>Sale Data</u>	
Grantor	City of Fairfield
Grantee	The Falls Event Center
Closing Date	July 01, 2015
Property Rights	Fee simple
Verification	Ken Cantrell; February 19, 2015; Other sources: City Minutes, Realist,
	Appraisal, Confirmed by Steve Salmon
Contract Price	\$598,950
Cash Equivalent	\$598,950
Cash Equivalent	\$398,930
Land Data	
Zoning	СО
Topography	Generally level
Utilities	All available
Shape	Generally rectangular
1	
Land Size Information	
Gross Land Size	2.750 Acres or 119,790 SF
<u>Indicators</u>	
Sale Price/Gross Acre	\$217,800
Sale Price/Gross SF	\$5.00



<u>Remarks</u>

This is the sale of a 2.75 acre portion of a larger 15.19 acre property (APN 0148-280-490). The larger parcel is proposed to be subdivided into three lots: Parcel A, an 11.69 acre property the City of Fairfield has approved for sale to Lewis Land Developers, a regional residential land development company, Parcel B a 0.75 acre site fronting to Business Center Drive, and Parcel C, the 2.75 acre portion of the property that City of Fairfield has agreed to sell on February 17, 2015.

The sale was negotiated in the fall of 2014, and the City of Fairfield successor agency singed a letter of event with the buyer, The Falls Event Center, in December of 2014. It is anticipated after the board's approval on February 17, 2015, the property will enter into escrow in roughly 6 weeks, due to required approvals from the CA state dept of finance. The contract calls for a 60 day escrow and due diligence period, and the sale is anticipated to close by July 1, 2015.

The site zoned for Commercial office, but due to limited demand for office use the City has decided to allow a rezone of Parcel A for residential use, and Parcel C to be utilized for an events center. The buyer intends to develop a 14,000 SF event center complex on the site.

The sale price was based on an appraisal of the larger 12.19 acre property, with a reported range of \$5 to \$7 per SF. The \$598,500 sale price was based on the negotiated price of \$5 per SF.

The parcel has no trafficked exposure attributes, and is located on a cul-de-sac bulb, located off the north side of the Business Center Drive. All road frontage improvements are complete; the site is fully served with urban utilities, and is in a development ready condition.



Additional Land Sale No. 3

<u>Property Identification</u> Record ID Property Type Address Tax ID	1283 Commercial/Office 1445 - 1485 Market Lane, Dixon, Solano County, California 0113-440-170,-310 & -320
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Dixon Properties - Wu Sommer, et.al. September 01, 2015 15-79483 Fee simple Larry Santella - broker; (707) 480-8548, September 21, 2015; Other sources: Deed, Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$1,216,000 List @ \$1.2-mil. \$1,216,000
<u>Land Data</u> Zoning Topography	CH-PAO-PD Level
<u>Land Size Information</u> Gross Land Size	5.630 Acres or 245,243 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$215,986 \$4.96

Remarks

This property has only a limited frontage on Market Avenue, which is an at this time secondary commercial corridor with portions, including this property, having I-80 frontage (primarily eastbound) exposure. The area now has an adjacent (to this property) Motel 6, a multi-tenant commercial/office building and a former (now "shuttered") Chevy's restaurant that was converted into a credit union branch. This site has improved frontage on Market Lane with a long and narrow run westward to a limited (reportedly under 500-ft.) western boundary frontage on I-80. Apparently, there is at least partial approval for a self-storage project on the site. However, the broker advises that the buyer may/may not build that project, and likely is looking to assemble more property in the immediate area. The property was on the market for roughly 5-months prior to this sale, and essentially sold at the asking price.

Additional Land Sale No. 4

<u>Property Identification</u> Record ID Property Type Address Tax ID	1238 Commercial Service 3630 Ritchie Road, Fairfield, Solano County, California Portion of APN 0044-080-007
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Verification	Solano Transportation Authority (STA) Basalite Concrete Products LLC (Pacific Supply) January 21, 2015 Contract 12/02/14 4660 Fee simple Public auction Lucy Owens; February 20, 2015; Other sources: Offering, Realist, Appraisal, Confirmed by Steve Salmon
Sale Price Cash Equivalent	\$1,142,000 \$1,142,000
<u>Land Data</u> Zoning Topography Utilities Shape	CS Generally level All available Irregular
<u>Land Size Information</u> Gross Land Size Useable Land Size Wetlands Land Size	6.370 Acres or 277,477 SF 4.370 Acres or 190,357 SF , 68.60% 2.000 Acres or 87,120 SF , 31.40%
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF Sale Price/Useable Acre Sale Price/Useable SF	\$179,278 \$4.12 \$261,327 \$6.00



Remarks

This is the sale of a 6.37 gross acre portion of a larger 7.69 acre parcel (APN 0044-080-070). The property sold at public auction on December 2, 2014, with escrow closing on January 21, 2015.

The property was acquired by the STA from the City of Fairfield to help facilitate a major PG&E gas line Project. The Project was accommodated on a 1.32 acre portion of the larger parcel, and this sale is the liquidation of the remaining 6.37 gross acres not needed for the Project.

The property sold at auction, with only one bidder, and sold for the minimum bid price of \$1,142,000. The buyer is subsidiary of Pacific Coast Supply, which are a large regional construction supply company.

The minimum bid price was established by an appraisal ordered by STA. The appraisal was dated 09/14, and established the minimum bid price based on a market vale of \$6/SF of net useable site area; reported to be 4.37 acres.

The property has roughly 2 acres of high priority wetlands on the property, towards the rear, which are not developable. The property also has a significant area of low priority wetlands, in the center of the parcel. This area was assumed to be useable, as STA utilized portions of this area to store materials during construction of PG&E gas line project. However, the buyer assumed all wetlands risk.

The property was zoned Public Facilities, due to its former public use, and the sale was contingent upon the City of Fairfield re-zoning the property to Commercial Service, consistent with the surrounding land uses.

The site is in a raw land condition, and is reported to be perimeter fenced. The site has no road frontage improvements, and it is likely the buyer will have to construct road frontage improvements as a condition of development; including curbs, gutters and sidewalks, consistent with the improved uses occurring in the immediate market area. The site was reported to be fully served with urban utilities and is in a development ready condition.



Additional Land Sale No. 5

<u>Property Identification</u> Record ID Property Type Address Tax ID	1293 Light Industrial East Monte Vista Avenue, Vacaville, Solano County, California 95688 0133-380-020, -030, -040, -050
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Bartig Trust NLD Vacaville LLC June 02, 2015 47769 Fee simple Tom Evancie; 916-403-7622, Other sources: CoStar, Realist, Deed, Confirmed by Steve Salmon
Sale Price Cash Equivalent	\$1,250,000 \$1,250,000
<u>Land Data</u> Zoning Topography Utilities Shape	IP Generally level All available Generally Rectangular
<u>Land Size Information</u> Gross Land Size Front Footage	4.946 Acres or 215,435 SF East Monte Vista Avenue
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$252,745 \$5.80

Remarks

This is the sale of a 4.95 gross acre site located on East Monte Vista Avenue within the Vacaville Industrial Park. The site is located south of the Vaca Valley Parkway and Highway 505 Interchange, and fronts to the Vaca Valley Parkway Highway 505 southbound on ramp. The site is desirable as it has good linkage and trafficked exposure attributes to the highway.

The size is zoned IP, and sold for \$1,250,000 to a buyer who intends to develop the site to a self-storage use. All urban utilities are stubbed to the site, and the site has completed curbs, gutters, and streetlights, but will require development of sidewalks at the buyer's expense upon development. On the date of inspection the site was being prepped for development, and had been staked in preparation of onsite infrastructure necessary to support the buyer's intended self-storage use.

Total Property Land Sale Data Sheets



Total Property Land Sale No. 1

<u>Property Identification</u> Record ID Property Type Address Location Tax ID	1324 Commercial, Highway commercial SE I-80 & W Dorset, Dixon, Solano County, California 95620 I-80 next to Cattlmens restaurant 0108-100-240	
<u>Sale Data</u> Grantor Grantee Sale Date Deed Book/Page Conditions of Sale Financing Verification	Hydrox Properties XVI LLC/Clint Chew Dixon West LLC/Albery Y. Wang March 27, 2015 2015-023912 REO Sale Conventional Other sources: Costar	
Sale Price Cash Equivalent	\$2,150,000 \$2,150,000	
<u>Land Data</u> Zoning Topography Utilities Dimensions Shape	CH-PAO-PD, Commercial Level Available near by Irregular Irregular	
<u>Land Size Information</u> Gross Land Size Front Footage	16.640 Acres or 724,838 SF 1344 ft I-80	
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$129,207 \$2.97	

Remarks

The buyer is a developer who is planning approximately 175,000 square feet of inline retail development and three pads between one and two acres each. Signage to east bound I-80 is excellent. However, access from east bound I-80 is circuitous. Signage to west bound I-80 is only visible a half mile past the exit, and the route is very circuitous.



Total Property Land Sale No. 2

<u>Property Identification</u> Record ID Property Type Address Location Tax ID	1285 Commercial 5190 Mini Drive, Vallejo, Solano County, California Mini & Broadway - frontage on Hwy29 0067-140-060, -070			
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Marketing Time Verification	Jer/Mp Sonoma LLC Sonoma Gateway, LLC November 06, 2014 14-85879 Fee simple 2+ years Mike Zylstra - broker; October 01, 2015; Other sources: Deed, listing, Confirmed by John Zazrivy			
Sale Price	\$1,800,000			
<u>Land Data</u> Zoning Topography Utilities Shape	CL, IU Generally level All available Triangular			
<u>Land Size Information</u> Gross Land Size Front Footage	13.960 Acres or 608,098 SF 1700 ft 1700 ft			
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$128,940 \$2.96			



Remarks

This is a sale of a 13.96-acre commercially zoned site located in Northern Vallejo, north of the intersection of Sonoma Boulevard (Hwy 29) and Highway 37. The site is long and narrow, running between Sonoma Boulevard and Broadway Road, and is bound at its northern end by Mini Drive. The northern tip of the site is at the southeast corner of the signalized intersection of Sonoma and Mini. The site has a trafficked location along Sonoma and is zoned both Linear Commercial and Intensive Use. The northern tip of the site is a separate 0.82-acres (zoned CL) that has completed frontage improvements. The southern remainder at 13.14-acres is raw land without frontage improvements. This seller acquired the property in 2005 for \$6.3-million and a preliminary proposal just prior to the 2005 recording, which was not formally accepted as a development application by the City, had 264 apartment units at 24.2-units/acre, as well as 18,000 square feet of commercial development on the corner site. The 2005 seller advised at the time that the price was contracted approximately 15-months prior to the close. Also, there was a "loose" closing contingency of residential development approvals by the City, however the buyer closed without the concessions being met. By the time of the 2005 closing there were offers above \$7-million to buy the property. In Fall-2005 the City staff advised that there was a preliminary proposal forthcoming (possibly involving K&B Homes) for an all-residential development on the entire site. K&B is known as a single-family developer, and does not develop apartments. Subsequent to the K&B inquiry in 2006 Pulte Homes submitted plans to the City for an all-residential project. After the Pulte project proposal was accepted for submission by the City, purportedly the community development and redevelopment directors rejected an allresidential project. Effectively, this property had no residential development entitlements whatsoever, and a General Plan amendment would be required for an all-residential project. Prior to this sale the site had been on the market off and on over numerous years with limited interest. Market interest appeared to be centered on the smaller northern parcel, suitable for a quick-serve restaurant use at the southeast corner of Mini Drive and Sonoma Boulevard. There has been less interest for the site as a whole. According to the broker this sale's buyer had in mind some commercial development with the vast bulk being re-zoned (+ General Plan amendment) for apartments or higher-density for-sale residential. Also, the broker stated that one of the development issues has been access and the lack of providing desirable curb-cuts.



Total Property Land Sale No. 3

<u>Property Identification</u> Record ID Property Type Address Tax ID	1283 Commercial/Office 1445 - 1485 Market Lane, Dixon, Solano County, California 0113-440-170,-310 & -320
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Dixon Properties - Wu Sommer, et.al. September 01, 2015 15-79483 Fee simple Larry Santella - broker; (707) 480-8548, September 21, 2015; Other sources: Deed, Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$1,216,000 List @ \$1.2-mil. \$1,216,000
<u>Land Data</u> Zoning Topography	CH-PAO-PD Level
<u>Land Size Information</u> Gross Land Size	5.630 Acres or 245,243 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$215,986 \$4.96

Remarks

This property has only a limited frontage on Market Avenue, which is an at this time secondary commercial corridor with portions, including this property, having I-80 frontage (primarily eastbound) exposure. The area now has an adjacent (to this property) Motel 6, a multi-tenant commercial/office building and a former (now "shuttered") Chevy's restaurant that was converted into a credit union branch. This site has improved frontage on Market Lane with a long and narrow run westward to a limited (reportedly under 500-ft.) western boundary frontage on I-80. Apparently, there is at least partial approval for a self-storage project on the site. However, the broker advises that the buyer may/may not build that project, and likely is looking to assemble more property in the immediate area. The property was on the market for roughly 5-months prior to this sale, and essentially sold at the asking price.



Total Property Land Sale No. 4

<u>Property Identification</u> Record ID Property Type Address Location Tax ID	1200 Commercial East Grant Ave., southside, Winters, Yolo County, California Between E. Main & Morgan Streets 038-190-035-000
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Verification	Christie et.al. Thiara, et.al. March 31, 2015 15-8039 Fee simple Glenn Demuth - broker; September 17, 2015; Confirmed by John Zazrivy
Sale Price Cash Equivalent	\$1,250,000 \$1,250,000
<u>Land Data</u> Zoning Topography Shape Flood Info	C-1 Level Somewhat rectangular Zone A
<u>Land Size Information</u> Gross Land Size	6.010 Acres or 261,796 SF
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$207,987 \$4.77



Remarks

This site is located on the southside of Grant Avenue, west of I-505 between that freeway and arterial (to downtown) Railroad Avenue. The site has a generally rectangular shape and contains per the Assessor 6.01-acres (261,796 sq.ft.). No road improvements (curb, gutters & sidewalks) are present along the total (Assessor) approximately 1,100-feet of primary East Grant frontage. The site is generally level and Google shows the approximate property elevation above sea level approximately between 120 and 130-feet. The property is covered with cut dry native vegetation. A drainage swale runs along nearly the entire East Grant primary commercial frontage. New developments along the southside of E. Grant appear to have undergrounded that drainage feature. In addition, for a new project just to the west along E. Grant, it appears that the primary frontage improvements have been setback from the highway right-of-way suggesting that a future widening (to 4-lanes) for that arterial is contemplated. A recent (last few years) traffic study alludes to potential widening. It appears possible that the utilities are undergrounded along E. Main's southside, but it is unknown as to whether they in fact pass along the subject's frontage. Curbs, gutters and sidewalks, as well as apparent utility undergrounding and street lights, are along the Morgan Street and East Main frontage, with curb-and-gutter plus street lights on the East Baker frontage. The longer street frontages are along East Grant and East Baker with the secondary frontages on Morgan and East Main. All frontage streets are 2-lane bi-directional at this time. A future traffic signal may be required at the East Grant/East Main intersection, but it is believed that this property will contribute nor more than its fair-share, and will not likely be responsible for its installation. The property is almost entirely within a flood Zone A.

Total Property Land Sale No. 5

<u>Property Identification</u> Record ID Property Type Address Location Tax ID	1336 Commercial, Highway commercial 5170 Sonoma Blvd, Vallejo, Solano County, California North bound HWY 29 one parcel N of HWY 37 0067-150-320
Sale Data Grantor Grantee Sale Date Deed Book/Page Property Rights Conditions of Sale Financing Sale History Verification	Westamerica Bank 5170 Jim & Shellie LLC July 29, 2015 99606 Fee Arms length Cash to seller \$3,300,000 10/31/2006, with near full project approvals Other sources: Seller, deed, prior appraisal, title report, Confirmed by Ronald Garland
Sale Price Cash Equivalent	\$499,100 \$499,100
<u>Land Data</u> Zoning Topography Utilities Shape	IU (intensive use), Commercial Level Extended from Broadway to east edge of property Irregular
<u>Land Size Information</u> Gross Land Size Front Footage	3.010 Acres or 131,116 SF 400 ft HWY 29 aka Sonoma Blvd
<u>Indicators</u> Sale Price/Gross Acre Sale Price/Gross SF	\$165,814 \$3.81



<u>Remarks</u>

This site is located on the northbound side of HWY 29 one parcel north of HWY 37. This is one of the main entries into Napa Valley. On the date of sale a prior CalTrans encroachment permit to access HWY 29 had expired. The site was created though a two parcel split that created a self storage site to the east along its Broadway frontage. In the parcel split a 381 foot access and utility easement was created from the northeast corner of the site to Broadway. At the time opf the parcel split utilities were stubbed to the Northeast corner and the access easement was paved.

The then developer of the site submitted its application to the City for Vallejo Crossings in the spring of 2004, and the project was approved by the City in 2007. Vallejo Crossings was approved by the City in 2007, and was marketed as a retail development featuring roughly 20,000 SF of retail space. The project included a service station with a drive thru car wash, a roughly 4,600 SF freestanding retail building with a drive thru window, and two multi-tenant freestanding retail buildings roughly featuring 7,200 SF and 8,200 SF. City approvals were contingent upon developer receipt of a CalTrans a right in, right out, driveway encroachment permit along the HWY 29 frontage. That encroachment permit was issued by CalTrans but the permit had a five year termination if the project was not completed and opened within five years.

Copeland Creek Apartments LLC had optioned the property and processed project approvals. They closed escrow at a price of \$3.3 million in October 2006 when they had a high level of confidence that the final project approvals were going to be awarded within a few months.

Final development approvals were issued in 2007. However by that time the economic downturn was well underway and tenants would not commit to leases. Without leases the construction financier would not finance construction. The CalTrans encroachment permit expired in 2011 and WestAmerica Bank foreclosed on the property shortly thereafter.

At the time of this 2013 sale all project approvals had expired. The City reported being generally favorable to a similar development project approval however, the entire entitlement process including the arduous to obtain CalTrans encroachment permit had to be obtained again.



GARLAND & A SSOCIATES REAL PROPERTY ECONOMICS ANALYSTS & APPRAISERS

May 16, 2017

Jason Garben Development Services Director City of Suisun City 701 Civic Center Boulevard Suisun City, CA 94585

> Subject: 8.29 Acres; APNs 0173-390-160 & 180 Appraisal Update

Dear Mr. Garben:

The following restricted use appraisal report of a 8.29 acre site located adjacent to Highway 12 Suisun City, California, has been prepared in response to your request. The purpose of this appraisal is to form an opinion of the market value of the fee simple interest in the subject property. I have utilized The Appraisal Institute *Dictionary of Real Estate Appraisal*, 6th Edition, definition of Market Value.

I previously appraised this property for you. That appraisal had a March 21, 2016 date of value, and an August 25, 2016 report date. The subject property, competitive market area, and market conditions have not materially changed since that appraisal.

In this appraisal update assignment I have performed the same scope of work identified in my August 25, 2016 report excepting creation of a detailed report document. In this assignment I am communicating the results of my appraisal in a restricted use report format in conformance with the Uniform Standards of Professional Standards of Professional Appraisal Practice (USPAP) Standard 2-2 (b). As such the new research and analysis remain in my work file and are not presented within this restricted use appraisal report.

You are the sole intended user of this report. The sole intended use is for your recommendations to City Council regarding the potential sale of the subject property. I inspected the subject property May 10, 2017, which is the date of value of this appraisal.

Ownership & Sale History

The April 26, 2006 Placer Title Company preliminary title report order # 501-16068 indicates the subject property was owned by *The Redevelopment Agency of the City of Suisun City*. I believe that through the grant deed document 20698 recorded March 9, 2011 title was transferred to the *City of Suisun City Housing Authority*. This was not an arm's length sale and does not provide an indication of market value.

During 2015 Hall Equities had some type of an exclusive right to negotiate agreement with the Housing Authority to acquire the subject property. I am not aware of a sale price being associated with this exclusive right to negotiate agreement. Hall Equities is the owner of the major portion of the developed Sunset Shopping Center.

Through CBRE; Hall Equities marketed the leasing of 80,000 + square feet of mid-size and small box retail space and a small amount of in-line strip retail space Hall was proposing on the subject property. That development project failed to attract sufficient tenant interest to get the development project off of the ground. The exclusive right to negociate agreement terminated without a sale.

In a December 15, 2015 agreement, the Housing Authority entered into a Due Diligence and Exclusive Right to Negotiate (ERN) with Harbor Park LLC (Camran Nojoomi). This ERN contained a 75-day exclusive negotiation period, with a stated intent of negotiating a sale price and a disposition and development agreement while Harbor Park LLC performed their due diligence investigation.

SFP-E, LLC, an Oregon limited liability company (Les Schwab) issued a January 12, 2016 Letter of Intent to Purchase (LOI) to Camran Nojoomi. This non-binding agreement offered Mr. Nojoomi \$336,000± for a 48,000± square foot site located in the south east portion of the subject. The LOI then states the price is to be \$7.00 per square foot of land area not for public roadways or exclusively by third parties. The LOI explicitly addresses that the seller, Mr Nojoomi, is responsible for recording a parcel map making the Les Schwab site a legal parcel. While not explicitly stated in the LOI it appears Les Schwab's intent is that Mr Nojoomi would sell a finished site with access to the site and utility extensions to the site developed and paid for by Mr Nojoomi.



During the middle of 2016 Mr. Nojoomi, and the City of Suisun City Housing Authority entered into a Purchase and Sale agreement with a sale price of \$900,000. Ultimately during late 2016, after his due diligence investigation, Mr. Nojoomi elected to not purchase the subject property.

During the spring of 2017 Jack Anthony and the *City of Suisun City Housing Authority* entered into a Purchase and Sale agreement that has not yet been executed by Mr. Anthony or City Council.

At this point this is not a binding agreement; further the buyer is allowed a due diligence investigation period during which he may terminate the agreement at his choice. The sale price is to be established by an appraisal. Mr. Anthony has the option to terminate the agreement if the appraised value exceeds \$900,000.

Recent Development Proposals

During 2015 Hall Equities marketed leasing of 80,000 + square feet of mid-size and small box retail space, with a small amount of in-line strip retail space proposed on the subject. This space was actively marketed by CBRE.

This proposal included 50,000 square feet that could host a single 50,000 square foot retail tenant or could be divided in various configurations. Additionally, the plan included three small box spaces ranging from 7,000 to 12,000 square feet. An additional 6,200 feet of in-line strip space, and an undefined building pad was included in the plan. Ultimately Hall Equities decided not to pursue this development, or buy the subject property

In December 2015 Harbor Park LLC (Camran Nojoomi) entered into a Due Diligence and Exclusive Right to Negotiate (ERN) agreement for the subject property. Mr. Nojoomi proposed a mixed use development of the subject. Mr Nojoomi's proposed project was summarized as:

Use	Size		
Holiday Inn Express Hotel	54,233 sf		
Restaurant	5,000 sf		
Les Schwab (Tire Store)	14,348 sf		
Residential Apartments	80 units		

Mr. Nojoomi also elected to not pursue his development plan.



Mr. Anthony is reported to be contemplating a commercial mixed use development of the subject property. His development plan is generally $5.34 \pm \text{acres}$ of self-storage use in the north or rear portion of the site, and $2.1 \pm \text{acres}$ of retail/quick serve restaurant use in the south part of the site next to the Highway 12 frontage. I understand Mr. Anthony is pursuing a possible acquisition of the approximately half acre site located between the subject property and the 7-11/Unocal property. Further, I understand Mr. Anthony's intentions to be to develop a carwash on the intervening property. However, if acquisition of that intervening property is not possible he is contemplating development of a carwash on a portion of the $2.1 \pm \text{acres}$ of retail land.

Analysis

Mr. Garbin, as you are personally aware, and as I detailed in my March 21, 2016 appraisal, valuation of the subject property is a complex analysis. Some of the valuation complexities related to usable verses unusable land area, various access challenges including circuitous routes of access, large infrastructure costs, zones of value and use elements of the subject property, and the local overbuilt retail marketplace.

All of these analytical valuation complexities remain fundamentally unchanged since my 2016 appraisal. I have analyzed the subject property valuation in a similar manor as in my 2016 appraisal. However, I have made some subtle changes in some of the zones of value and some of the developmental approach inputs. I considered all of the comparable sales utilized in my 2016 appraisal. I have identified nine new sales since my 2016 appraisal that I consider relevant to some aspect of the valuation process. The additional sales I have analyzed and considered in this appraisal are summarized in the table on the following page.



#	Location Comments	Sale Date	Acres SF	Sale Price	\$ /SF
А	Dorset Ct., Dixon	03/17	0.80 35,022	\$353,500	\$10.09
В	Next to 1221 E. Monte Vista Avenue, Vacaville	3/17	0.83 36,020	\$180,000	\$5.00
С	1241 Anderson Dr.,m Suisun City	08/16	0.51 22,216	\$210,000	\$9.45
D	4335 Central Pl., Fairfield	07/16	2.46 107,158	\$750,000	7.00
Е	1650 N 1 st St., Dixon	04/16	1.18 51,401	\$249,000	\$4.84
F	80 Orange Dr., Vacaville	10/16	1.79 77,972	\$500,000	\$6.43
G	1959 Peabody Rd., Vacaville	03/17	1.83 79,715	\$285,000	\$3.58
Н	4335 Central Pl., Fairfield	07/16	2.46 107,158	\$750,000	7.00
Ι	211 Valle Vista, Vallejo	03/16	6.88 299,692	\$650,000	\$2.17

Additional Sales Analyzed in this Appraisal

In the final analysis the additional comparable sales add strength to my final value conclusion but do not indicate a change in value. This conclusion is consistent with my perception of the marketplace for development challenged land. In my opinion as of May 10, 2017 the market value of the subject property was \$900,000.

MARKET VALUE AS OF MAY 10, 2016 = \$900,000

As with my prior appraisal, my opinion of the necessary exposure time to have resulted in a sale of the subject property on the date of value would have been in the range of 18 months.



Assumptions and Limiting Conditions

The Uniform Standards of Professional Appraisal Practice defines a Hypothetical Condition as:

An assumption which is contrary to what is firmly known to exist, but is supposed or assumed for the purpose of discussion or analysis. In compliance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), we are informing readers and users of this appraisal that the use of a Hypothetical Condition was utilized in our analysis and impacts the assignment analysis, conclusions and opinions.

This appraisal is subject to the following *SPECIFIC* assumptions and limiting conditions:

- 1. The Client is Jason Garbin representing the City of Suisun City. The intended user is the Client. The intended use of the appraisal is to serve as a valuation guide for decisions relating to the potential sale of the property. Any other parties choosing to utilize this appraisal do so at their own risk, and without our consent.
- 2. A recent Title Report was not provided as part of this assignment. It is a specific assumption of this appraisal that there are no title issues or encumbrances that would have a negative impact on value.
- 3. A hypothetical condition is assumed for this appraisal. The hypothetical condition assumed is access through the Sunset Shopping Center to the west is legally perfected.



ASSUMPTIONS AND LIMITING CONDITIONS (continued)

This appraisal is subject to the following *GENERAL* assumptions and limiting conditions:

- 1. Reliance upon this report by any intended user is implied concurrence that the Scope of Work of the appraisal assignment is appropriate for the intended use of that user.
- 2. It is the responsibility of the Client to read this report and to inform the appraisers of any errors or omissions of which he/she is aware of before using this report or making it available to a third party.
- 3. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on the property, was not called to our attention nor did we become aware of such during the inspection. We have no knowledge of the existence of such substances on or in the property unless otherwise stated and we are not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion reported herein is predicated on the assumption that no such hazardous substances exist in or on the property, or in such proximity that would cause a loss in value. No responsibility is assumed for any such hazardous substances, or for any expertise or knowledge required to discover them.
- 4. Unless specifically stated in this report, nothing contained herein shall be construed to represent any direct or indirect recommendation to buy, sell, hold, or construct the property appraised at the appraised value. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.
- 5. No liability is assumed for matters legal in character.
- 6. I assume that there are no defects of title and that the property is free and clear of all liens or encumbrances.
- 7. No right or obligation to expert testimony or attendance in court by reason of this appraisal, with reference to this property, is included, unless arrangements have been previously made.



ASSUMPTIONS AND LIMITING CONDITIONS (continued)

- 8. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purposes by any but the principal to whom it is addressed without said principal's previous written consent, and in any event, only with the proper qualifications.
- 9. The information furnished by others, as identified in this report, is believed to be accurate and reliable, but no guarantee is made as to the correctness thereof.
- Any sketches in this report are included to assist the reader in visualizing the property. Land dimensions were taken from available public information and we assume no responsibility for these dimensions.
- 11. The projections of costs, income, and expenses for the subject property are not predictions of the future. These projections are our best estimates of the current market thinking about what future income and expenses will be. We make no warranty or representation that these projections will materialize. The real estate market is constantly fluctuating and changing and it is not our task to estimate the conditions of a future real estate market. We can only reflect what the investment community envisions for the future in terms of rental rates, expenses, supply and demand.
- 12. Neither all nor any parts of the content of this report (especially any conclusions as to value, the identity of the appraiser, or any reference to the Appraisal Institute, or to the MAI or SRA designations) shall be disseminated to the public through any media or to any other parties without prior written consent and approval.
- 13. Ronald G. Garland is certified by the State of California as General Real Estate Appraisers. However, I am not licensed or certified in the fields of building inspection or civil, soils, structural, or environmental engineering. I believe that the subject property is not adversely impacted by hidden or unapparent conditions relative to these fields, unless otherwise stated within this report.
- 14. I assume that there are no hidden or unapparent conditions which would influence the value of the subject property.



SCOPE OF APPRAISAL

- 1. Discussed with the Client the nature of the assignment, including an agreement of the purpose and intended use of the report, date of valuation and report, property rights and interest appraised, extraordinary assumptions, values to be reported, and any other appropriate restrictions or limitations to be placed on the scope of the assignment.
- 2. Ronald Garland inspected the subject property on May 10, 2017.
- 3. Investigated the current ownership and recent history of the subject property.
- 4. Investigated the city, area, and immediate location in relation to the impact of these locales on the subject property.
- 5. Interviewed John Kerns Associate Planner with the City of Suisun City Planning Department regarding current and reasonable future land uses, land use policies, and development requirements that may impact the subject property.
- 6. Formed an opinion of the highest and best use of the subject property.
- 7. Researched comparable sales, including public records, other appraisers, active and knowledgeable brokers, and publications providing comparable sale data.
- 8. Inspected all of the comparable sales used in analysis.
- 9. Confirmed comparable data to the extent necessary, preferably with parties immediate to each transaction.
- 10. Developed an opinion of the value of the subject property by use of appropriate appraisal techniques.
- 11. Prepared the written restricted use appraisal report document.



CERTIFICATION

I certify that, to the best of my knowledge and belief

- 1. The statements of fact contained in this report are true and correct.
- 2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- 4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 7. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standard of Professional Appraisal Practice.
- 8. I have personally inspected the property that is the subject of this report.
- 9. No person provided significant real property appraisal assistance to the persons signing this report.
- 10. To the best of my knowledge and belief, the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.



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- 11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- 12. As of the date of this report, Ronald G. Garland has completed the continuing education program of the Appraisal Institute.
- 13. I have the necessary education and experience to competently perform this appraisal assignment.
- 14. Ronald G. Garland is currently certified by the State of California Office of Real Estate Appraisers as a Certified General Real Estate Appraiser (AG001662).
- 15. This appraisal is intended to be in compliance with the Uniform Standards of Professional Appraisal Practice.
- 16. I previously appraised the subject property with a March 21, 2016 date of value, and a report date of August 25, 2016. I have not performed any other service on this property during the prior three years.

Ronald G. Garland, MAI, SRA CA #AG001662

5/16/17

Date



PROFESSIONAL QUALIFICATIONS of RONALD G. GARLAND, MAI, SRA

Ronald G. Garland, MAI, SRA is a real property analyst and appraiser, experienced in the appraisal of single and multi-family residential, subdivision, office, retail, light industrial, speculative land, development land, and agricultural land. In addition to appraisal, Mr. Garland is experienced in the analysis and valuation of various complex and special purpose properties, along with development valuation, analysis, and feasibility studies. Specialized studies include absorption analysis, financial feasibility analysis, development cash flow analysis, conservation easements, and complex or specialized property highest and best use analysis. Mr. Garland has testified as an expert witness in the Solano, Napa, Contra Costa and Sacramento County Superior Courts and the United States Bankruptcy Court - Eastern District of California relating to various real estate valuation topics. Mr. Garland has taught seminars on the appraisal of conservation easements for both the Northern California and Sierra Nevada Chapters of the Appraisal Institute and for the California Council of Land Trust. Mr. Garland has been published in the California Land Use Law & Policy Reporter.

Mr. Garland holds both the MAI and SRA designations of the Appraisal Institute and has been recertified under the voluntary program of continuing education for the designated members of the Institute. Mr. Garland served an elected term as a member of the National Board of Directors of the Appraisal Institute from 1996 through 1999 and served as the 1995 President of the San Francisco Bay Area Chapter of the Appraisal Institute. Mr. Garland is also certified by the State of California Office of Real Estate Appraisers as a Certified General Real Estate Appraiser (AG001662).

EMPLOYMENT

July, 1983Owner/Operator, Garland and AssociatesJuly, 1979District Appraisal Officer, Bank of AmericaDecember, 1976Appraiser, Merced County Assessor's Office

EDUCATION

 University
 University of California at Davis, Bachelor of Science in Agricultural Science and Management (1976)
 Appraisal Courses
 Appraisal Institute: Litigation Appraising: Specialized Topics and Applications (2013) The Appraiser as an Expert Witness: Preparation & Testimony (2013) Condemnation Appraising: Principles and Applications (2013) Business Practice and Ethics (2007) (2013) Valuation of Conservation Easements (2008) Effective Appraisal Writing (2004) Uniform Appraisal Standards for Federal Land Acquisitions -(Yellow Book)(2002)



Item 13 Attachment 6 Page 13 of 14

PROFESSIONAL QUALIFICATIONS RONALD G. GARLAND, MAI, SRA (continued)

Appraisal Courses	Appraisal Institute: (cont.) Advanced Income Capitalization (1998) Advanced Sales Comparison and Cost Approaches (1996) Highest & Best Use and Market Analysis (1995)
	Capitalization Theory & Techniques, Part B (AIREA, 1986) Valuation and Report Writing (AIREA, 1985) Case Studies (AIREA, 1985) Electronic Spreadsheet in the Appraisal Office (AIREA, 1985) Residential Valuation (AIREA, 1984) Subdivision Analysis (AIREA, 1982)
	Subdivision Analysis (AIREA, 1982) Introduction to Appraisal (SREA, 1978) Income Property Appraisal (SREA, 1978)
	RECENT CONTINUING EDUCATION
Seminars/Workshops	Appraisal Institute:
1	Appraisal Litigation Conference (2013) (2012) (2011) (2009)
	Appraising the Appraisal (2012)
	The Death of Redevelopment in California (2012)
	Wind Projects and Land Value (2012)
	Diminution of Value and Severance Damages (2011)
	Annual Summer Conference (2011)
	IRS Valuation Summit II (2011)
	Qualitative Analysis (2011) Watanda, Watanwaya & Unusual Valuation Issues (2011)
	Wetlands, Waterways & Unusual Valuation Issues (2011) Economic Forecast (2010 & 2011)
	Partial Interests/GIS/Ad Valorem Tax/Managing Trainees (2006)
	California Conservation Easements (2005)
	Water Rights Symposium sponsored by ASFMRA (2005)
	Market Analysis and A Site to Do Business (2005)
	Eminent Domain California Update (2005)
	Estimating Loss in Value (2004)
	Appraisal Litigation Practice and Courtroom Management (2003)
	Case Studies in Limited Partnership and Common Tenancy (2003)
	Entitlement, Land Subdivision and Valuation (2001)
	Communications Corridors, Tower Sites, and Property Rights (2001)
	Federal Land Exchanges and Acquisitions: Appraisal Issues Applications (2000)
	Public Interest Value vs. Market Value Seminar (1999)
	The Condemnation Process (1998)
	Wetlands Valuation (1998) Valuation of Detrimental Conditions (1998)
	International Right of Way Association
	Transportation Corridors (1999)
	Taling "Spacial" and of Danafita (1007)

Transportation Corridors (1999) Taking "Special" out of Benefits (1997) Condemnation Appraising and Mock Trial (1997) Contaminated Properties (1993)



PROFESSIONAL QUALIFICATIONS RONALD G. GARLAND, MAI, SRA (continued)

AFFILIATIONS

Northern California Chapter, Appraisal Institute Sacramento Sierra Chapter, Appraisal Institute

RECENT PROFESSIONAL ACTIVITIES

Appraisal Institute:

Sacramento Sierra Chapter Annual Tahoe Conference, What the Heck is Usufructuary Rights (20160 Chair of 2014 and 2015 Annual Spring Litigation Conferences (2014-2015) Spring Litigation Conference Committee (2011) (2012) (2013) California State Legislative Subcommittee (2013-2014) Member of the National Nominations Committee (2000) Member of the National Board of Directors (1997-1999) Region I Vice Chair (1997-1998) National Finance Committee (1998-1999) San Francisco Bay Area Chapter President (1995) San Francisco Bay Area Chapter Vice President (1994) San Francisco Bay Area Chapter Treasurer (1993) Northern California Chapter Secretary (1992) Northern California Chapter Board of Directors (1989-92) Sierra-Nevada Chapter Board of Directors (1989-91) Northern California Chapter Long Range Planning Committee (1989) Northern California Chapter Admissions Committee (1986-90) Professional Standards Review and Counseling Committee (1984-91)

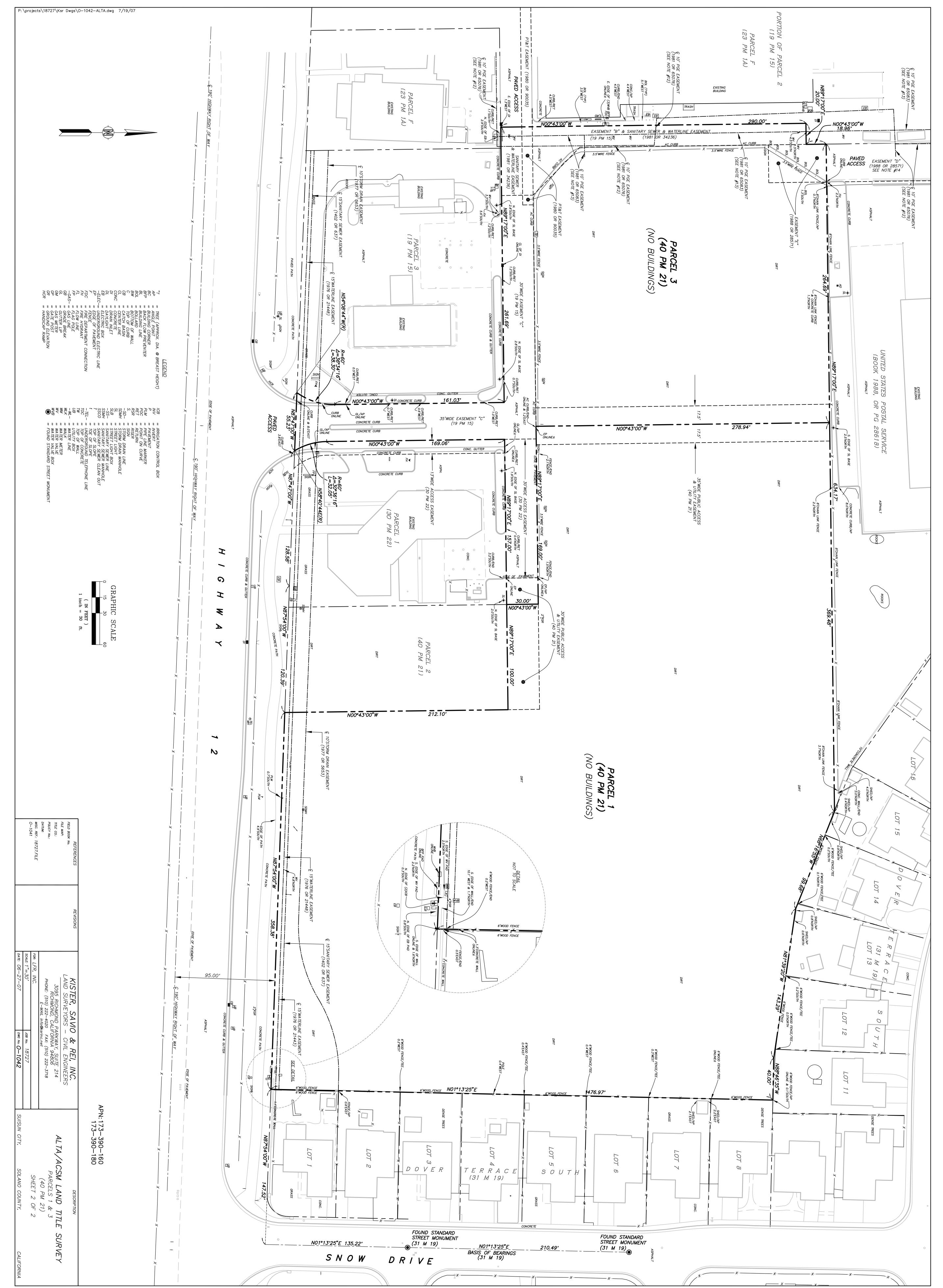
Other:

Committee Work and Seminar Presentations - California Council of Land Trusts (2012 - 2014)

COMMUNITY ACTIVITIES

Cordelia Rotary, Charter Member and 2001-2002 President





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RESOLUTION NO. PC19-13

A RESOLUTION OF THE CITY OF SUISUN CITY PLANNING COMMISSION MAKING A FINDING OF GENERAL PLAN CONFORMITY FOR THE PROPOSED FUTURE SALE OF HOUSING AUTHORITY-OWNED REAL PROPERTY LOCATED NORTH OF HIGHWAY 12 AND EAST OF SUNSET AVENUE (APN'S 0173-390-160 AND 180)

WHEREAS, Government Code Section 65402 provides that prior to the sale of real property, the City Planning Commission must make a finding that the property is in conformance with the General Plan; and

WHEREAS, the property located at North of Highway 12 and East of Sunset Avenue is designated as "Commercial Mixed Use" on the City's General Plan Map; and

WHEREAS, the proposed use of the real property subsequent to the sale is consistent with the "Commercial Mixed Use" designation of the General Plan; and

WHEREAS, any development or use of the real property subsequent to the sale will be required to be consistent with the designation of the "Commercial Mixed Use" designation of the General Plan; and

WHEREAS, on November 19, 2019, the Planning Commission reviewed the staff report and materials, considered all testimony and arguments, if any, of all persons desiring to be heard, and considered all the facts relating to the subject application at a Planning Commission meeting; and

WHEREAS, the Planning Commission desires to make a finding of General Plan conformance based upon substantial evidence.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF SUISUN CITY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

Section 1. *Incorporation of Recitals.* That the above recitations are true and correct.

Section 2. *Finding.* The Housing Authority's proposed future sale of real property North of Highway 12 and East of Sunset Avenue is consistent with the City's General Plan and its designation of the subject site as "Commercial Mixed Use".

Section 3. The Housing Authority's proposed future sale of the subject real property is consistent with the City's General Plan and Zoning Map; both of which designate the property as "Commercial Mixed Use".

Section 4. *Environmental Clearance.* The Planning Commission finds that the proposed sale of real property is categorically exempt from the California Environmental Quality Act (CEQA), under Section 15061(b)(3) because it does not have the potential to have a significant effect on the environment. If and when a development project is brought forward on these parcels adequate environmental review will be completed.

Section 5. *Certification.* The Secretary of the Planning Commission shall certify to the adoption of this Resolution.

The foregoing motion was made by Commissioner Holzwarth and seconded by Commissioner Borja and carried by the following vote:

AYES:	Commissioners:	Borja, Clemente, Holzwarth, Ramos
NOES:	Commissioners:	None
ABSENT:	Commissioners:	Pal, Rowe, Thomas
ABSTAIN:	Commissioners:	None

WITNESS my hand and the seal of said City this $19^{\text{th}}_{\text{D}}$ day of November 2019.

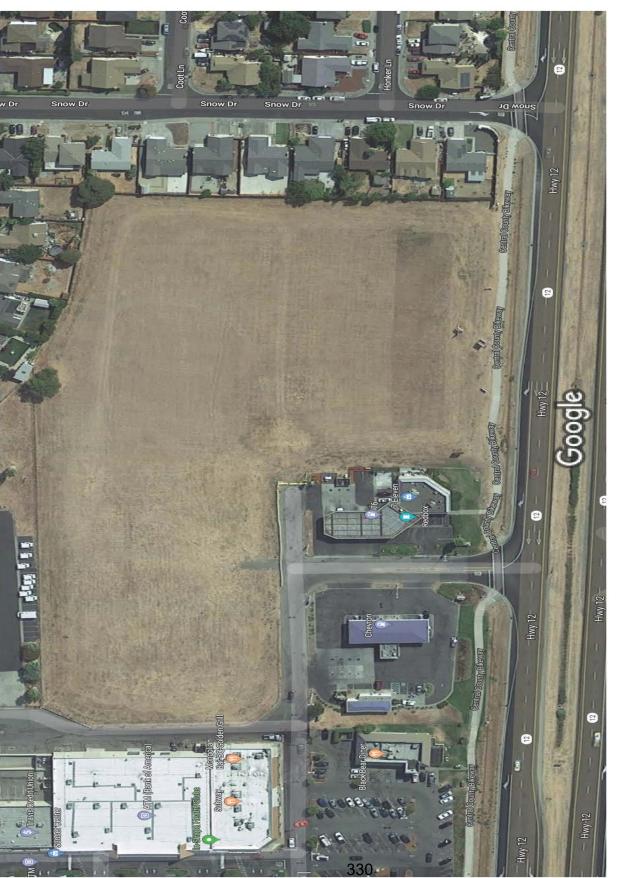
Joann Martinez Commission Secretary



Parcels ot 2 Housing - ublic Hearing Authori Sale

Housing Authority Board December 17, 2019









- parcels on Hwy 12 approximately 8.29 acres Housing Authority owns two contiguous
- Sutter Retail Development has offered \$925,000 to purchase the properties
- Properties appraised for \$900,000
- development arm of Hilbers Inc, Commercial Sutter Retail Development is the retial Construction

Background

 Development partner has experience working with retailers interested in locating in Suisun City





- Open Escrow
- Buyer will make \$50,000 deposit
- of Entitlement Period or max 14 months Closing Date = 30 days after expiration from Opening of Escrow
 - 180 days Due Diligence Period
- 120 days Entitlement Period
- go days Option to Extend Closing
- 30 days to Close of Escrow







It is recommended that the Board:

- protests against the sale of the properties; Conduct a Public Hearing to receive any and
- Resolution of Intent to Sell Two Parcels owned by the Housing Authority; and Adopt Resolution No. HA 2019- : A

Recommendation

Staff

Execute the Purchase and Sale Agreement Authorizing the Executive Director to Adopt Resolution No. HA 2019- __:



Questions?





AGENDA TRANSMITTAL

MEETING DATE: December 17, 2019

CITY AGENDA ITEM: City Council Adoption of Resolution No. 2019 -____: Adopting Certain Findings and the Policy Directives to Implement the Sales and Use of Safe and Sane Fireworks for 2020 as Provided in Chapter 8.04 of the Suisun City Code.

FISCAL IMPACT: Failure to approve the proposed resolution could result in the loss of approximately \$45,000 to fund the 2020 Fourth of July Celebration, as well as approximately \$20,000 in fire prevention, fire education, fire investigation, and fire code enforcement associated with fireworks sales.

STRATEGIC PLAN IMPACT: Provide Good Governance.

BACKGROUND: This is an annual resolution to regulate the sales of Safe and Sane Fireworks. Specifically, certain dates and times are required to be specified in a City Council Resolution.

In 2013, Title 8, Chapter 8.04 - ("Fireworks.") was modified to insure that future Safe and Sane Fireworks sales periods may be approved by resolution without the need for technical changes every year to the City Ordinance.

STAFF REPORT: The attached Resolution provides the applicable dates for applying the Fireworks Ordinance to the 2020 Season. The changes include the following:

- The dates for accepting applications will be January 2nd, 2020 through February 5th, 2020
- The date for the lottery will be February 12th, 2020, at 10:00 AM
- The date for execution of the Fireworks Wholesaler Distribution Agreement will be May 1st, 2020
- The no later than date for the Wholesaler Public Education Plan will be May, 29th, 2020
- All unsold fireworks and accompanying litter shall be cleared from the sites no later than July 6th, 2020

These changes are made to accommodate the 2020 calendar.

2019 Fireworks Sales & Surcharges Remitted (Received August 5th, 2019)

Non Profit	Surcharge paid by Nonprofits	50% Split Paid by Wholesaler TNT	
Alooma Temple	\$5,573.90	\$13,373.52	
Crystal Music Boosters	\$5,569.90	\$13,389.74	
Dan O. Root / Armijo H.S.	\$7,788.17	\$19,935.96	
Totals	\$18,931.97	\$46,699.22	

Carmen Maio, Division Chief

Description	Dan O. Root	Alooma Temple	Crystal Music Boosters
Cash Sales Deposited	\$48,916.95	\$34,389.49	\$30,114.38
Credit Card Receipts	\$64,377.70	\$46,694.45	\$50,911.46
Gross Sales	\$113,294.65	\$1,083.94	\$81,025.84
8.375% Sales Tax	-\$8,153.24	-\$5,835.17	-\$5,830.99
Retail + Surcharge	\$105,141.41	\$75,248.77	\$75,194.85
8% City Surcharge	-\$7,788.17	-\$5,573.90	-\$5,569.90
Total Retail Sales	\$97,352.08	\$69,673.71	\$69,623.78
TNT Fireworks Product Cost	\$57,480.17	\$42,926.67	\$42,844.31
Gross Proceeds	\$39,871.91	\$26,747.04	\$26,779.47
Split With City Of Suisun City			
Nonprofit 50%	\$19,935.96	\$13,373.52	\$13,389.74
Suisun City 50%	\$19,935.96	\$13,373.52	\$13,389.74
Checks Issued (NP)			
Suisun City (Surcharge)	\$7,788.17	\$5,573.90	\$5,569.90
Board of Equalization	\$8,153.24	\$5,835.17	\$5,830.99
TNT Fireworks (Product & Expenses)	-\$6,897.53	-\$3,767.78	-\$8,067.15
TNT Fireworks (Suisun City Proceeds)	\$19,935.96	\$13,373.52	\$13,389.74
Total Amount to Non Profit	\$19,937.12	\$13,374.68	\$13,390.90
	\$48,916.96	\$34,389.49	\$30,114.38
Total Cash	\$48,916.96	\$34,389.49	\$30,114.38

2018 Fireworks Sales Breakdown of Payments (Nonprofit)

STAFF RECOMMENDATION: It is recommended that the City Council adopt Resolution No. 2019 - _____: Adopting Certain Findings and the Policy Directives to Implement the Sales and Use of Safe and Sane Fireworks for 2020 as Provided in Chapter 8.04 of the Suisun City Code.

ATTACHMENTS:

- 1. Resolution No. 2019 ____: Adopting Certain Findings and the Policy Directives to Implement the Sales and Use of Safe and Sane Fireworks for 2020 as Provided in Chapter 8.04 of the Suisun City Code.
- 2. Power Point Presentation

	Item 14 Attachment 1
1	RESOLUTION NO. 2019-
2	
3	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY ADOPTING CERTAIN FINDINGS AND THE POLICY DIRECTIVES TO
4	IMPLEMENT THE SALES AND USE OF SAFE AND SANE FIREWORKS FOR 2019 AS ALLOWED BY TITLE 8, CHAPTER 8.04 OF THE SUISUN CITY CODE
5	
6	WHEREAS, the Suisun City Code has been amended to permit the sales of Safe and Sane Fireworks, and to regulate other fireworks-related activities; and
7 8	WHEREAS, the sale of Safe and Sane Fireworks has benefitted the City of Suisun City by providing local Nonprofit Organizations who work for the benefit of the community with an opportunity to raise funds; and
9 10	WHEREAS , the City Council deems it necessary to adopt Certain Findings for the sale and use of Safe and Sane Fireworks; and
11	WHEREAS , the City Council deems it necessary to adopt Policy Directives for the sales and use of Safe and Sane Fireworks.
12	NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Suisun
13	City hereby finds that Fireworks stands are categorically exempt from the California Environmental Quality Act ("CEQA") under CEQA Guidelines section 15311 as minor
14	accessory structures appurtenant to existing commercial, industrial, or institutional facilities; and
15 16	BE IT FURTHER RESOLVED that the City Council of the City of Suisun City hereby adopts the following Policy Directives:
17	1. City Manager to Administer Fireworks Program. The City Manager is hereby directed
18	to administer the Suisun City Fireworks Program; the City Council of the City of Suisun City authorizes the City Manager to execute any and all necessary documents pertaining to implementation of the Sales and the Use of Safe and Sane Fireworks in the City Suisun City.
19	
20 21	2. Number of Permits. Three (3) Fireworks Sales Permits will be made available for the sale of Safe and Sane Fireworks in the City of Suisun City.
22	3. Filing Application for Fireworks Sales. Applications will be accepted from January 2nd, 2020 through February 5th, 2020 until 5:00 pm.
23	
24	4. Permittee Selection Process. The process for selection of permittees to hold and use Fireworks Sales Permits shall be consistent with the following policy directives:
25	a. Only Qualified Applicants, as that term is defined in section 8.04.010 of the Suisun City
26	Code, shall be eligible to submit an application for a permit. Applicants are qualified on the basis of the following criteria:
27	i. Organizations that have proved they are qualified by documentation of
28	charitable nonprofit status with the State and IRS $501(c)(3)$. The organization bylaws or Articles of incorporation shall state organized for a charitable, educational, religious, or scientific purposes, and a nonprofit organization.

1 2	ii. Charitable organizations "Primarily Serving Suisun City Residents and Businesses," as that phrase is defined in the Municipal Code, and are organized primarily to benefit youth, schools, veterans, or local businesses in Suisun City
3	shall be given preference in the first lottery drawing.
4	iii. The organization has at least 10 members that will staff the booth and a plan to keep the booth open for the full sales period.
5	iv. Organizations with less than 10 members shall produce an agreement with
6	another nonprofit organization for a joint application.
7	b. The lottery shall take place at a time, place, and manner determined by the Fire Chief in
8	accordance with the administrative rules and procedures adopted by the Fire Chief. In 2020, the lottery will be held on February 12th, at 10:00 am in the Council Chambers.
9	i. If three (3) or more organizations with the above preference apply, these
10	organizations will be drawn in a lottery to determine selection for available permits.
11	ii. The choice of fireworks stand sites will be drawn separately after the permits have
12	been determined.
13	iii. After the authorized number of permits has been awarded, the remaining qualified applicants shall be drawn in a second lottery as alternates. Each alternate,
14	according to the order drawn, shall be offered a permit if one of the original
15	permittees cannot meet the requirements of this Chapter or if a permittee voluntarily surrenders its permit.
16	5. Fireworks Wholesaler—Distribution Agreement.
17	
18	a. All fireworks wholesalers who seek to do business in the City and supply a contract with applicants for fireworks booth permits in the city shall enter into and execute a
19	fireworks wholesaler distribution agreement with the City no later than May 1st, 2020.
20	6. Fireworks Wholesaler Public Education Plan.
21	a. Each fireworks distributor/wholesaler supplying one or more nonprofit organizations
22	who are permittees under this chapter, shall submit a public education plan to the City by no later than 5:00 pm on May 29th, 2020.
23	7. Locations of Fireworks Stands. Fireworks stand locations will be approved by the City
24	Manager.
25	8. Fireworks Stands. Fireworks stands may be put in place by the permittee no earlier than
26	8:00 a.m. on June 21, 2020.
27	Signs for fireworks sales shall be displayed no earlier than seven (7) days before the approved start of sales. June 28, 2020, and must be removed four (4) days after the fireworks sales period.
28	start of sales, June 28, 2020, and must be removed four (4) days after the fireworks sales period ends July 8, 2020.
	Resolution No. 2019 Adopted December 17, 2019
	Page 2 of 3

1		1 1	ing litter shall be cleared from the location by 5:00 p.m. period ends, July 6, 2020	
2	The fireworks stand shall be removed from the temporary location by 12:00 p.m. on July 10,			
3	2020			
4	9. Permissible Hours of Sale. Dates and hours of the sale of "Safe and Sane Fireworks" sh			
5	begin no earlier than 12:00 noon on June 28 and shall not continue after 9:00 pm on July 4 of the same year. Sale of fireworks shall be permitted only from 12:00 noon to 9:00 pm on June			
6	28 and from 9:00 am to 9:00 pm daily June 29 through July 4.			
7			be unlawful to discharge any "Safe and Sane Fireworks"	
8	except during	the hours of 9:00 am to	10:00 pm June 28 through July 5, 2020.	
9			a Regular Meeting of the City Council of the City of Suisun	
10	City neid on T	uesday the 1/th of Dece	mber, 2019 by the following vote:	
11	AYES: NOES:	Council Members: Council Members:		
12	ABSENT:	Council Members:		
13	ABSTAIN:	Council Members:		
14	WITN	ESS my hand and the s	seal of the City of Suisun City this 17th day of December	
15	2019.	2		
16			Donna Pock, CMC	
17			Deputy City Clerk	
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	Resolution No. 2019 Adopted December Page 3 of 3			
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2019 Fireworks Sales

- Surcharge & Wholesaler Split 2019 Fireworks Sales & Surcharges Remitted (Received August 5th, 2019)

Surcharge paid50% Split Paid byby NonprofitsWholesaler TNT	\$13,373.52 \$13,373.52	\$13,389.74	I.S. \$7,788.17 \$19,935.96	\$18,931.97 \$46,699.22
Nonprofit	Alooma Temple	Crystal Music Boosters	Dan O'Root / Armijo H.S.	Totals



Nonprofit / Wholesaler - Sales Debrief -

- Overall, each nonprofit satisfied with this years sales
- Each nonprofit had no issues to report



Resolution for 2020 Firework Sales Applicable Date Changes

Applications Accepted

- January 2nd - February 5th, 2020

Nonprofit Selection Lottery

- February 12th, 2020

Fireworks Wholesaler Distribution Agreement

- NLT May $1^{\mbox{st}}$, 2020

Wholesaler Public Education Plan

- NLT May 29th, 2019



Open for questions? 345