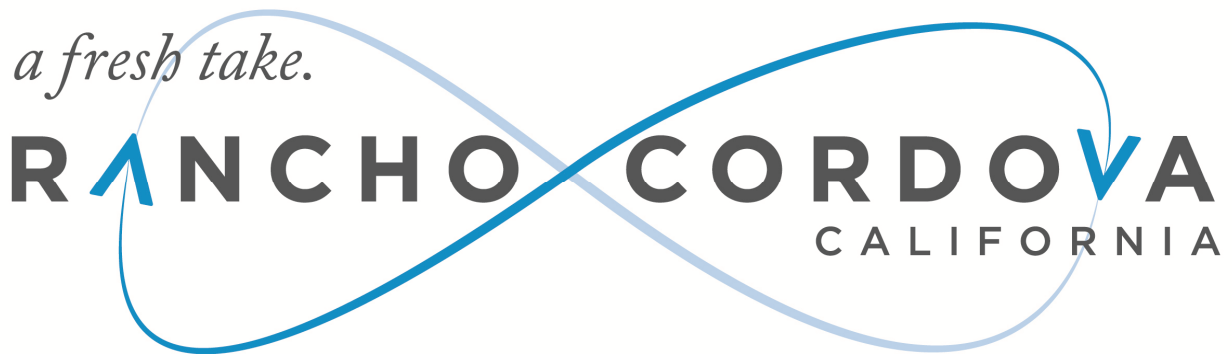


CITY OF RANCHO CORDOVA



CONCURRENT MEETING CITY COUNCIL/SUCCESSOR AGENCY TO THE CRA/RCFC

Tuesday, February 21, 2017

5:30 PM – Regular Meeting

AGENDA

Donald Terry, Mayor

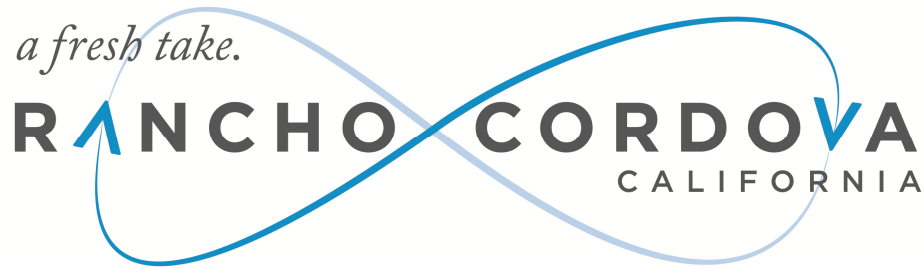
Linda Budge, Vice Mayor

Robert J. McGarvey, Council Member

Dan Skoglund, Council Member

David Sander, Council Member

CITY OF RANCHO CORDOVA



CONCURRENT MEETING CITY COUNCIL/SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY (CRA)/RANCHO CORDOVA FINANCING CORPORATION (RCFC)

City Hall
2729 Prospect Park Drive, Rancho Cordova

Tuesday, February 21, 2017

5:30 PM – Regular Meeting
David B. Roberts Council Chambers

AGENDA

1. REGULAR MEETING - CALL TO ORDER / ROLL CALL

Council Members Budge, McGarvey, Sander, Skoglund, and Mayor Terry.

2. METRO CABLE TV TELEVISION ANNOUNCEMENT

The Clerk will announce the meetings video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

The Mayor will call on someone in attendance to lead the Pledge.

4. INVOCATION

Michael Hughes from United Methodist Church of Rancho Cordova will give the invocation.

5. PRESENTATIONS

NONE.

6. PUBLIC COMMENT

Citizens wishing to address the Council for any matter on the Consent Calendar or not on the agenda may do so at this time by completing and submitting a Speaker Card to the City Clerk. For items on the agenda, speakers will be called up to the podium by the Mayor at the point on the agenda when the item will be heard. Speakers are encouraged to keep comments to three minutes or less and to state name and community of residence.

Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking immediate action on any item not on the agenda unless it can be demonstrated to be of an emergency nature or the need to take immediate action arose after the posting of the agenda.

7. COUNCIL REPORTS

8. CITY MANAGER'S REPORT

- Project Update on the Folsom Lake College/Rancho Cordova Promise Program.

9. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

- 9.1 **Subject:** Meeting Minutes of February 6, 2017 Special and Regular Meeting and February 15, 2017 Special Meeting.
Recommendation: Adopt Minutes.
- 9.2 **Subject:** Zoning Code Text Amendment to Allow Cardrooms in the Convention Overlay District.
Recommendation: Waive the second reading and adopt Ordinance 1-2017.
Result of Recommended Action: Approval of Ordinance 1-2017 would amend Zoning Code land use table 23.325-1 to add "Card Room" to the Land Use Category and allow card rooms with the approval of a Conditional Use Permit in the Convention Overlay zone.
Staff Report: Nicholas Sosa, Assistant Planner.
Advances Goals: 2, 6.
- 9.3 **Subject:** Quarterly Treasurers Report.
Recommendation: Recommend the report be received and filed.
Result of Recommended Action: The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the Treasurer's report is to update the City Council and the public on the status of the City's cash balances and investments, and highlight material changes from one period to another.
Staff Report: Kim Juran-Karageorgiou, Chief Financial Officer.
Advances Goal: 4.
- 9.4 **Subject:** A Resolution Replacing Authorized Signers for Accounts with Banner Bank.
Recommendation: Adopt Resolution No. 25-2017.
Result of Recommended Action: The new authorized signers of the Banner Bank Account will be able to direct Banner Bank how to invest City funds.
Staff Report: Kim Juran-Karageorgiou, Chief Financial Officer.
Advances Goal: 1.

- 9.5 **Subject:** Resolution Authorizing the City Manager to Execute an Agreement with Cordova Community Council Foundation to Provide Funding from the City's Fiscal Year 2017-2018 Community Enhancement Fund in Support of the Enhancements to the 2017 Rancho Cordova Fourth of July Parade.
 Recommendation: Adopt Resolution No. 32-2017.
 Result of Recommended Action: Adoption of this Resolution will authorize the City Manager to execute an Agreement for up to \$40,900 so the planning process for the band competition and bike parade can commence.
 Staff Report: Stacy Delaney, Community Enhancement Analyst.
 Advances Goals: 1, 2.
- 9.6 **Subject:** Resolution Authorizing the City Manager to Charge the City's Fiscal Year 2016-2017 Community Enhancement Fund for the Program Costs Associated with the High School to Work and/or College Program Known as Professional Pathways with VSP Global, Which will Provide Cordova High School Students with Skills, Training and Resources to Transition from High School to College or the Workplace.
 Recommendation: Adopt Resolution No. 33-2017.
 Result of Recommended Action: Adoption of this Resolution will allow the City Manager to charge the City's fiscal year 2016-2017 Community Enhancement Fund up to \$25,000 for the program costs expected to be paid by September 30, 2017.
 Staff Report: Stacy Delaney, Community Enhancement Analyst.
 Advances Goals: 1, 6.
- 9.7 **Subject:** Resolution Authorizing the City Manager to Execute the First Amendment with Rancho Cordova Whisker Warriors to Provide Spay and Neuter Services, Flea Prevention, Vaccines, and Other Incidental and Necessary Veterinarian Care Rendered in Conjunction with the Existing Spay/Neuter Voucher Program.
 Recommendation: Adopt Resolution No. 34-2017.
 Result of Recommended Action: The contract amendment changes the total contract amount from \$25,557 to \$38,057, a budget increase of \$12,500.
 Staff Report: Stacy Delaney, Community Enhancement Analyst.
 Advances Goals: 2, 3, 5.
- 9.8 **Subject:** A Resolution Authorizing the City Manager to Execute Third Contract Amendment 16-2013-3 with Wood Rodgers, Inc. to Increase the Contract Amount from \$500,000 to \$550,000 for the Mather Rails to Trails Project.
 Recommendation: Adopt Resolution No. 9-2017.
 Result of Recommended Action: Adoption of this resolution will authorize the City Manager to execute third contract amendment no. 16-2013-3 with Wood Rodgers, Inc. This will increase the contract amount from \$500,000 to \$550,000.
 Staff Report: Albert Stricker, Public Works Director and Omid Vaziri, Assistant Civil Engineer.
 Advances Goals: 1, 2, 5.
- 9.9 **Subject:** Resolution Declaring Results of the Mail Ballot Election Relating to the Imposition of the Annual Stormwater Utility Fee on the Veranda at Stone Creek Project in the City of Rancho Cordova.
 Recommendation: Adopt Resolution No. 15-2017.
 Result of Recommended Action: Adoption of the Resolution will declare the results of the ballot tabulation in connection with the imposition of the annual Stormwater Utility Fee on the Veranda at Stone Creek Project. If majority approval exists, the City Council may impose the annual Stormwater Utility Fee on the Veranda at Stone Creek Project pursuant to the Fee Ordinance. If there is no majority approval, the Stormwater Utility

Fee shall not be imposed for the project.

Staff Report: Elizabeth Sparkman, Engineering Manager.

Advances Goal: 5.

- 9.10 **Subject:** Resolution Authorizing the City Manager to Execute Contracts with Interwest Consulting Group, 4Leaf Inc., Bureau Veritas, Shums Coda Associates, and Stephen Twist Consulting, to Provide On-call Building Plan Review, Permitting, and Field Inspection Services.

Recommendation: Adopt Resolution No. 27-2017.

Result of Recommended Action: Adoption of Resolutions will authorize the City Manager to execute contracts 19-2017, 20-2017, 21-2017, 22-2017, and 23-2017 for two (2) year on-call contracts with two (2) one-year renewal options with Interwest Consulting Group, 4Leaf Inc., Bureau Veritas, Shums Coda Associates, and Stephen Twist Consulting in the amount of not to exceed \$750,000 per year per contract for two years for a cumulative total not to exceed \$1.5 million for the initial two-year period of the contracts.

Staff Report: Joseph Cuffe, Building Official.

Advances Goals: 2, 5.

10. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

NONE.

11. PUBLIC HEARING ITEMS

- 11.1 **Subject:** Amendments to Title 23, Zoning Code, of the Municipal Code Regarding Allowed Uses for the Office Professional Mixed Use (OPMU) Zone.

Recommendation: Introduce and waive the first reading of Ordinance No. 3-2017.

Result of Recommended Action: Approval of Ordinance 3-2017 would amend Chapter 23.313 of the Municipal Code related to the Office Professional Mixed Use zone district. The amendment would modify the list of allowable uses in the zone district and further clarify the applicable development standards for the zoning designation.

Staff Report: Aaron Busch, Community Development Director.

Advances Goals: 2, 6.

- 11.2 **Subject:** Crossings at Woodberry Project No. DD9683, Located at 2738 Woodberry Way, Formerly 10447 Folsom Boulevard. The Proposed Project Includes a Rezone from Commercial Mixed Use (CMU FBSP) and High Density Residential (HDR FBSP) to Residential Mixed Use (RMU FBSP), via a Folsom Boulevard Specific Plan Amendment, a Parking Exception, and Major Design Review for Three 3- story Multi-Family Buildings to Include a Total of 28 Affordable Units, Parking, Landscaping, and Play Area on a 0.97 Acre Site Located within the Folsom Boulevard Specific Plan.

Recommendation: That Council:

- a) Introduce and waive first reading of Ordinance No. 2-2017 approving amendments to the Folsom Boulevard Specific Plan.
- b) Approve Resolution No. 35-2017 Approving the Major Design and parking exception.

Result of Recommended Action: Adoption of the above-referenced resolution and ordinance would permit the construction of multi-family buildings with a total of 28 affordable units within the Folsom Boulevard Specific Plan and allow the applicant to submit for necessary building permits to begin construction of the proposed

infrastructure and buildings.

Staff Report: June Cowles, Senior Planner, Planning Department.

Advances Goals: 1, 2, 3, 5, 6.

12. REGULAR CALENDAR ITEMS

- 12.1 **Subject:** Execution of a New Disposition, Development and Loan Agreement with UHC 00575 Rancho Cordova, L.P. for the Development of the Crossings at Woodberry Way Affordable Families Project.

Recommendation: Adopt Resolution No. 16-2017.

Result of Recommended Action: Adoption of this resolution will authorize the City Manager to execute the Development, Disposition and Loan Agreement (DDLA) with Urban Housing Communities 00575 Rancho Cordova L.P. (UHC), the Developer for the Crossings at Woodberry Way affordable families housing development, thereby permitting the submittal of an application for required additional project funding through the First competitive round of 2017 Low Income Housing Tax Credits.

Staff Report: Stefan Heisler, Reinvestment and Housing Opportunities Analyst.

Advances Goals: 1, 2, 5, 6.

- 12.2 **Subject:** Update of Possible Bridge Development on Folsom Boulevard and Council Direction for Future Negotiations.

Recommendation: Receive update and provide direction.

Result of Recommended Action: Staff will have the direction they need to proceed with negotiations.

Staff Report: Reed Flory, Reinvestment and Housing Opportunities Manager.

Advances Goals: 2, 6.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

14. ADJOURNMENT

Mayor Terry will adjourn the meeting to closed session in the Community Board Room.

15. CLOSED SESSION - CALL TO ORDER/ROLL CALL

Council Members Budge, McGarvey, Sander, Skoglund, and Mayor Terry.

16. CLOSED SESSION

Council may adjourn to Closed Session to discuss the following item:

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of California Government Code Section 54956.9: (1 potential cases).

17. OPEN SESSION - REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in Closed Session.

18. ADJOURNMENT

ADDITIONAL INFORMATION

UNLESS THE COUNCIL ADOPTS A MOTION TO EXTEND THE MEETING, ANY ITEM THAT IS NOT INITIATED BEFORE 11:00 PM WILL BE CONTINUED TO THE NEXT DAY AT 5:30 PM OR SCHEDULED ON THE NEXT REGULAR MEETING AGENDA OF THE COUNCIL.

Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 72 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.

The agenda items are accessible on the City's website at www.cityofranchocordova.org on Thursdays or Fridays prior to the Regular City Council Meeting.

CITYWIDE GOALS - (Adopted March 27, 2012)	
1.	Promote the Positive Image of Rancho Cordova
2.	Ensure a Safe, Inviting and Livable Community
3.	Empower Responsible Citizenship
4.	Establish Logical City Boundaries that Provide Regional Leadership and Address Financial Challenges
5.	Ensure the Availability of the Best Public Services in the Region while Practicing Sound Fiscal Management
6.	Drive Diverse Economic Opportunities

UPCOMING MEETINGS	
Tuesday, February 28, 2017	5:30 PM Special Meeting/Work Session – CANCELLED
Monday, March 6, 2017	3:00 PM Special Meeting/Ethics Training 5:30 PM Regular Meeting
Monday, March 20, 2017	5:30 PM Regular Meeting
Tuesday, March 28, 2017	5:30 PM Special Meeting/Work Session
Monday, April 3, 2017	4:00 PM Special Meeting/Study Session 5:30 PM Regular Meeting
Wednesday, April 5, 2017	8:15 AM – 12:00 PM Special Meeting
Monday, April 17, 2017	5:30 PM Regular Meeting
Tuesday, April 25, 2017	5:30 PM Special Meeting/Work Session
Monday, May 1, 2017	MEETING CANCELLED
Tuesday, May 9, 2017	5:30 PM Special Meeting/Work Session
Monday, May 15, 2017	5:30 PM Regular Meeting
Tuesday, May 23, 2017	5:30 PM Special Meeting/Work Session
Monday, June 5, 2017	4:00 PM Special Meeting/Study Session 5:30 PM Regular Meeting
Monday, June 19, 2017	5:30 PM Regular Meeting
Tuesday, June 27, 2017	5:30 PM Special Meeting/Work Session

If you have any technical questions related to the agenda items, please contact the appropriate department as follows:

DEPARTMENTAL GENERAL TELEPHONE NUMBERS	
Building and Safety Division	(916) 851-8760
City Attorney's Office	(916) 556-1531
City Clerk's Department	(916) 851-8720
City Manager's Office	(916) 851-8800
Communications Department	(916) 851-8791
Economic Development Department	(916) 851-8780
Finance Department	(916) 851-8730
Housing Division	(916) 851-8784
Human Resources Department	(916) 851-8740
IT Department	(916) 851-8700
Neighborhood Services – Animal Services	(916) 851-8770
Parks & Recreation (Cordova Recreation & Park District)	(916) 362-1841
Planning Department	(916) 851-8750
Public Works Department	(916) 851-8710
Rancho Cordova Police Department	(916) 875-9600
Redevelopment Department	(916) 851-8780
Sac Metro Fire District	(916) 859-4300

The Rancho Cordova City Council/Successor Agency to the CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast, Consolidated Communications and AT&T U-Verse Systems. Closed Captioning will be available on the playback cablecast. A VHS copy is available for check out from any library branch, a DVD copy is available from the City Clerk's Department, and a webcast of this meeting will be available for viewing via video streaming from the City's website within 48 hours of adjournment of this meeting.

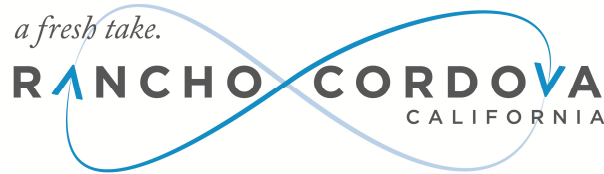
In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Mindy Cuppy, MMC, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the Tuesday, February 21, 2017 Regular Meeting of the Rancho Cordova City Council/Successor Agency to the CRA/RCFC was posted and available for review on Thursday, February 16, 2017 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city website at www.cityofranchocordova.org.

Signed Thursday, February 16, 2017 at Rancho Cordova, California.


Mindy Cuppy, MMC, City Clerk



**CONCURRENT MEETING
CITY COUNCIL/SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT
AGENCY (CRA)/RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

Monday, February 06, 2017

**4:00 PM – Special Meeting
American River North Community Room North**

**5:30 PM – Regular Meeting
David B. Roberts Council Chambers**

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Terry called the special meeting to order in the American River Community Room North at 4:19 PM.

Council Members Present: McGarvey, Sander, Terry, Budge, Skoglund

Council Members Absent: None

Staff Members Present: Lindgren, Cuppy, Abhar, Busch, Simpson, Cowles, Norton, Haven

2. PUBLIC COMMENT

Mayor Terry opened the public comment period. There were no speakers. Mayor Terry closed the public comment period.

3. SPECIAL MEETING ITEM

3.1 **Subject:** Zoning Code Update Discussion.

Recommendation: Discussion and Direction from the Council.

Result of Recommended Action: Through direction make revisions to the Zoning Code Update.

Staff Report: Aaron Busch, Community Development Director.

Advances Goals: 1, 2, 6.

ACTION: Discussion item only; no action taken.

4. ADJOURNMENT OF SPECIAL MEETING

Mayor Terry adjourned the Special Meeting to the Regular Meeting in the David B. Roberts Council Chambers at 5:39 PM.

5. REGULAR MEETING - CALL TO ORDER / ROLL CALL

Mayor Terry called the regular meeting to order in the David B. Roberts Council Chambers at 5:53 PM.

Council Members Present: McGarvey, Sander, Terry, Budge, Skoglund

Council Members Absent: None

Staff Members Present: Lindgren, Cuppy, Abhar, Haven, Simpson, Sparkman, Cowles, Kniestedt, Pittman, Judith, Stricker

6. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk read the meetings recordings and playback schedules.

7. PLEDGE OF ALLEGIANCE

Allegra Alessandri led the pledge.

8. INVOCATION

Wayne Langford, President of LDS Church gave the invocation.

9. PRESENTATIONS

- 9.1 Community Enhancement Fund Grant Check Presentations by Stacy Delaney, Community Enhancement Fund Analyst.
- 9.2 Welcome and Introduction to PRO Youth & Families, Youth @ City Council Program Students.
- 9.3 Presentation of Proclamation in Honor of Spay Day 2017 to Sacramento Area Animal Coalition, Rancho Cordova Animal Services Staff, and Whisker Warriors.
- 9.4 Recognition of Mayor Terry's Birthday on February 8.

10. PUBLIC COMMENT

Mayor Terry opened the public comment period. There were no speakers. Mayor Terry closed the public comment period.

11. COUNCIL REPORTS

Council reported on events since the last meeting.

12. CITY MANAGER'S REPORT

City Manager Cyrus Abhar gave his report.

13. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

ACTION: Motion to approve items 13.1 through 13.5 by Budge second by Skoglund;
Carried by a 5:0 roll call vote.

- 13.1 **Subject:** Meeting Minutes of January 17, 2017 Regular Meeting and January 31, 2017 Special Meeting.
Recommendation: Adopt Minutes.
- 13.2 **Subject:** Resolution Authorizing the Examination of Prepaid Mobile Telephony Services Surcharge and Local Charge Records.
Recommendation: Adopt Resolution No. 145-2016.
Result of Recommended Action: This resolution will amend an existing Utility Users Tax audit contract that the City has with MuniServices, LLC to authorize the company to analyze and audit prepaid wireless.
Staff Report: Liisa Behrends, Senior Accountant.
Advances Goals: 1, 4, 5.
- 13.3 **Subject:** Resolution Declaring the Results of Mail Ballot Election for Rancho Cordova Transit-related Services Special Tax Area Zone 19, 3287 Monier Circle Warehouse Project.
Recommendation: Adopt Resolution No. 13-2017.
Result of Recommended Action: Adoption of this resolution will declare the result of the mail ballot election concerning Transit-Related Service Special Tax Area Zone 19, establishing a special tax transit services for 3287 Monier Circle Warehouse Project.
Staff Report: Elizabeth Sparkman, Engineering Manager.
Advances Goal: 5.
- 13.4 **Subject:** Resolution Appointing Donald Terry to the Lower American River Conservancy Program Advisory Committee.
Recommendation: Adopt Resolution No. 10-2017.
Result of Recommended Action: Adoption of this resolution will appoint Donald Terry to serve on the Lower American River Conservancy Advisory Committee.
Staff Report: Mindy Cuppy, City Clerk.
Advances Goals: 1, 2, 3, 4, 5.
- 13.5 **Subject:** Memorandum of Understanding between the County of Sacramento, City of Rancho Cordova, and Sacramento Regional Transit Relating to Distribution of Transit Fees.
Recommendation: Adopt Resolution No. 6-2017.
Result of Recommended Action: Adoption of this resolution will authorize the City Manager to execute the Memorandum of Understanding (MOU) in the form of Contract No. 2-2017 with the County of Sacramento (COUNTY), and Sacramento Regional Transit (RT) relating to the distribution and expenditure of development fees for transit

purposes that have been collected by the County.

Staff Report: Elizabeth Sparkman, Engineering Manager.

Advances Goals: 2, 5.

14. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

ACTION: Motion to approve items 14.1 through 14.3 by Budge second by McGarvey;
Carried by a 5:0 roll call vote.

- 14.1 **Subject:** Resolution Declaring a Protest Hearing and Authorizing the Mailing of Property Owner Ballot Relating to the Imposition of the Annual Stormwater Utility Fee for Veranda at Stone Creek Project.

Recommendation: Adopt Resolution No. 14-2017.

Result of Recommended Action: Action on this item will declare the results of the property owner protest and, if there exists less than a majority protest, authorize the mailing of a ballot to property owner to approve the levy of the fee to pay for maintenance of storm drainage and flood protection systems for the Veranda at Stone Creek Project. The action also sets 5:30 p.m. on February 21, 2017 in the office of the City Clerk, as the time and date for the public hearing for the matter.

Staff Report: Elizabeth Sparkman, Engineering Manager.

Advances Goals: 5.

- 14.2 **Subject:** Grantline Road Properties, LLC – Project No. DD 9619 Grantline West Renewal of Surface Mining and Reclamation Plan Amendment Permit.

Recommendation: That Council:

a) Adopt Resolution No. 17-2017 Approving the Renewal of the Surface Mining and Reclamation Plan Amendment Permit for the Grantline West Mining Operation, Project No. DD 9619.

b) Adopt Resolution No. 18-2017 Authorizing the City Manager to execute a Roadway Impact and Truck Management Program Agreement and a Payment Agreement with Grantline Road Properties, LLC for the Grantline West Mining Operation.

Result of Recommended Action: Adoption of this referenced resolution would permit the surface mining to continue for an additional 10 years and the reclamation plan for an additional 12 years.

Staff Report: June Cowles, Senior Planner.

Advances Goals: 5, 6.

- 14.3 **Subject:** Zoning Text Amendment to Allow Cardrooms in the Convention Overlay District and Conditional Use Permit; Project No. DD9675 – Located at 11275 Folsom Boulevard, for a Cardroom Use at This Location, Contingent Upon the Adoption and Effective Date of the Zoning Code Text Amendment Allowing the Use.

Recommendation: Introduce and waive the first reading of Ordinance 1-2017 and adopt Resolution 19-2017.

Result of Recommended Action: Approval of Ordinance 1-2017 would amend land use table 23.325-1 to add “Card Room” to the Land Use Category and allow card rooms with the approval of a Conditional Use Permit in the Convention Overlay zone. Adoption of Resolution 19-2017 would approve a Conditional Use Permit for the Card Room use at 11275 Folsom Boulevard, contingent upon the adoption and effective date of Ordinance 1-2017.

Staff Report: Nicholas Sosa, Assistant Planner.

Advances Goals: 2, 6.

15. PUBLIC HEARING ITEMS

NONE.

16. REGULAR CALENDAR ITEMS

- 16.1 **Subject:** Legislative Update by Joe. A Gonsalves & Son.
Recommendation: Receive report.
Result of Recommended Action: Council will receive an update from our state lobbyist regarding highlights of the 2016 legislative session and key issues for the current 2017 session.
Staff Report: Maria Kniestedt, Communications and Legislative Affairs Manager.
Advances Goals: 1, 2, 4, 5, 6.

ACTION: Discussion item only; no action taken.

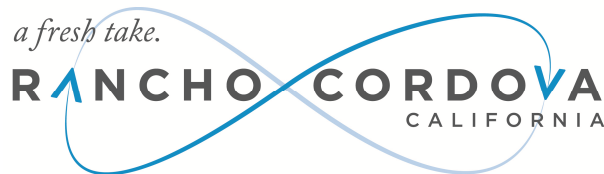
17. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

- Vice Mayor Budge asked that staff schedule a homelessness workshop to update the council.
- Mayor Terry asked for an update on implementation and enforcement of ordinances passed.

18. ADJOURNMENT

Mayor Terry adjourned the meeting at 7:00 PM.

Mindy Cuppy, MMC, City Clerk



**CONCURRENT MEETING
CITY COUNCIL/SUCCESSOR AGENCY COMMUNITY REDEVELOPMENT AGENCY
(CRA)/RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

City Hall
2729 Prospect Park Drive, Rancho Cordova

Wednesday, February 15, 2017

5:30 PM – Special Meeting
American River Community Room South

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Terry called the special meeting to order in the American River Community Room North at 5:37 PM.

Council Members Present: McGarvey, Sander, Terry, Budge, Skoglund

Council Members Absent: None

Staff Members Present: Lindgren, Cuppy, Abhar, Busch, Haven, Simpson, Downton, Flory, Delaney, Kniestedt, Sotelo, Mingay, Behrends, Sparkman, Norton, Brown, Heisler, Juran-Karageorgiou

2. PUBLIC COMMENT

The public was encouraged to make comments throughout the meeting.

3. SPECIAL MEETING ITEM

- 3.1 **Subject:** Receive Presentation and Provide Policy Direction for the Preparation of the Fiscal Year 2017-19 Budget. Continued Discussion from the January 31, 2017 Work Session and Topics May Include the Following:

- Homelessness
- Boards and Commissions
- City Sponsorships
- Legacy Projects, such as Mather Headquarters Building (Von Karman Street, Mather, CA)

ACTION: Discussion item only; no action taken.

4. ADJOURNMENT

Mayor Terry adjourned the meeting at 7:57 PM.

Mindy Cuppy, MMC, City Clerk

CITY OF RANCHO CORDOVA

ORDINANCE NO. 1-2017

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AMENDING TABLE 23.325-1 IN SECTION 23.325.020, CONVENTION OVERLAY ZONING DISTRICT, OF THE ZONING CODE TO ADD “CARD ROOM” TO THE ALLOWABLE LAND USE CATEGORIES WITH APPROVAL OF A CONDITIONAL USE PERMIT

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Purpose and Declarations.

WHEREAS, on October 20, 2016 the City of Rancho Cordova (“City”) received an application from BIMtech Inc. (“Applicant”) for a Zoning Code Amendment to allow a “Card Room” with the approval of a Conditional Use Permit in the Convention Overlay Zoning District; and

WHEREAS, Table 23.325-1 of Section 23.325.020 of the City’s Zoning Code currently regulates the allowed uses within the Convention Overlay District; and

WHEREAS, the proposed Zoning Code amendment would modify the land use table to add “Card Room” as a land use category and allow such uses with the approval of a Conditional Use Permit in the Convention Overlay Zoning District; and

WHEREAS, these amendments were analyzed and determined to be exempt from California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Chapter 3, Division 6 (State CEQA Guidelines) Section 15061 (General Rule); and

WHEREAS, on February 6, 2017 the City Council held a properly noticed public hearing at which it received a report from City staff, oral and written testimony from the public, and deliberated on the item.

Section 2. Findings: Pursuant to Zoning Code section 23.146.040, the City Council may approve or approve with conditions an application for a zoning amendment after finding all of the following:

A. Finding: The proposed amendment is consistent with the General Plan;

Evidence: The proposed Zoning Code Amendment (“Amendment” or “proposed Amendment”) is consistent with the General Plan as required by Government Code Section 65454. The Amendment is consistent with and implements the following provisions of the City’s adopted General Plan:

General Plan Goals, Policies, and Actions:

§ Land Use Action.1.1.1 – Regularly evaluate the mix of land uses as the City grows to analyze build out conditions, market conditions, etc.

The proposed Zoning Code Amendment would allow for Card Rooms to be located within the Convention Overlay with the requirement of a Conditional Use Permit (CUP). The amendment to allow a Card Room would support the intentions of the Convention Overlay (CO) district which is intended to be a place in the city that is entertaining, vibrant, and

inviting to tourists, visitors, and residents alike that fosters and supports a convention center district.

- B. Finding: The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the city;

Evidence: The proposed Amendment to allow a Card Room with a required CUP has been reviewed and approved by the Rancho Cordova Police Department (RCPD). RCPD did not identify any concerns regarding the proposal and did not recommend any changes to the proposed project. The applicant will be subject to all required State regulations, Conditions of Approval, as well as Section 23.939.020 (Special Regulated Uses) and Title 4.22 “Card Rooms” in the Rancho Cordova Municipal Code. This Amendment will not be detrimental to the public interest or welfare of the City.

- C. Finding: The amendment has been reviewed in compliance with the provisions of the California Environmental Quality Act (CEQA);

Evidence: The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Chapter 3, Division 6 (State CEQA Guidelines) Section 15061 (General Rule). The proposed Zoning Code text amendment is to allow a Card Room with a required CUP within the Convention Overlay (CO) district. The proposed Amendment is consistent with anticipated scope of the General Plan and requires no further environmental review. Furthermore, this is a procedural change in the Zoning Code that will not result in a direct, or reasonably foreseeable indirect, physical change in the environment. Therefore, adoption of the Ordinance is not subject to CEQA pursuant to Guidelines Section 15060(c)(2).

- D. Finding: If a map amendment, the site is physically suitable (including absence of physical constraints, access, compatibility with adjoining land uses, and provisions of utilities) for the requested zoning designations and anticipated land uses/development;

Evidence: This project does not propose a map amendment but only proposes an amendment to add the Card Room use to the allowable land use category with an approved CUP within the existing boundaries of the Convention Overlay district.

- E. Finding: If a text amendment, the amendment is internally consistent with other applicable provisions of this zoning code;

Evidence: The proposed Amendment is to add Card Room to the allowable uses with the requirement of a Conditional Use Permit, to the existing Land Use Category in Table 23.325-1 of the Convention Overlay (CO). This Amendment is consistent with the overall intentions of the CO zone and the use will still be held to the applicable provisions of Section 23.939.020 (Special Regulated Uses), Title 4.22 “Card Rooms” and all other appropriate development standards and regulations imposed by the City of Rancho Cordova Municipal Code.

Section 3. Zoning Code Amendments. The City Council hereby adopts the amendments to Table 23.325-1: Allowed Use Provisions in the Convention Overlay Zoning District as follows (additions in red, bold text, below “Research and Development”):

Table 23.325-1 (Excerpt)

Land Use Category	Convention Overlay Zoning District	Special Use Regulations
Industrial, Manufacturing, and Processing Uses		
Manufacturing – Small Scale	AUP	
Printing and Publishing	AUP	
Research and Development	AUP	
Special Regulated Uses		
Card Rooms	C	RCMC 23.919.020

Only those amendments in red are adopted herein.

Section 4. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance, is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 5. Effective Date

Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent, or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its inception.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Kim Juran-Karageorgiou, Chief Financial Officer

SUBJECT: Treasurer's Report – December 31, 2016.



RECOMMENDATION

This report is informational only. It is recommended that the City Council receive and file the December 2016 Treasurer's Report.

RESULT OF RECOMMENDED ACTION

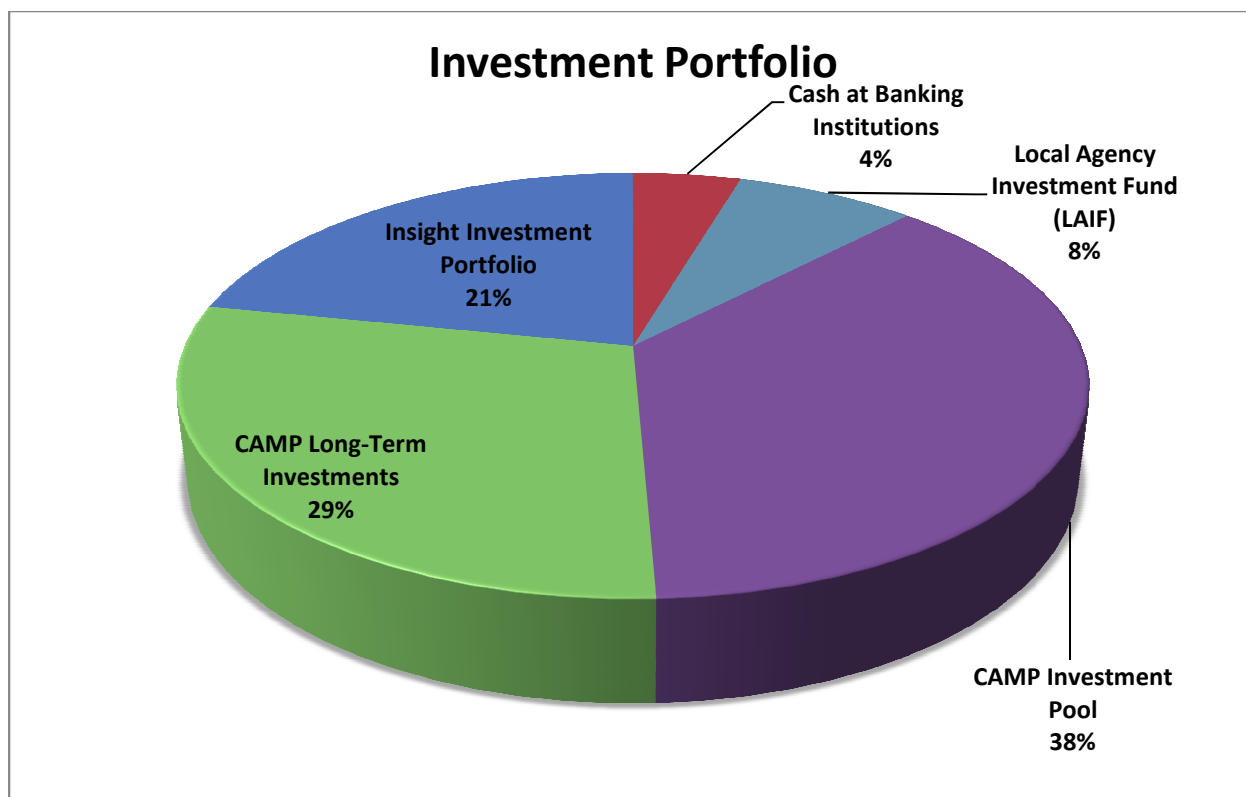
The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the treasurer's report is to update the City Council and the public on the status of the City's cash balances and investments, and highlight material changes from one period to another. The scope of this report covers the fourth quarter of calendar year 2016, ending December 31, 2016 and is in compliance with the State's reporting requirements.

BACKGROUND

Attached is the quarterly Treasurer's report for the period ending December 31, 2016. Treasurer's reports are provided to Council on a quarterly basis.

At September 30, 2016 the value of the City's total portfolio was \$124 million. Since that time, the balances decreased by \$2.12 million with an ending balance of \$121.9 million as of December 31, 2016. The funds are held as follows:

	Par Value	Market Value
Cash at Banking Institutions	\$ 5,445,368	5,445,368
Local Agency Investment Fund (LAIF)	9,294,323	9,294,323
CAMP Investment Pool	45,150,434	45,150,434
Insight Investment Portfolio	26,657,015	26,762,363
CAMP Long-Term Investments	35,085,000	35,231,250
Total	\$ 121,632,140	121,883,737



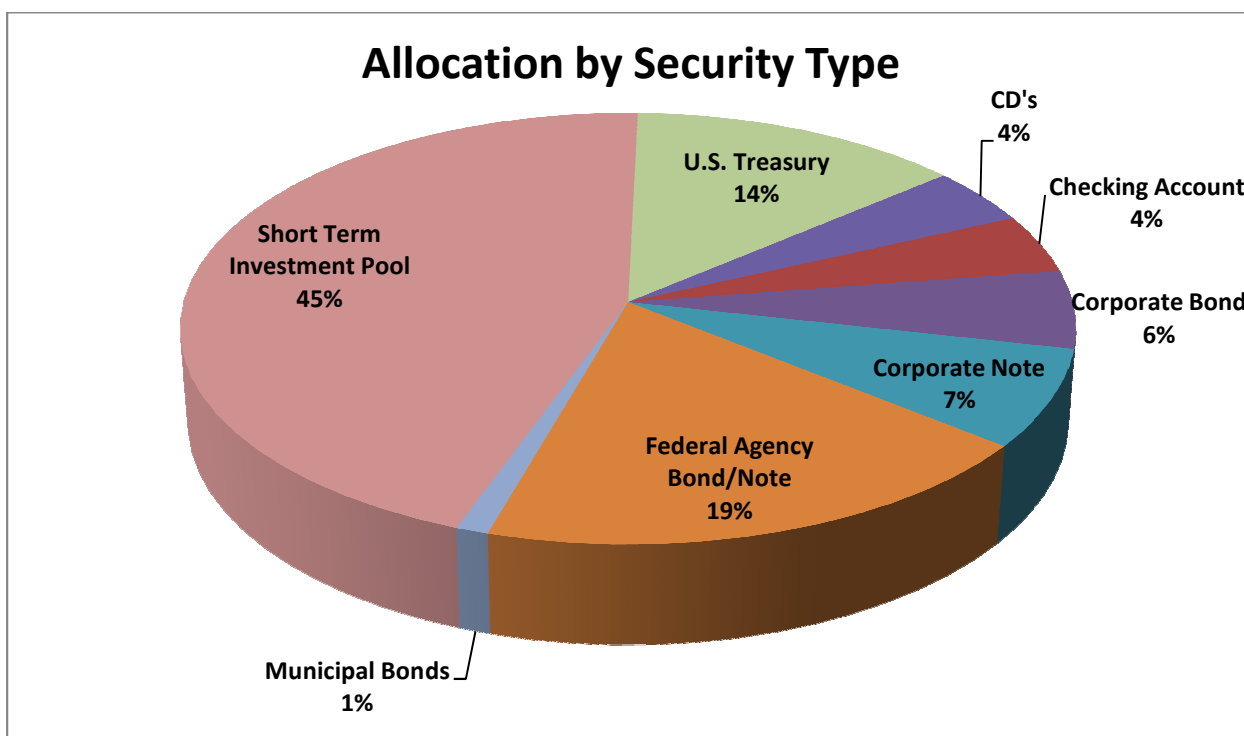
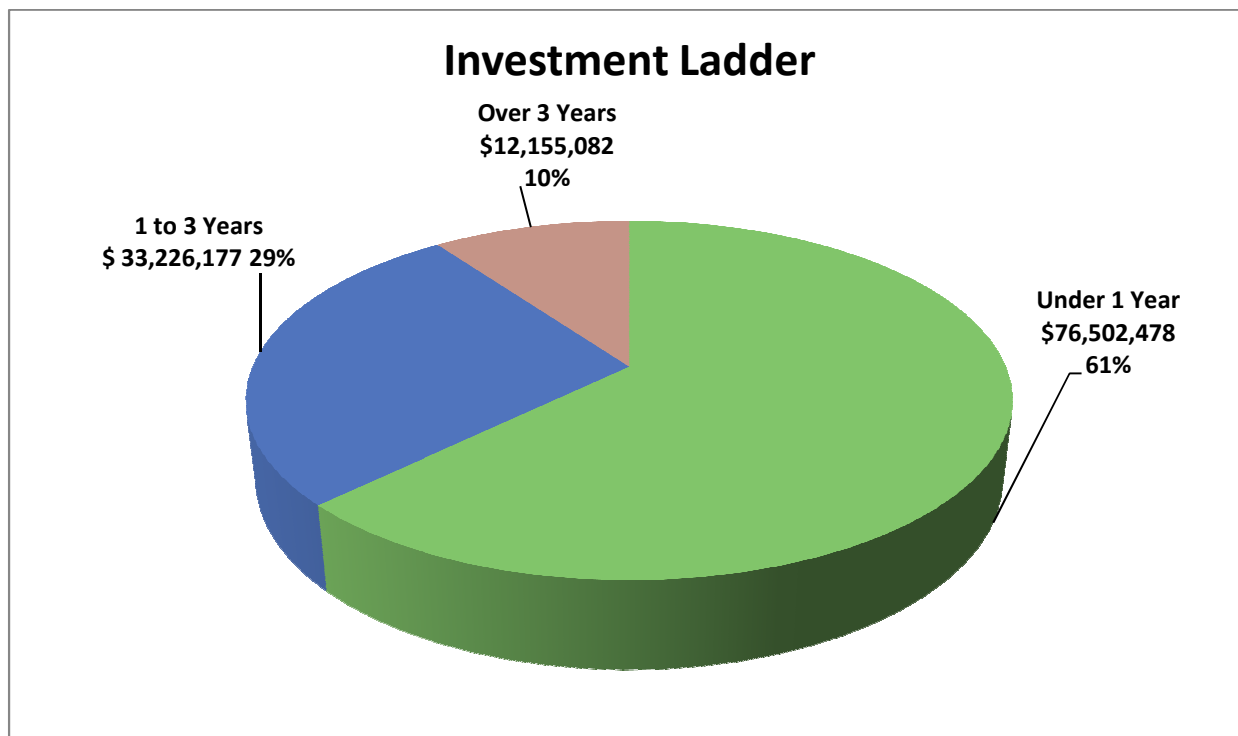
At December 31, 2016 the General Fund Cash and Investments balance was \$19.9 million, while the remaining \$101.9 million were restricted to specific activities and were recorded in Special Revenue, Enterprise, Internal Service or Agency Funds.

The overall portfolio is well diversified with \$61.8 million invested in marketable securities. \$54.5 million is invested in short-term investments that are considered liquid (LAIF, CAMP, and money markets). Another \$5.4 million is on deposit with our banks. Staff, in conjunction with our financial advisors, periodically reviews the mix of liquid and long-term investments and adjusts the portfolio according to the market conditions and our short-term cash needs.

Cash and short-term investments increased by \$586 thousand while long-term investments decreased by \$2.7 million. The decrease in cash is typical for this time of year due to the timing of property tax payments; our largest revenue source. In the first two quarters of the year, we do not receive property tax. We will begin to receive property tax in the third quarter and balances will then increase.

Staff thoroughly reviews investment statements and makes appropriate inquiries of CAMP, LAIF, and MBIA, as necessary, to confirm the existence and viability of the City's assets. The City invests conservatively in investment policy options in accordance with California State Government Code. The long-term assets are in securities that can be held to maturity, thus are less vulnerable to the fluctuations of the market. All securities are in compliance with the City's investment policy. There are sufficient funds to meet the City's expenditure requirements for the next six months.

The distributions of investments are displayed in the following charts:



ATTACHMENT

City of Rancho Cordova Treasurer's Report December 31, 2016.

City of Rancho Cordova
Treasurer's Report December 31, 2016

Security Held	Coupon	Par Value	Cost	Market Value	Maturity Date
Wells Fargo Checking		\$ 5,394,428	5,394,428	5,394,428	12/31/2016
Banner Bank Certificate of Deposit		50,940	50,940	50,940	12/31/2016
		5,445,368	5,445,368	5,445,368	
Wells Fargo Adv Treasury Plus MMF		\$ 107,015	107,015	107,015	12/31/2016
Local Agency Investment Fund (LAIF)	0.57	\$ 9,294,323	9,294,323	9,294,323	12/31/2016
California Asset Management Program (CAMP)	0.51%	\$ 45,150,434	45,150,434	45,150,434	12/31/2016
Insight Investment Portfolio					
Colgate-Palm Co	1.3	500,000	503,540	500,033	1/15/2017
IBM Corp	1.25	750,000	755,655	750,169	2/6/2017
Berkshire Hathaway	1.6	400,000	409,253	400,746	5/15/2017
Pfizer Inc	1.1	1,000,000	1,004,140	1,000,069	5/15/2017
Freddie Mac	1	1,000,000	1,001,640	1,001,554	7/28/2017
PEPSICO Inc	1.25	500,000	498,965	500,191	8/13/2017
Fannie Mae	0.875	1,500,000	1,494,165	1,501,031	8/28/2017
Fannie Mae Notes	1	500,000	501,350	500,440	9/20/2017
USA Treasury	0.75	750,000	747,393	749,327	10/31/2017
Federal Farm Credit Bank	2.5	900,000	931,779	912,474	12/1/2017
JP Morgan Chase	6	400,000	474,708	417,250	1/15/2018
Wells Fargo	1.49	400,000	400,124	399,521	1/16/2018
Freddie Mac	0.85	1,000,000	1,000,500	997,070	1/29/2018
USA Treasury	1	1,000,000	1,000,781	999,258	1/31/2018
Wal-Mart	5.8	400,000	480,332	419,575	2/15/2018
Federal Home Loan Bank Notes	1.125	1,000,000	1,006,580	999,040	2/28/2018
Fannie Mae	1.1	1,000,000	1,004,830	999,930	3/12/2018
USA Treasury	1	750,000	751,348	750,352	3/15/2018
General Electric Co	5.625	850,000	995,195	897,086	5/1/2018
Apple Inc.	1	400,000	396,704	398,500	5/3/2018
Federal Home Loan Bank Notes	1.05	750,000	748,748	748,335	5/30/2018
Federal Farm Credit Bank	2.58	750,000	780,645	764,408	6/8/2018
U.S. Treasury Notes	0.875	1,000,000	997,813	996,797	7/15/2018
Federal Home Loan Bank	1.125	750,000	754,133	749,561	9/14/2018
Federal Farm Credit Bank	1.29	1,000,000	1,008,840	1,001,280	11/19/2018
Federal Home Loan Bank	1.75	900,000	919,710	909,422	12/14/2018
Toyota Motor Credit Corp	2.1	500,000	510,390	502,895	1/17/2019
Federal Farm Credit Bank	1.16	1,000,000	1,001,870	996,110	3/21/2019
Freddie Mac	3.75	800,000	844,704	842,754	3/27/2019
Toyota Motor Credit Corp	1.4	1,000,000	1,006,730	988,654	5/20/2019
Fannie Mae	1.075	1,000,000	999,500	990,690	7/11/2019
Fannie Mae	0.875	2,100,000	2,096,101	2,070,829	8/2/2019
		26,550,000	27,028,163	26,655,348	
CAMP Long-Term Investments					
Rabobank Nederland NV Cert Depos	1.07	600,000	600,000	599,936	4/21/2017
John Deere Capital Corp Notes	1.125	435,000	434,796	434,975	6/12/2017
Toronto Dominion Bank NY YCD	1.24	550,000	550,000	550,246	6/16/2017
HSBC USA Inc	1.3	190,000	189,711	189,945	6/23/2017
CA Earthquake Auth Txbl Rev Bonds	1.82	150,000	150,000	150,429	7/1/2017
Tennessee Valley Authority Notes	5.5	1,000,000	1,074,790	1,025,854	7/18/2017
OR State Taxable Go bonds	1.14	200,000	200,000	200,210	8/1/2017
Palo Alto USD, CA GO Bonds	1.402	550,000	550,000	551,491	8/1/2017
Svenska Handelsbanken NY FLT Cert	1.11	575,000	575,000	575,322	8/24/2017
Wells Fargo & Co.	1.4	300,000	299,703	299,647	9/8/2017
US Bank NA Cincinnati (Callable) CD	1.375	550,000	549,115	550,866	9/11/2017
IBM Corp Notes	5.7	600,000	693,852	617,983	9/14/2017

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City of Rancho Cordova
Treasurer's Report December 31, 2016

Security Held	Coupon	Par Value	Cost	Market Value	Maturity Date
American Express Credit Corp Notes	1.55	125,000	124,833	125,139	9/22/2017
HSBC USA Inc Notes	1.5	200,000	199,964	199,867	11/13/2017
Skandinaviska Enskilda Banken NY C	1.48	550,000	550,000	549,068	11/16/2017
HSBC Bank USA NA Floating Cert	1.218	200,000	200,000	200,348	11/17/2017
Tennessee Valley Authority Notes	6.25	550,000	609,070	577,186	12/15/2017
Tennessee Valley Authority Notes	6.25	1,230,000	1,360,675	1,290,798	12/15/2017
IBM Copr Notes	1.125	300,000	299,085	299,318	2/6/2018
JP Morgan Chase Corp Notes (Callab	1.7	275,000	274,929	274,975	3/1/2018
Chevron Corp Notes	1.365	100,000	100,000	99,902	3/2/2018
Exxon Mobil Corporate Notes	1.305	600,000	600,000	599,858	3/6/2018
Freddie Mac Global Notes	0.875	200,000	199,472	199,741	3/7/2018
Royal Bank of Canady NY CD	1.7	750,000	750,000	750,851	3/9/2018
American Honda Finance Corp Note:	1.5	225,000	224,699	224,968	3/13/2018
General Elec CAP Corp Global Notes	1.625	600,000	601,338	601,963	4/2/2018
Toyota Motor Credit Corp	1.2	400,000	399,904	398,223	4/6/2018
PEPSICO, Inc Corp Notes	1.25	250,000	249,970	249,685	4/30/2018
Microsoft Corp Global Notes	1.01	145,000	144,909	144,616	5/1/2018
Apple Inc Global Notes	1.08	265,000	264,022	264,006	5/3/2018
Berkshire Hathaway Notes	1.31	210,000	209,878	209,463	5/15/2018
Univ of Cal Taxable Rev Bonds	2.054	385,000	385,000	388,130	5/15/2018
Cisco Systems Inc Corp Note	1.66	475,000	474,919	476,433	6/15/2018
Chevron Corp Global Notes	1.72	380,000	380,000	381,164	6/24/2018
FHLB Global Note	0.875	350,000	349,762	348,074	10/1/2018
Fannie Mae Global Notes	1.625	300,000	300,009	302,261	11/27/2018
U.S. Treasury Notes	1.25	145,000	143,986	145,210	11/30/2018
Canadian Imperial Bank of NY CD	1.76	700,000	699,454	705,649	11/30/2018
Nordea Bank Finland NY CD	1.76	700,000	700,000	705,649	11/30/2018
Citigroup Inc. Corporate Notes	2.05	550,000	549,923	549,938	12/7/2018
John Deere Capital Corp Notes	1.95	130,000	129,992	130,548	1/8/2019
FHLB Notes	1.25	325,000	324,987	324,887	1/16/2019
U.S. Treasury Notes	1.5	335,000	333,443	336,819	1/31/2019
U.S. Treasury Notes	1.5	465,000	464,201	467,525	1/31/2019
Toyota Motor Credit Corp	1.7	300,000	299,964	299,052	2/19/2019
American Honda Finance Corp Note:	1.7	110,000	109,978	109,549	2/22/2019
FNMA Benchmark Note	1	600,000	598,584	596,270	2/26/2019
Berkshire Hathaway Inc. Notes	1.7	80,000	79,939	79,929	3/15/2019
Goldman Sachs Grp Inc	2	415,000	414,734	413,352	4/25/2019
Goldman Sachs Grp Inc	2	85,000	84,764	84,662	4/25/2019
Citigroup Inc. Corporate Notes	2.05	80,000	79,958	79,698	6/7/2019
FHLMC Series KPO3 A2	1.78	700,000	706,983	697,634	7/1/2019
American Honda Finance	1.2	100,000	99,900	98,223	7/12/2019
FHLMC Reference Note	0.875	600,000	598,548	592,075	7/19/2019
Fannie Mae Series 2015-M13	1.646	250,000	252,503	249,700	9/1/2019
Burlington Nth Corp	4.7	400,000	441,560	430,174	10/1/2019
American Express Credit Corp Notes	1.7	75,000	74,911	74,268	10/30/2019
U.S. Treasury Notes	1.5	350,000	351,805	350,848	10/31/2019
U.S. Treasury Notes	1.5	650,000	652,641	651,574	10/31/2019
U.S. Treasury Notes	1.25	275,000	274,248	272,809	2/29/2020
U.S. Treasury Notes	1.25	450,000	444,076	446,414	2/29/2020
U.S. Treasury Notes	1.25	1,500,000	1,481,191	1,488,047	2/29/2020
U.S. Treasury Notes	2	250,000	253,154	253,233	7/31/2020
U.S. Treasury Notes	2	425,000	437,368	430,495	7/31/2020
U.S. Treasury Notes	2	600,000	619,523	607,758	7/31/2020
U.S. Treasury Notes	2	900,000	925,453	911,637	7/31/2020
U.S. Treasury Notes	2	1,500,000	1,551,328	1,519,395	7/31/2020
U.S. Treasury Notes	1.375	275,000	280,027	272,142	8/31/2020
U.S. Treasury Notes	1.375	800,000	801,156	791,687	8/31/2020
U.S. Treasury Notes	1.375	850,000	866,834	841,168	8/31/2020
U.S. Treasury Notes	1.375	850,000	859,463	841,168	8/31/2020
U.S. Treasury Notes	1.75	500,000	515,723	499,844	12/31/2020

**City of Rancho Cordova
Treasurer's Report December 31, 2016**

Security Held	Coupon	Par Value	Cost	Market Value	Maturity Date
U.S. Treasury Notes	2	600,000	621,680	604,781	2/28/2021
American Express Credit Corp Notes	2.25	500,000	502,735	494,042	5/5/2021
FHLB Global Note	1.125	700,000	695,743	675,682	7/14/2021
U.S. Treasury Notes	2	1,200,000	1,203,609	1,204,781	8/31/2021
		35,085,000	35,645,475	35,231,250	
TOTAL		121,632,140	122,670,778	121,883,737	

MEMORANDUM

DATE: February 21, 2017
TO: Honorable Mayor and Council Members
FROM: Kim Juran-Karageorgiou, Chief Financial Officer
SUBJECT: Banner Bank Authorized Signers



RECOMMENDATION

Adopt Resolution 25-2017.

RESULT OF RECOMMENDED ACTION

New signature cards will be provided by Banner Bank to allow key personnel to make decisions on behalf of the City of Rancho Cordova in regards to city funds on deposit with Banner Bank. The resolution will also remove staff no longer employed by the City.

BACKGROUND

With the departure of City staff and the subsequent hire of other key personnel, the authorized signers of the Banner Bank account need to be updated. The resolution will allow key personnel to make decisions on behalf of the City of Rancho Cordova in regards to city funds on deposit with Banner Bank.

ATTACHMENT

Resolution 25-2017.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 25-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
REPLACING AUTHORIZED SIGNERS FOR ACCOUNTS WITH BANNER BANK**

WHEREAS, the City of Rancho Cordova maintains an account with Banner Bank; and

WHEREAS, employee changes occurred over time and the removal and addition of authorized signers shall be recognized; and

WHEREAS, this Resolution supersedes all previous resolutions pertaining to Banner Bank.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA hereby removes Donna Silva and Joe Chinn from authorized signers and replaces them with Cyrus Abhar, City Manager and Kim Juran-Karageorgiou, Chief Financial Officer.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Stacy Delaney, Community Enhancement Analyst



SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH CORDOVA COMMUNITY COUNCIL FOUNDATION TO PROVIDE FUNDING FROM THE CITY'S FISCAL YEAR 2017-2018 COMMUNITY ENHANCEMENT FUND IN SUPPORT OF THE ENHANCEMENTS TO THE 2017 RANCHO CORDOVA FOURTH OF JULY PARADE.

RECOMMENDATION

Adopt Resolution No. 32-2017.

RESULT OF RECOMMENDED ACTION

Adoption of this Resolution will authorize the City Manager to execute an Agreement for up to \$40,900 so the planning process for the band competition and bike parade can commence.

BACKGROUND

The Rancho Cordova Fourth of July Parade has been an ongoing community project in Rancho Cordova for over 30 years. The Fourth of July serves as an opportunity to engage the community and bring people together. In 2016, a youth band competition and a youth bike parade was added to the Rancho Cordova Fourth of July Parade. For first year events, they had a great showing. With renewed interest and an earlier jumpstart on planning, this furthers the goal of having the most prestigious and fun Fourth of July parade in northern California.

On January 31, 2017, City Council authorized the City Manager, or his or her designee, to work with the Cordova Community Council Foundation on the funding Agreement. The funding source wasn't identified at that meeting. The project cost includes some administrative fees that need to be discussed and agreed upon by the applicant and the City prior to the execution of the agreement. The funding for this program will be the City's fiscal year 2017-2018 Community Enhancement Fund.

ATTACHMENT

Resolution No. 32-2017.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 32-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH CORDOVA
COMMUNITY COUNCIL FOUNDATION TO PROVIDE FUNDING FROM THE CITY'S FISCAL
YEAR 2017-2018 COMMUNITY ENHANCEMENT FUND IN SUPPORT OF THE
ENHANCEMENTS TO THE 2017 RANCHO CORDOVA FOURTH OF JULY PARADE.**

WHEREAS, The City Council authorized the City Manager, or his or her designee, to work with the Cordova Community Council Foundation on the funding agreement for the enhancements to the 2017 Rancho Cordova Fourth of July Parade; and

WHEREAS, adoption of this resolution will authorize the City Manager to execute an Agreement for up to \$40,900 so the planning process for the band competition and bike parade can commence; and

WHEREAS, the project allocation (increases or decreases) will exceed the individual or cumulative amount the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to charge the City's fiscal year 2017-2018 Community Enhancement Fund for the contract with Cordova Community Council Foundation.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Stacy Delaney, Community Enhancement Analyst



SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO CHARGE THE CITY'S FISCAL YEAR 2016-2017 COMMUNITY ENHANCEMENT FUND FOR THE PROGRAM COSTS ASSOCIATED WITH THE HIGH SCHOOL TO WORK AND/OR COLLEGE PROGRAM KNOWN AS PROFESSIONAL PATHWAYS WITH VSP GLOBAL, WHICH WILL PROVIDE CORDOVA HIGH SCHOOL STUDENTS WITH SKILLS, TRAINING AND RESOURCES TO TRANSITION FROM HIGH SCHOOL TO COLLEGE OR THE WORKPLACE.

RECOMMENDATION

Adopt Resolution No. 33-2017.

RESULT OF RECOMMENDED ACTION

Adoption of this Resolution will allow the City Manager to charge the City's fiscal year 2016-2017 Community Enhancement Fund up to \$25,000 for the program costs expected to be paid by September 30, 2017.

BACKGROUND

In October 2016, the City entered into an agreement with Folsom Cordova Unified School District to implement a high school to work and/or college program, known as the Professional Pathways with VSP Global, which provides Cordova High School students with skills, training and resources to transition from high school to college or the workplace.

These services benefit the City of Rancho Cordova and its residents by preparing high school students to be successful in the workplace after high school and recruit Rancho Cordova residents for jobs in the City, and provide programs that develop students as professionals.

This program forms a partnership with VSP Global, Cordova High School, Folsom Lake College, and the City of Rancho Cordova. Participating students have the opportunity to receive customized training from VSP Global mentors and may apply for VSP Global jobs (must be 18 years old) between June and December of 2017. They also interact with Folsom Lake College and City of Rancho Cordova staff.

The program participants are students enrolled at Cordova High School who belong to one of three cohorts/academies on campus (Business and Technology Academy, Engineering Academy, and International Baccalaureate). Students who participate in the program will be

eligible to receive an achievement award of \$250 if they fulfill all of the program requirements. Additional awards may be given for students who demonstrate achievement above and beyond the established criteria listed below (an additional \$250).

To be eligible for the standard award, students must meet the following criteria:

- Recent 2017 graduate with a 2.0 or higher GPA
- Meet all Cordova High School Academy/IB good behavior and attendance guidelines with teacher recommendation
- 20 hours of completed and verified volunteer hours serving the community of Rancho Cordova
- Completion of the application including written summary of why applicant should be awarded the grant
- An updated resume
- Verification by Career Center staff at Cordova High School that all eligibility criteria was met
- 100% participation in the Professional Pathways with VSP Global Program

The \$25,000 budget for the Professional Pathways with VSP Global Program is covered from the reallocation of funds originally approved for two different fiscal year 2016-2017 Community Enhancement Fund projects. The first project, known as Positive Coaching Alliance 2.0, is not moving forward. There is adequate available funding from their fiscal year 2015-2016 grant allocation to complete the scheduled trainings without needing the funding approved in fiscal year 2016-2017. Therefore, \$7,000 of the \$19,500 allocation is reallocated to Folsom Cordova Unified School District for the Professional Pathways with VSP Global program.

The second project, known as Digital Citizen Engagement, is also not moving forward. After prototyping the Digital Citizen Engagement system in fiscal year 2015-2016, it became clear the City's needs are being met through other tools, and therefore Digital Citizen Engagement is not needed. The contract was not renewed in fiscal year 2016-2017 and the \$18,000 will be reallocated to Folsom Cordova Unified School District for the Professional Pathways with VSP Global program. Together, these two reallocations form the \$25,000 budget

ATTACHMENT

Resolution No. 33-2017.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 33-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AUTHORIZING THE CITY MANAGER TO CHARGE THE CITY'S FISCAL YEAR 2016-2017 COMMUNITY ENHANCEMENT FUND FOR THE PROGRAM COSTS ASSOCIATED WITH THE HIGH SCHOOL TO WORK AND/OR COLLEGE PROGRAM KNOWN AS PROFESSIONAL PATHWAYS WITH VSP GLOBAL, WHICH WILL PROVIDE CORDOVA HIGH SCHOOL STUDENTS WITH SKILLS, TRAINING AND RESOURCES TO TRANSITION FROM HIGH SCHOOL TO COLLEGE OR THE WORKPLACE.

WHEREAS, The City and Folsom Cordova Unified School District entered into an agreement for use of City funds dated October 15, 2016; and

WHEREAS, adoption of this resolution will authorize the City Manager to charge the City's fiscal year 2016-2017 Community Enhancement Fund up to \$25,000 for the program costs expected to be paid by September 30, 2017; and

WHEREAS, the project allocation (increases or decreases) will exceed the individual or cumulative amount the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to charge the City's fiscal year 2016-2017 Community Enhancement Fund for the contract with Folsom Cordova Unified School District.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Stacy Delaney, Community Enhancement Analyst



SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT WITH RANCHO CORDOVA WHISKER WARRIORS TO PROVIDE SPAY AND NEUTER SERVICES, FLEA PREVENTION, VACCINES AND OTHER INCIDENTAL AND NECESSARY VETERINARIAN CARE RENDERED IN CONJUNCTION WITH THE EXISTING SPAY/NEUTER VOUCHER PROGRAM.

RECOMMENDATION

Adopt Resolution No. 34-2017.

RESULT OF RECOMMENDED ACTION

The contract amendment changes the total contract amount from \$25,557 to \$38,057, a budget increase of \$12,500.

BACKGROUND

In July 2016, the City entered into an agreement with Rancho Cordova Whisker Warriors who partners and works closely with City staff, Rancho Cordova residents, Sacramento SPCA, and Animal Spay and Neuter to administer a spay and neuter voucher program in Rancho Cordova. Through these partnerships, the Sacramento SPCA and Animal Spay and Neuter will approve vouchers to be used for qualifying Rancho Cordova residents to receive spay and neuter services for their pets, homeless cat colonies, as well as vaccines, antibiotics, ear mite and tapeworm treatments and other necessary incidental veterinarian treatments rendered in conjunction with those services. City Neighborhood Services staff shall determine resident eligibility for the vouchers.

Due to the ever increasing demand of the program, and the higher than expected spay, neuter, and veterinarian treatments rendered during the first six months of the program period, additional funds are needed to continue carrying out the program through the end of the fiscal year. Two hundred eighty-three spay/neuter services were provided from July 1, 2016 through December 31, 2016. It was estimated that 351 spay/neuter services would be provided during the full fiscal year.

The \$12,500 increased budget is covered from the reallocation of funds originally approved for a different fiscal year 2016-2017 Community Enhancement Fund project. That project, known as Positive Coaching Alliance 2.0, is not moving forward. There is adequate available funding from their fiscal year 2015-2016 grant allocation to complete the scheduled trainings without needing

the funding approved in fiscal year 2016-2017. Therefore, \$12,500 of the \$19,500 allocation is reallocated to Rancho Cordova Whisker Warriors.

ATTACHMENT

Resolution No. 34-2017, including Exhibit 1 Contract No. 85-2016-1.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 34-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT AMENDMENT 85-2016-1
WITH RANCHO CORDOVA WHISKER WARRIORS TO INCREASE THE OVERALL
FUNDING ALLOCATION IN FISCAL YEAR 2016-2017.**

WHEREAS, The City and Rancho Cordova Whisker Warriors entered into an agreement for use of City funds dated July 1, 2016; and

WHEREAS, adoption of this resolution will authorize the City Manager to execute contract amendment 85-2016-1 to change the contract amount from \$25,557 to \$38,057, a budget increase of \$12,500; and

WHEREAS, the necessary adjustments to the project allocation (increases or decreases) will exceed the individual or cumulative amount the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute a contract amendment with Rancho Cordova Whisker Warriors, Provider, attached as **Exhibit 1**.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

EXHIBIT 1
CONTRACT NO.: 85-2016-1

AMENDMENT NO. 1 TO
AGREEMENT BETWEEN CITY OF RANCHO CORDOVA
AND RANCHO CORDOVA WHISKER WARRIORS
FOR USE OF CITY FUNDS

This Amendment is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Rancho Cordova Whisker Warriors, a not-for-profit organization ("Provider") as of February 21, 2017.

Whereas, City has designated City funds to be used for spay and neuter services, flea prevention, vaccines and other incidental and necessary veterinarian care rendered in conjunction with those services, for dogs, cats and domesticated rabbits, of residents, and for the care of homeless cats, including spay and neuter services, flea prevention, vaccines, and other incidental and necessary veterinarian care rendered in conjunction with those services. These services benefit the City of Rancho Cordova and its residents by reducing pet overpopulation, caring for abandoned cats and preventing disease in the local pet population; and

Whereas, City and Provider entered into an agreement for use of City funds dated July 1, 2016, pursuant to which Provider will provide the services described above; and

Whereas, City and Provider now desire to amend the agreement for use of City funds to increase the contract amount from \$25,557 to \$38,057, a budget increase of \$12,500:

City and Provider agree as follows:

The Agreement between City of Rancho Cordova and Rancho Cordova Whisker Warriors For Use of City Funds, dated July 1, 2016, (the "Agreement") is hereby amended as follows:

1. Exhibit A of the Agreement is amended in its entirety to read as set forth on the Exhibit A attached hereto.
2. All other terms and conditions of the Agreement remain in full force and effect.

Signatures on following page.

EXHIBIT 1
CONTRACT NO.: 85-2016-1

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY :

PROVIDER :

 Cyrus Abhar
 City Manager

 Tera Kolvenbach
 Executive Director

Date: _____

Date: _____

Attest:

 Mindy Cuppy, City Clerk

Date: _____

Approved as to Form :

 Adam U. Lindgren, City Attorney

EXHIBIT 1
CONTRACT NO.: 85-2016-1

EXHIBIT A
SCOPE OF SERVICES

Provider: Rancho Cordova Whisker Warriors
Address: P.O. Box 1415, Rancho Cordova, CA 95741

Telephone: 916-747-7534

Email: terak17@gmail.com

Contact Person/Title: Tera Kolvenbach; Executive Director

Funding Allocation: \$38,057

Term: July 1, 2016 – July 30, 2017

1. Services to be Provided: Provider has partnered and works closely with the Sacramento SPCA and Animal Spay and Neuter. Through these partnerships, the Sacramento SPCA and Animal Spay and Neuter will approve vouchers to be used for qualifying Rancho Cordova residents (as well as homeless cats) to receive spay and neuter services (as well as vaccines, antibiotics, ear mites, tapeworm treatment and other necessary incidental veterinarian treatments rendered in conjunction with those services, if needed) for animals from the Sacramento SPCA and Animal Spay and Neuter. The Sacramento SPCA and Animal Spay and Neuter will then invoice the City monthly for the services and the City will pay Sacramento SPCA and Animal Spay and Neuter directly, up to the amounts specified below. City Neighborhood Services staff shall determine resident eligibility for vouchers based on Section 4 below. City shall distribute funds for community cat care in the form of gift cards for local pet stores, up to the amount listed below. Provider shall also conduct four outreach events during the term of this Agreement in schools, at community events or other venues in order to promote the spay and neuter of pets and the services provided by Provider.

2. Units of Service to be Provided: N/A

3. Use of Funds: Provider shall use the funds as follows:

\$21,000	Spay/Neuter Voucher Program
12,920	Other services described in section 1, above, provided under the voucher program
2,400	Community cat care (care for homeless cats which may include but is not limited to wet food)
1,457	Outreach/volunteer aid & recognition
<u>280</u>	Maintenance (care for homeless cats which may include but is not limited to building of structures, special traps, materials, etc.)
\$38,057	Total

EXHIBIT 1
CONTRACT NO.: 85-2016-1

The amounts listed above are estimates of the expenditures and may vary. However, the amount may not vary by more than 30% (with City Manager approval) unless the Agreement is amended. In no event shall the City's total payment to Provider under the Agreement exceed the total allocation shown above.

b. Unexpended Funds. If any funds advanced to Provider remain unexpended upon the expiration of the term of this Agreement, Provider shall return the unexpended funds to City within thirty (30) days of the expiration date of the Agreement.

Matching Funds and In-kind contributions: Provider will provide and also contribute the following funds or services:

\$2,160	Matching funds for community cat care (dry food)
\$1,632	Costs for spay and neuter services at one feral clinic each month hosted by the Coalition for Community Cats at the SPCA
\$ 840	Matching funds for outreach/volunteer aid and recognition
\$ 500	Shelter construction and maintenance for homeless cats
\$ 500	Flea treatments, to be provided with vouchers, to be applied by the Sacramento SPCA and Animal Spay and Neuter.
\$ 150	Microchips for animals receiving spay and neuter services pursuant to this agreement
\$5,782	Total

4. Eligibility Criteria for Qualification of Recipients for Services: All services shall be provided to eligible residents of Rancho Cordova and for homeless cats originating from and cared for within the City.

Provider shall keep documentation confirming eligibility requirements were met.

5. Allocation and Payment of Funds: City shall pay the funds to Provider as follows:

a. Services provided under the voucher program : City shall make payments to the SSPCA and Animal Spay and Neuter monthly based on the Provider's submission of monthly invoices to City with accompanying documentation indicating the costs of the services rendered during the previous month.

b. Community cat care: City shall pay the funds for community cat care in four installments, as follows: Upon execution of this Agreement City shall purchase gift certificates needed for community cat care expenses, valued at \$600 and thereafter shall

EXHIBIT 1
CONTRACT NO.: 85-2016-1

purchase additional gift certificates valued at that amount on or before October 1, 2016, January 1, 2017, and April 1, 2017.

c. Outreach, volunteer aid, recognition and maintenance: City shall pay amounts allocated to volunteer aid, recognition and maintenance upon presentation to City of invoices documenting that expenses for that item have been incurred. Or, if approved in writing in advance of the purchase by both the Provider and the City, the City may purchase the items directly.

6. Prior Agreement Superseded: The terms of this Agreement shall supersede and replace the original Agreement Between City of Rancho Cordova and Rancho Cordova Whisker Warriors for use of City Funds Dated October 12, 2015 and the first amendment to the Agreement dated February 3, 2016 which provide for the provision of the same services as set forth in Section 1, above, (the 2015 Agreement and Amendment no. 1 to the 2015 Agreement). All services rendered by Provider for such services which are rendered on or before June 30, 2016, shall be charged to the 2015 Agreement and all services rendered beginning on July 1, 2016, shall be charged to this Agreement. Provider shall submit a final Use of Funds Report and a Final Outcomes Report for the 2015 Agreement on or before July 30, 2016.

7. Reports: Provider shall file the following reports with City on the dates set forth below:

7.1 Report for Use of City Funds: Reports for Use of City Funds shall be provided to City by the fifteenth of each month documenting all use of City funds during the previous calendar month.

7.2 Outcomes Report: Quarterly Outcomes Reports shall be provided to City on or before, October 15, 2016, January 15, 2017, April 15, 2017, and July 15, 2017.

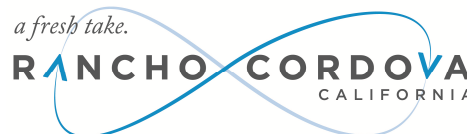
MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director and Omid Vaziri, Assistant Civil Engineer

SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THIRD CONTRACT AMENDMENT 16-2013-3 WITH WOOD RODGERS, INC. TO INCREASE THE CONTRACT AMOUNT FROM \$500,000 TO \$550,000 FOR THE MATHER RAILS TO TRAILS PROJECT.**



RECOMMENDATION

Adopt Resolution 9-2017.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute third contract amendment no. 16-2013-3 with Wood Rodgers, Inc. This will increase the contract amount from \$500,000 to \$550,000.

BACKGROUND

The City previously entered into contract 16-2013 with Wood Rodgers, Inc. for on-call professional services in the amount of \$300,000. Two contract amendments increased the contract to \$500,000 and extended the completion date from December 31, 2016 to June 30, 2018. This third contract amendment increases the total contract to \$550,000 and will allow Wood Rodgers, Inc. to provide engineering design services to complete final revisions for the Mather Rails to Trails Project.

The Mather Rails to Trails Project will utilize an existing abandoned railroad spur line to add a separated Bicycle and Pedestrian Trail from Mills Station Road to Mather Boulevard. The project will also include landscaping and lighting.

FISCAL IMPACT

Contract amendment 16-2013-3 is funded through gas tax. There is no impact to the City's General Fund.

ATTACHMENT

Resolution 9-2017 including Exhibit 1 – Contract 16-2013-3.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 9-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE THIRD CONTRACT AMENDMENT
16-2013-3 WITH WOOD RODGERS, INC., TO INCREASE THE CONTRACT AMOUNT
FROM \$500,000 TO \$550,000.**

WHEREAS, the Parties entered into a Professional Services Agreement (“PSA”) dated March 4, 2013, for the purpose of providing on-call civil engineering and surveying services; and

WHEREAS, contract amendment 16-2013-1 increased the contract amount from \$300,000 to \$500,000; and

WHEREAS, contract amendment 16-2013-2 extended the contract expiration date from December 31st, 2016 to June 1st, 2018; and

WHEREAS, adoption of this resolution will authorize the City Manager to execute contract amendment 16-2013-3 for on-call professional services to increase the contract amount from \$500,000 to \$550,000 for engineering design services for the Mather Rails to Trails Project; and

WHEREAS, the Mather Rails to Trails Project will utilize an existing abandoned railroad spur line and add a Class 1 Bicycle and Pedestrian Trail.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute contract amendment 16-2013-3 with Wood Rodgers, Inc., Consultant, to increase the contract amount from \$500,000 to \$550,000 attached as **Exhibit 1**.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2017 by the following vote

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

**THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF RANCHO CORDOVA AND WOOD RODGERS, INC.**

This Third Amendment to the Agreement for Professional Services ("Amendment") is made by and between the City of Rancho Cordova ("City") and WOOD RODGERS, INC. ("Professional") as of February 21, 2017. City and Professional are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, the Parties entered into a Professional Services Agreement ("PSA") dated March 4, 2013 for the purpose of providing on-call civil engineering and surveying services; and

WHEREAS, contract amendment 16-2013-1 increased the contract amount from \$300,000 to \$500,000; and

WHEREAS, contract amendment 16-2013-2 extended the contract expiration date from December 31st, 2016 to June 1st, 2018; and

WHEREAS, this third Contract Amendment will allow the Parties to increase the contract compensation amount from \$500,000 to \$550,000 for engineering and design services for the Mather Rails to Trails Project; and

WHEREAS, the Parties agree that changes to the term and services provided for in the PSA are necessary in order for the City to continue receiving services by Professional.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. Section 2 of the PSA, "Compensation," provides for the City to pay Professional a sum not to exceed \$500,000. The Parties agree to amend Section 2 of the PSA in order to increase the compensation amount to pay Professional for additional services. The first sentence of Section 2 of the PSA is amended to read as follows:

"City hereby agrees to pay Professional a sum not to exceed Five Hundred and Fifty Thousand Dollars (\$550,000), notwithstanding any contrary indication that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement."

2. All other terms and conditions in the PSA shall remain in full force and effect to the extent they are not in conflict with this Amendment.

3. The signatures of the Parties to this Amendment may be executed and acknowledged on separate pages or in counterparts which, when attached to this Amendment, shall constitute one complete Amendment.
4. **Contract Administration.** This Agreement shall be administered by Omid Vaziri ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

Notices. Any written notice to Professional shall be sent to:

Wood Rodgers, Inc.
 Attention: Mark Rayback, Project Manager
 3301 C Street, Bldg. 100-B
 Sacramento, CA 95816

Email Address (for Insurance Update Requests):

mrayback@woodrogers.com

Any written notice to City shall be sent to:

City of Rancho Cordova
 Attention: Omid Vaziri
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year first above written.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Mark Rayback, Vice President

Date: _____

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam U. Lindgren, City Attorney

Date: _____

2783069.1

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Elizabeth Sparkman, Engineering Manager



SUBJECT: RESOLUTION DECLARING THE RESULTS OF THE MAIL BALLOT ELECTION RELATING TO THE IMPOSITION OF THE STORMWATER UTILITY FEE ON VERANDA AT STONE CREEK PROJECT IN THE CITY OF RANCHO CORDOVA.

RECOMMENDATION

Adopt Resolution No. 15-2017 declaring the results of the mail ballot election relating to the imposition of the Stormwater Utility Fee on the Veranda at Stone Creek Project.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution will declare the results of the ballot tabulation in connection with the imposition of the annual Stormwater Utility Fee on the Veranda at Stone Creek Project. If majority approval exists, the City Council may impose the Annual Stormwater Utility Fee on the Veranda at Stone Creek Project pursuant to the Fee Ordinance. If there is no majority approval, the Stormwater Utility Fee shall not be imposed for the project.

BACKGROUND

The City Council previously adopted Resolution No. 1-2017 on January 17, 2017 declaring its intention to impose the Annual Stormwater Utility Fee ("Fee") pursuant to Ordinance No. 7-2014 on the Veranda at Stone Creek Project. A protest hearing was conducted on February 6, 2017 at which time no written protest was received from the property owner representing a majority of the parcel subject to the Fee. Council then adopted Resolution No. 14-2017 authorizing the mailing of a property owner ballot for the purpose of submitting the Fee to a vote of the owners subject to the Fee. Only one parcel is subject to the fee. The balloting period ended at 1:00 pm on February 16, 2017.

The Clerk has tabulated the ballot returned by the property owner for the Veranda at Stone Creek Project. If majority approval exists, Council may impose the annual Fee on the Veranda at Stone Creek Project pursuant to the Ordinance. If a majority approval does not exist, the Stormwater Utility Fee shall not be imposed for the project.

Tonight's Council action is to adopt Resolution No. 15-2017 declaring the results of the mail ballot election.

ATTACHMENT

Resolution No. 15-2017.

RESOLUTION NO. 15-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DECLARING THE RESULTS OF A MAIL BALLOT ELECTION RELATING TO THE IMPOSITION OF THE STORMWATER UTILITY FEE ON VERANDA AT STONE CREEK PROJECT IN THE CITY OF RANCHO CORDOVA

WHEREAS, on January 17, 2017 City Council adopted Resolution No. 1-2017 declaring its intention to impose the annual Stormwater Utility Fee ("Fee") for Veranda at Stone Creek Project; and

WHEREAS, Article XIII D of the California Constitution (Proposition 218) requires the City to follow certain procedural and substantive requirements relating to the imposition of property-related fees and charges (as defined in Proposition 218); and

WHEREAS, the City has determined that the Fee is a property related fee, subject to the provisions of Proposition 218; and

WHEREAS, before imposing the Fee, the City Council is required to hold a noticed public hearing on a written report (the "Written Report") containing a description of each parcel of real property within the City to which the Fee is applicable and the amount of the Fee for each such parcel for Fiscal Year 2016-2017 and to consider protests to the Fee and, if a majority protest is not received at the public hearing, the Council must submit the question of the imposition of the Fee to a vote of the owners of the property subject to the proposed Fee for approval before the proposed Fee may be levied; and

WHEREAS, in accordance with Proposition 218 the City Council held a duly noticed public hearing on the matter of the Written Report and the proposed Fee on February 6, 2017 and took testimony, both written and oral; and

WHEREAS, having determined a written protest was not received from property owner representing a majority of the parcels subject to the Fee, the City Council adopted Resolution No. 14-2017 authorizing the mailing of a property owner ballot (the "Ballot Measure") for the purpose of submitting the Fee to a vote of the owner of parcel subject to the Fee, and subject to approval by a majority vote of the owner of parcel subject to the Fee; and

WHEREAS, pursuant to the terms of Resolution No. 14-2017 and the unanimous consent of the property owner, the Property Owner Balloting was conducted and completed at 1:00 p.m. on February 16, 2017 and the City Clerk has on file a Certificate of the City Clerk as to the Results of the Canvass of the Ballot Return in Connection with the Proposed Stormwater Utility Fee (the "Certificate"), a copy of which is attached hereto as Exhibit B and by this reference incorporated herein.

NOW, THEREFORE, BE IT IS HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES FIND:

1. The above recitals are all true and correct.
2. The Certificate is hereby accepted into the records of the City.
3. The Ballot Measure is authorized as set forth in Exhibit A attached hereto and by this reference incorporated herein.
4. The results of the Ballot Measure are as set forth in the Certificate on file with the City Clerk and attached to this Resolution as Exhibit B ("Certificate").
5. The City Clerk is authorized to declare the results of the mail ballot election relating to the imposition of the Stormwater Utility fee on the Veranda at Stone Creek Project.
6. Pursuant to said Certificate, if the Ballot Measure submitted was approved by a majority vote of the owner of parcel subject to the Fee, the Fee is hereby imposed pursuant to Ordinance 7-2014 on the Veranda at Stone Creek Project, otherwise, if the Ballot Measure submitted was not approved by a majority vote of the owners of parcels subject to the Fee, the imposition of the Fee is hereby abandoned for the Veranda at Stone Creek Project.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this ____ day of _____, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

Exhibit A**BALLOT MEASURE**

In order to provide the City of Rancho Cordova with a dedicated funding source to repair, reconstruct and maintain the storm drain system and to protect water quality, shall the City impose an annual Stormwater Utility Fee as shown in the Rate Analysis Report, dated 8/7/2014.

YES I support the proposed annual Stormwater Utility Fee

NO I oppose the proposed annual Stormwater Utility Fee

Exhibit B

CERTIFICATE OF THE CITY CLERK AS TO

THE RESULTS OF THE CANVASS OF THE ELECTION RETURNS

IN CONNECTION WITH THE PROPOSED STORMWATER UTILITY FEE

IN THE CITY OF RANCHO CORDOVA

I, Mindy Cuppy, City Clerk of the City of Rancho Cordova, hereby certify that I canvassed the returns of the election in connection with the imposition of an annual stormwater utility fee, that the last day for the return of mailed ballot was February 16, 2017, that the election was concluded on that date and that the total number of ballots cast in said election and the total number of votes cast for and against the ballot measure, as specified below, are full, true and correct.

Total of Ballots Received: 1

Total "Yes" Ballots: 1

Total "No" Ballots: 0

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Joseph Cuffe, Building Official



SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACTS 19-2017, 20-2017, 21-2017, 22-2017, AND 23-2017 FOR ON-CALL BUILDING PLAN CHECK, INSPECTIONS, AND PERMIT SERVICES

RECOMMENDATION

Adopt Resolution No. 27-2017.

RESULT OF RECOMMENDED ACTION

Adoption of Resolution No. 27-2017 will authorize the City Manager to execute contracts 19-2017, 20-2017, 21-2017, 22-2017, and 23-2017 for two (2) year on-call contracts with two (2) one-year renewal options with Interwest Consulting Group, 4Leaf Inc., Bureau Veritas, Shums Coda Associates, and Stephen Twist Consulting in the amount of not to exceed \$750,000 per year per contract for two years for a cumulative total not to exceed \$1.5 million for the initial two-year period of the contracts. Each contract is for this maximum amount (which represents the Department's maximum budget amount for these services) so that any of the consultants could be used for the on-call services. Staff anticipates using a mix of consultants and would not exceed the \$750,000 per year for these services, but in the rare case only one consultant is ever available for the services the maximum amount was set forth in each contract.

BACKGROUND

The Building & Safety Division has utilized consultants for plan review, permitting, and field inspections services since the City's incorporation in 2003. The current contracts that we have will expire in March 2017. In order to insure the City continues to receive the most competitive prices and qualified consultants, the City has routinely utilized multiple consultants to provide competitive services. This same practice will be used for the next two years as staff is recommending contracts with multiple service providers. While each consultant will have an independent contract with the City, the Building and Safety Division is proposing a total budget of \$750,000 per year for a total budget of \$1.5 million over the two-year period for these services.

Since the utilization of each consultant company will vary during each year, the contract for each consultant will allocate the full \$750,000 per year as the maximum compensation amount, which will allow the department maximum flexibility in utilization of the different consultants. In no case will the cumulative annual contract amount for all of the consultants exceed the maximum annual amount of \$750,000 or \$1.5 million for the full two-year contract period.

FISCAL IMPACT

The above referenced expense is covered by permit fee revenues.

ATTACHMENT

Resolution No. 27-2017 including Exhibits 1 through 5.

2782943.1

CITY OF RANCHO CORDOVA

RESOLUTION NO. 27-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH INTERWEST
CONSULTING GROUP, 4LEAF INC., BUREAU VERITAS, SHUMS CODA ASSOCIATES,
AND STEPHEN TWIST CONSULTING FOR PLAN REVIEW, PERMITTING, AND FIELD
INSPECTION SERVICES**

WHEREAS, the City of Rancho Cordova wishes to contract with: Interwest Consulting Group; 4Leaf Inc.; Bureau Veritas; Shums Coda Associates; and, Stephen Twist Consulting for consulting services for needed on-call plan review, permitting, and field inspections;

WHEREAS, adoption of this resolution will authorize the City Manager to execute a two year on-call contract with two (2) one-year renewal options for an amount not to exceed \$750,000 per year for two years and total amount of the contracts will not to exceed \$1.5 million for the life of the contracts; and

WHEREAS, there are sufficient funds budgeted to cover the costs of the contracts, so long as the contracts, cumulatively, do not exceed \$750,000 per year.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute the agreements attached hereto with: Interwest Consulting Group; 4Leaf Inc.; Bureau Veritas; Shums Coda Associates; and, Stephen Twist Consulting, attached as **Exhibits 1 through 5**.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

2782980.1

EXHIBIT 1

CONTRACT NO.: 19-2017

**ON CALL PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
INTERWEST CONSULTING GROUP**

THIS AGREEMENT for nonexclusive on-call professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Interwest Consulting, a ("Professional") as of March 1, 2017.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on March 1, 2019, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder. Professional shall not devote time to the performance of services until instructed to do so by the City's contract manager.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed Seven Hundred Fifty Thousand Dollars per year (\$750,000), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional

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for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional acknowledges that City has agreements with multiple consultants for the same on-call services to be provided under this Agreement. As such, Professional acknowledges that City has set the maximum compensation amount of this Agreement at \$750,000 per year, but that this amount reflects the City's total budget for all of these agreements and therefore it is unlikely that Professional will be compensated this amount.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City

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shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities

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shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount

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not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

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- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

- 4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 4.4.3 Subcontractors.** Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.
- During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.
- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any employee and/or

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employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- 5.3 Design Professionals.** Notwithstanding Sections 5.1 and 5.2, to the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.

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- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

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In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1, up to two (2) one-year extensions. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or

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- 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Joseph Cuffe ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:
 Ron Beehler
 1613 Santa Clara Drive, Suite 100
 Roseville, CA 95661
 Email Address (for Insurance Update Requests)
 rbeehler@interwestgrp.com
- Any written notice to City shall be sent to:
 Joseph Cuffe
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
- 10.11 Professional Seal.** Where applicable in the determination of the contract administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.
-
- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Date: _____

Ron Beehler, Director

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

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EXHIBIT A
SCOPE OF SERVICES

C. Scope of Work

BUILDING AND SAFETY SERVICES

The Building and Safety Division of the City of Rancho Cordova desires to contract with a professional consultant to provide building & safety plan review for a broad range of projects, from single family residences to large commercial and industrial projects. These services include thorough review of building plans/construction documents to ensure compliance with City Municipal Code and State of California Building Standard Codes.



Interwest has the experience and the qualifications to provide these services in a manner that ensures peace of mind for the City while delivering tremendous value. We strive to continue our professional relationship with the City of Rancho Cordova, and we hope to provide services that help the City to grow and thrive well into the future.

Our services may include but are not limited to plan review of assigned projects to verify that design documents as well as work of construction meet minimum requirements of the following State adopted building codes and standards:

- 2016 California Building Code
- 2016 California Mechanical Code
- 2016 California Electrical Code
- 2016 California Plumbing Code
- 2016 California Fire Code
- 2016 California Energy Code
- 2016 California Green Code
- 2016 California Existing Building Code
- ADA – Americans with Disabilities Act
- LEED – Leadership in Energy & Environmental Design (green building certification)
- Any other adopted Codes of the City at the time of Contract, including local ordinances and policies

All plans examination services will be performed under the direction of a licensed Civil or Structural Engineer and/or licensed Architect and an ICC Certified Plans Examiner. For more complex projects and when needed to meet peak workload demands, additional support will be provided from our regional offices for on-site or off-site, structural plan review services and non-structural plan review services. Our plans examiners understand and are intimately familiar with applicable building codes and plan review procedures and policies and will readily assist with solutions to complicated plan review issues.

- *All Plan Check services will be provided within our local regional office unless space is available at the City office and the City requests that plans be reviewed within their offices.*

- *All assigned personnel will be professionally qualified by both experience and certifications to perform commercial and/or residential construction document plan check.*
- *Interwest's Director of Building and Safety, Ron Beehler, SE, will be the responsible contact for all communications between the City and Interwest.*
- *All assigned personnel will be provided with all necessary materials, resources and training to conduct plan checks, including current copies of City amendments, policies, procedures and forms.*
- *Plan Check approval shall not be recommended to the City until all code compliance issues are resolved and all permit issuance requirements of the City Building Division are satisfied. We will contact the City with any questions related to specific City requirements.*
- *We will respond within one business day upon notification that a plan check is authorized for us to perform.*
- *All documents will be picked up from the City of Rancho Cordova City Hall or as otherwise directed. All plan checks will be performed in a timely manner within time-frame guidelines established by the City.*
- *At completion of each plan review iteration the reviewed documents will be returned to the City along with a hard and electronic copy of associated plan review comments. Upon completion of the plan review where approval of the documents is recommended we shall return two complete sets of all final documents annotated as approved by Interwest Consulting Group.*
- *All plan review comment letters shall be completed in the format provided by the City.*
- *All communication shall be conducted and coordinated with the City's representative. We will not contact the applicant directly unless instructed to do so by the City's representative. We will not contact the applicant when plans are approved and understand that the City will notify the applicant when the permit is ready to issue.*
- *We understand that code interpretations are subject to final review and approval by the Chief Building Official and that all plan review comments are subject to review by the City.*
- *We will be available within one business day to respond to questions from the City that may be generated during field inspection for each authorized plan check that is subsequently issued a permit for construction.*
- *We will communicate data necessary for a Certificate of Occupancy per CBC Section 110.2 to the City.*
- *We are familiar with and will enforce the City's adopted codes and amendments.*

Maximum Proposed Turnaround Times for Building Plan Check

We commit to meeting or exceeding the City's required plan check time frames, as detailed in the RFQ. We consistently complete plan reviews within required timeframes for both commercial and residential projects as our standard business practice. We work hard to accommodate any turnaround schedule desired by the City. Multi-disciplinary reviews are typically performed in our offices but we are available for onsite work when required, upon the City's request.

Type of Job	Maximum Turn Around Time	
	First Check	Re-Check
Residential		
New Construction	10 Business Days	5 Business Days
Addition	10 Business Days	5 Business Days
Remodel	10 Business Days	5 Business Days
Non-Residential		
New Construction	10 Business Days	5 Business Days
Addition	10 Business Days	5 Business Days
Remodel (T.I.)	10 Business Days	5 Business Days
Large Complex Commercial Projects	Turnaround Time Negotiated on a Project by Project Basis	

We understand that for plan reviews returned to the City one (1) to five (5) days in excess of the due date, a 5% reduction in cost to the City shall be provided. If the review is completed and returned to the City in six (6) to ten (10) days in excess of the due dates, a 10% reduction in cost to the City shall be provided. If the response time exceeds 10 days in excess of the due date, the plan review shall be completed at no cost to the City.

Interwest Consulting Group is also able to accommodate special project plan review needs, such as fast-track or expedited reviews. We establish specific turnaround goals and procedures with jurisdiction staff for these types of projects. For expedited or fast-track projects, we charge a premium of 150% of the standard plan review fee as noted in our fee information in *Section G* of this proposal.

Communicating Plan Review Results / Plan Review Letters

Plan reviews, when not immediately approved, will result in lists of comments referring to specific details and drawings, and referencing applicable code sections. Interwest will provide a clear, concise and thorough plan review correction letter, including a list of necessary corrections, from which clients, designers, contractors and owners can work.

At the completion of each review cycle, Interwest will provide a clear, concise plan review letter indicating all discrepancies noted during the plan review. The specific locations and code references of the noted discrepancies will be incorporated in the plan review letters. Plan review letters will be

completed in a format requested by the City. After each plan review cycle, an electronic copy of the completed plan review letter will be distributed to the applicant, and copied to the City.

After all plan review issues have been resolved, Interwest will provide an approval letter along with two copies of the reviewed construction documents to the City. This letter will specify the following information:

- Project Address and Location
- Plan Review Status as Approvable
- The City of Rancho Cordova's Permit Number
- Interwest Consulting Group's Project Number
- A list of all documents returned to the City of Rancho Cordova

The final letter will document all red-marked revisions made to the documents by our staff and will specify any and all conditions of approval that need to be completed by the applicant prior to final approval and permit issuance by the City.

Transporting Plans

Interwest Consulting Group will arrange for all pick-up and delivery of plan review documents at **NO ADDITIONAL COST** to the City. Interwest uses varied methods of pick-up and delivery with the goal of providing same-day service.

Special Projects

Interwest is able to accommodate special project plan review needs such as fast-track, multi-phased, or accelerated plan reviews. We establish project specific turn-around goals and procedures with jurisdiction staff for these types of projects based on the complexity of the projects as well as the construction schedule.

Our staff of engineers and plans examiners will work with the City to resolve all plan review issues. Our staff will deal directly with applicants and their designers during the plan review process to resolve all issues. Interwest will furnish assigned personnel with all materials, resources and training necessary to conduct plan reviews, including a current copy of the applicable City amendments, policies, procedures and forms.

Electronic Plan Review

Interwest currently provides electronic plan review services for multiple jurisdictions throughout California and we are prepared to provide electronic plan check for the City of Rancho Cordova.

More and more jurisdictions are seeing the benefits of electronic permit and plan check, especially for large, complex projects. Electronic plan check services delivers many benefits to cities, including substantially improved turnaround times; instantaneous comments to the developer, applicant or architect; secured accessibility to documents; and reduced paper storage. Our staff is experienced providing electronic plan review and can work closely with the City on any electronic plan check software program that is utilized. Our goal is always to collaborate with and support the building department by providing thorough, accurate and timely plan reviews.

Code Interpretations

Code interpretations are subject to final review and approval by the Chief Building Official. Interwest's engineers and plans examiners will provide unbiased recommendations and background information to help the Building Official make an informed decision. All plan review comments are subject to review and approval by the City.

Plan Review Tracking Method & Billing Process

We will create and maintain a Jurisdiction File which contains our research on any unique amendments or specifications required by your jurisdiction, billing arrangements, contact information and any special requests you would like us to keep in mind. Interwest uses a custom-designed database to maintain and track all plans throughout the review process from the moment you request a shipment to delivery of the final, approved documents.

Internal Plan Review Tracking System

Interwest will utilize our custom designed plan review tracking system to track all information pertinent to each plan review project. Information such as the project name, city project number, date project was received, date all services were completed, resubmitted dates, assigned plans examiners, plan review cycle, and current plan review status are tracked. This customized database can also be viewed by City personnel. We will provide you with a private and secure login that allows you to check, at any time, the status of a plan review project.

Plan Check Related Meetings

Our plans examiners and inspectors are available for pre-construction or pre-design meetings, field visits, meetings with the design team, and construction team and project owners as needed at no cost to the City. With some reasonable limitations, pre-construction and pre-design meetings associated with projects that we will plan review are considered as part of our plan review services. Our team of plans examiners and inspectors are always willing to meet with applicants, designers, contractors and City staff as required to resolve plan review or construction-related issues. Our staff can be available for meetings with as little as 24 hour notice.

Additionally, our plan review staff is available to attend bi-monthly plan review and/or inspection related meetings at the City at no cost to the City.

Approval for Additional Fees

For projects that cannot be approved after three reviews we understand that additional City approval is required for any and all charges proposed in addition to the percentage fee agreed to in the contract. We understand that prior approval by the City will be required for any and all charges proposed for deferred submittals and revisions that may occur on projects. Any additional charges for any project must be communicated to the City of Rancho Cordova prior to releasing documents for permit issuance thus upon approval of all projects of this nature the approved documents will be returned to the City along with a detailed invoice itemizing all related charges.

TECHNICAL CAPABILITIES IN PLAN CHECK AREAS

Architectural Review (Fire & Life Safety)

Interwest's non-structural plans examiners furnish plan review services for a vast array of projects including large commercial, institutional, industrial, retail, OSHPD 3 medical office buildings, and residential projects. Completed plan review projects range from single-story residential projects to complex high rise buildings and numerous building additions and remodels. We are experienced and familiar with the use and application of the most current additions of the following model codes:

- California Code of Regulations, Title 24, Parts 1 through 6 and 9.
- International Building Code (IBC)
- Americans with Disabilities Act Standards for Accessible Design
- ANSI Standards
- NFPA Codes & Standards
- CA Code of Regulations Titles 19 and 25

Structural Review

Our structural engineers have experience designing and reviewing projects with virtually all building materials including:

- Wood
- Masonry
- Light Gauge Steel Framing
- Rammed Earth
- Concrete
- Steel
- Straw Bale

Our engineers have designed or reviewed a wide array of structural systems including:

- FEMA Compliant Steel Moment Frames
- Buckling Restrained Braced Frames
- Energy Dissipation Systems
- Eccentric Braced Frames
- Concentric Braced Frames
- Various Proprietary Lateral Force Resisting Systems
- Concrete Moment Frames
- Wood Shearwall Systems
- Masonry Shearwall Systems
- Concrete Shearwall Systems
- Cantilevered Column Systems
- Pre-Stressed / Post-Tensioned Concrete

Our structural engineers are experienced with the provisions of most model codes, including current versions of:

- Title 24, Part 2, Volume 2, California Code of Regulations (CCR)
- International Building Code (IBC)
- ASCE 7-10
- CA Historic Building Code
- CA Existing Building Code
- NEHRP
- AISC 341 & 360
- ACI
- FEMA 350, 351 & 353
- ANSI/AF & PA NDS

Mechanical, Plumbing & Electrical

Interwest staff is well versed in the California Mechanical, Plumbing and Electrical codes. We review submitted design documents to ensure compliance with the City's adopted codes. We have made the transition to the newly adopted codes and currently review for those codes as required. All staff is appropriately licensed and/or certified in the State of California. We will review submitted design documents to ensure compliance to the current edition of the following codes:

- California Building Code
- California Plumbing Code
- California Mechanical Code
- California Electrical Code
- Jurisdiction-Adopted Amendments or Ordinances

Other review services are provided based on current editions of local or national standards such as:

- | | |
|--|--|
| • International Building Code | • NFPA Standards 20 (fire pumps) |
| • International Residential Code | • NFPA Standards 72 (fire alarms) |
| • NFPA Standards 13 (automatic fire sprinkler systems) | • NFPA Standards 99 (medical gases) |
| • NFPA Standards 14 (standpipes) | • FEMA & NEHRP Requirements for Existing Buildings |
| • International Mechanical Code | • CA Energy Codes |
| • International Plumbing Code | |

T24 Energy

Our engineers and plan reviewers are up to date on all California Energy requirements as they relate to both new and remodel construction on large residential and commercial projects. The Energy Efficiency Standards for Residential and Nonresidential Buildings were established in 1978 in response to a legislative mandate to reduce California's energy consumption. These standards are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods.

Green Building Review

Our staff is familiar with the incorporation of CALGreen building concepts into project designs and its potential impact from the building code. In addition, staff members have participated in the development of various "green" standards for super adobe, rammed earth, and straw bale construction, to name a few. We have also reviewed "straw bale" constructed homes.

LEED Review

Developed by the US Green Building Council (USGBC), LEED provides building owners and operators a framework for identifying and implementing measurable green building design, construction, operations and maintenance solutions. LEED certification consists of a number of different rating systems that apply to many building types—commercial as well as residential—and measures how well a building performs across many sustainability metrics including: energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and

sensitivity to their impacts. Whether new construction or renovation, energy efficient roofing, water run-off management and renewable energy are all important points to consider.

ADA Evaluation & Compliance - Disabled Access Review

Our architects and plans examiners are fully trained and familiar with CA Building Code Accessibility requirements, ADA compliance regulations, and are available for plan review and/or evaluations and consultation. We offer support to municipalities for compliance enforcement and/or developing a transition plan, and successfully partner with the disabled community to address the needs and requirements for both entities. We can assist municipal departments, government agencies and local communities to explain various issues relating to access compliance, such as access compliance obligations, transition planning, construction costs, construction phasing, code/law 'interpretation', hardship and code/law changes.

CASp Review

All of Interwest's CASp Certified professionals are knowledgeable of state and federal accessibility laws and regulations and possess the expertise necessary to promote access to facilities for persons with disabilities. Our goal is to provide experts in the industry who can perform services for building departments in a seamless manner by customizing our services to correspond with our client's expectations and needs. We work collaboratively with our clients to resolve plan review and inspection related issues as efficiently as possible, ultimately resulting in an expedited process and successful project.

Interwest's CASp professionals can perform site visits to review accessibility features in order to verify existing conditions and identify areas of non-compliance with applicable state accessibility regulations. Upon completion of our field work, a comprehensive report will be prepared identifying areas of the subject building and associated building site that are out of compliance. For each noted deficiency, a recommendation as to how compliance may be achieved will be provided. Our services include recommendations for a transition plan outlining a suggested precedence for completing required building and site upgrades.

Flood Zones

Interwest's staff of engineers and plans examiners have experience in providing plan reviews for projects located in flood zones as several of our clients, such as Napa and Napa County, have developments that occur in areas prone to flooding. Interwest's staff has provided numerous plan reviews for projects located in flood zones using FEMA's Technical Bulletins as well as the local jurisdictions ordinances. In addition, members of Interwest's staff have participated in state sponsored committees to establish guideline and regulations for construction in areas designated as flood zones.

OSHPD 3 Review & Inspection

Our staff of plans examiners has extensive experience in providing plan reviews for OSHPD 3 projects. Interwest has provided numerous OSHPD 3 plan reviews for clients such as Sutter Health, Lodi Regional Health, Marshal Hospital, Community Regional Medical Center, as well as numerous smaller private clinics. Interwest staff are well versed in the OSHPD 3 requirements in the California Building Code. Over the years of providing OSHPD 3 plan reviews, our staffs has developed a good working relationship with OSHPD personnel and often contact OSHPD for their interpretations of the code and policies. Our staff

of OSHPD Certified inspectors have successfully provided inspection services for many OSHPD 3 projects on behalf of our municipal clients.

TECHNICAL CAPABILITIES FOR PERMIT PROCESSING

On-Call Permit Processing Services

Permit / counter technician services are crucial to the success of the entire building and safety process and is the first impression the public gets of your building department. Contact with the public at this initial point sets the tone for any additional interaction through the life of a project whether engaging the homeowner, architect, developer or contractor or other community member. Delivery of excellent customer service, maintaining a smooth flow of documents and plans throughout departments, and tracking and reporting, are all key elements to furnishing first-rate, efficient and a memorable experience to the City's clients.



- *All permit processing and counter services shall be performed at the City office and under the direction of City staff.*
- *We will assign personnel who are professionally qualified by both experience and training to perform permit processing and counter services. We will provide our permit technician staff with all necessary materials, tools and training.*

Interwest Consulting Group will furnish qualified and customer service-oriented permit technicians to handle the counter, answer phone calls, and issue permits. Interwest's permit technician will be familiar with the City's plan intake procedures, fee calculations, tracking systems, permit issuance and customer service expectations as required to provide seamless service to the City's clients. Interwest will provide all materials, resources, tools and training necessary for our permit technicians to perform their assigned duties.

TECHNICAL CAPABILITIES FOR FIELD INSPECTIONS

On-Call Field Inspection Services

Interwest Consulting Group tailors inspection services to the particular needs of each client with special attention to providing competent, consistent service at all levels—at all times. We handpick our candidates and identify skill levels required to best match the City's inspection goals and philosophy. All Interwest inspectors are ICC certified and are fully qualified to perform residential, commercial, industrial and mixed-use project inspection for compliance to approved plans and related documents. All inspections will be performed in accordance with the City's adopted version of the California Building Code, California Residential Code, California Green Building code, California Mechanical Code, California Plumbing Code, California Electrical Code and the Accessibility, Noise and Energy Conservation requirements as mandated by State Title 24 and all applicable City of Tustin Ordinances.

- *All field inspections shall be performed through the City Building and Safety Division and under the direction of City staff.*

- *We will assign personnel who are professionally qualified by both experience and certification to perform commercial and/or residential construction inspections. All materials, resources, tools and training shall be supplied by Interwest.*
- *Projects under construction by permit from the City shall be inspected for compliance with State of California Building, Mechanical, Plumbing, Electrical, Energy and Fire Codes, as amended by the City and as designated by the City.*

Interwest staff has performed inspection services on a wide variety of construction projects including custom homes, large residential developments, and commercial, institutional and essential service buildings. We provide valuable experience gained through successful work with government clients throughout California. This clear understanding of the construction process enables our people to quickly identify and resolve problems both in the office and in the field.



Assigned staff will perform continuous or periodic inspections to verify that the work of construction is in conformance with the approved project plans as well as identifying issues of non-compliance with applicable building codes. Many of our inspector candidates can provide dual plan check and inspector services for our clients. When necessary for large or fast-track projects, multiple inspectors are available.

Staff assigned will contact the Building Official, or designee, for interpretations, local ordinances, local preferences, alternate materials and exceptions/alternates to the model codes. They will report directly to the Building Official or other person designated for all project-related work. Items, if any, which cannot be resolved between the project inspectors and contractors, will be forwarded to the Building Official for final resolution.

Inspection personnel assigned will be able to read, understand and interpret construction plans, truss drawings and calculations, as well as prepare and maintain accurate records and reports, communicate effectively orally and in writing, and work effectively with contractors, the public and general staff. Inspectors will possess knowledge of approved, up-to-date methods, materials, tools and safety procedures used in building inspection and the most current building standards.

Comprehensive inspection services include, but are not limited to:

- *Reviewing the approved construction documents to gain familiarity with construction projects*
- *Working closely with property owners and contractors to provide solutions to problems on-site*
- *Attending/participating in meetings with other City inspection or plan review staff, property owners, contractors or design professionals*
- *Maintaining appropriate records and files of non-complying items and ensuring the resolution of each item*
- *Ensuring that any construction changes are properly documented and approved by appropriate City staff*
- *Maintaining and accurately recording the status of construction inspection activities*
- *Administrative duties including but not limited to scheduling of inspections and record keeping*

Interwest Consulting Group will provide our inspectors with all necessary tools, code books and vehicles as required to perform their assignments.

Availability

Although we have found that a regular and predictable schedule for inspection staff often is the best method for providing inspection staff to meet the needs of our clients, we can provide inspection services upon as little as 24 hour advance notice. Often we can provide inspection staff for our clients on much shorter notice, sometimes same day notice, to meet inspection needs due to staff absences and/or peak inspection demands.

Integration with City Staff and Departments

As municipal consultants to many jurisdictions, Interwest staff is highly adaptive to all processes and procedures and quickly and seamlessly assimilates to your specialized requirements. All personnel are cross-trained in municipal operations to successfully bridge across departments and are accustomed to partnering, assisting, and coordinating with Planning, Public Works, Code Enforcement and other vital City staff and departments.

Inspection Schedule

Interwest Consulting Group inspectors are familiar with a multitude of jurisdictional scheduling and tracking systems and can quickly adapt to City requirements. Inspectors will provide inspections for all inspection requests received. Emergency inspections (usually requests that pertain to a serious or urgent life/safety issue) can be provided as they are needed; nights, weekends and holidays. Many of our inspectors are also available to serve at the public counter when needed.

Tools & Equipment

Interwest provides cellular phones, and other equipment necessary for inspectors to carry out duties.

Quality Control

As the project manager, Ron Beehler will ensure all staff is meeting the needs of the City. All of our personnel work collaboratively with consistent communication between staff members for advice, application of specific expertise and any unique project or client knowledge. Meetings to coordinate and update all staff on current projects and phases of review are held weekly in addition to any special meetings needed to address new developments or issues.

We utilize a custom database to compile all clients and project information as it relates to any service we perform. We also develop and maintain a jurisdiction binder/file containing all pertinent client, project and billing information accessible to project managers and assigned staff. Our technical and administrative staff is highly trained, attending seminars and educational conferences to keep current on up-to-date industry methods and information.

CONTRACT NO.: 19-2017

EXHIBIT B
COMPENSATION SCHEDULE

G. Cost Information

PLAN REVIEW, INSPECTION, AND PERMITTING SERVICE PACKAGES

Plan reviews, inspections and permitting services will be provided in whole or in part using one of the following “packages” as defined by the City of Rancho Cordova:

Plan Review Service Package A

Service includes **complete structural and nonstructural commercial** plan review using the current editions of the CBC, CMC, CPC, CEC (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies.

Plan Review Service Package B

Service includes **complete nonstructural commercial** building plan review using the current editions of the CBC, CMC, CPC, CEC, (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies.

Plan Review Service Package C

Service includes **complete structural commercial** building plan review using the current edition of CBC and City specific regulations and policies.

Plan Review Service Package D

Service includes **complete residential** building plan review including structural and nonstructural using current editions of the CRC, CBC, CMC, CPC, CEC, (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies.

Plan Review Service Package E

Service includes **complete structural residential** plan reviews using the current CBC and City specific regulations and policies.

Plan Review Service Package F

Service includes **non-structural** plan review services provided on an hourly fee basis.

Plan Review Service Package G

Service includes **structural** plan review services provided on an hourly fee basis.

Inspection Service Package H

Service includes **commercial building inspection** services covering building, plumbing, mechanical and electrical trades. These services will be provided on an hourly fee basis.

Inspection Service Package I

Service includes **residential building inspection** services covering building, plumbing, mechanical and electrical trades. These services will be provided on an hourly fee basis.

Permit Processing Service Package J

Service includes **in-house permit** processing services. This service will be provided on an hourly fee basis.

Other Services Offered

Additional services offered by Interwest Consulting Group include fire plan review using the California Fire Code, Fire Inspection, ADA Accessibility review and inspections, Site and Civil plan review and civil inspections. These services can be provided on a time and materials basis which can be negotiated on a project-by-project basis.

FEE MATRIX

For plan review and inspection services we propose the following fees for the specified service packages and options. The fees are expressed as a percentage of the plan review fee collected by the City of Rancho Cordova or hourly as specified in the "Schedule of Hourly Billing Rates Below.

Service Package	Project Type					Discipline		Fee
	Comm ercial	Resid ential	Buil ding Insp ectio n	Site Insp ection	Permit Proces sing	Non- Struct ural	Struct ural	
A	✓					✓	✓	65%
B	✓					✓		40%
C	✓						✓	40%
D		✓				✓	✓	65%
E		✓					✓	40%
F	✓	✓				✓		Hourly
G	✓	✓					✓	Hourly
H	✓		✓					Hourly
I		✓	✓					Hourly
J					✓			Hourly
Other Services								Hourly as negotiated

SCHEDULE OF HOURLY BILLING RATES

CLASSIFICATION	HOURLY BILLING RATE
Senior Plan Review Engineer	\$135
Fire Plan Review Engineer / Fire Protection Engineer	130
Civil/Grading Plans Review Engineer	135
Senior Plans Examiner	95
Permit Technician	40-65
Supervising Inspector / Project Manager	95
Commercial Inspector	80-90
Residential Inspector	75-85
Housing Inspector/Code Enforcement Officer	75-90
Fire Plans Examiner	95
CASp Plans Examiner / Inspector	95
Inspection Overtime	125% of Above Listed Hourly Rates
Miscellaneous charges will include:	
Mileage	Current IRS Rate

In addition to the fees noted in the service packages above, we propose the following terms and conditions:

- For partial reviews such as foundation only, electrical only, preliminary reviews, etc., we propose to use the hourly rate specified in Service Packages F or G above.
- For expedited or fast-track projects, (those with turn-around times shorter than proposed in the previous "Availability / Schedule" section), we propose a 50% premium on the above noted fees contingent upon the availability of staff to perform the plan review.
- For the review of deferred submittals such as truss calculations, stairs, etc., submitted after the projects has been approved, we propose to use the hourly rate specified in Service Packages F or G above.
- For the review of revisions to previously approved drawings, we propose to use the hourly rate specified in Service Packages F or G above.
- The above noted plan review fees covers a first, second and third final review for approval purposes only. We propose that additional reviews beyond that point should be billed additionally, in accordance with the hourly rate specified in Plan Review Packages F or G above with advance approval from the jurisdiction.
- We propose a minimum fee of \$300.00 for any plan review service.
- There will be a minimum four (4) hour per day fee for all inspection services.
- There will be a minimum four (4) hour per day fee for all in-house plan review, consulting and support staff services.
- There is no charge for courier or shipping services.

In the event that plan reviews are returned to the City past the due date, we understand the following penalties will be imposed:

Form W-9 (Rev. September 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- ☐ Exempt payee ☐ Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		
Part I Taxpayer Identification Number (TIN)		

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ¹
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ²
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2010

(This form can only be used to certify exemption from nonresident withholding under California R&TC Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name _____

Vendor/Payee's name _____

Vendor/Payee's ☐ SSN or ITIN
☐ SOS file no. ☐ CA corp. no. ☐ FEIN

Address (number and street, PO Box, or PMB no.) _____

Apt. no./ Ste. no. _____

City _____

State _____

ZIP Code _____

Read the following carefully and check the box that applies to the vendor/payee.

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

☐ **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

☐ **Partnerships or Limited Liability Companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a Limited Liability Partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California R&TC Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Vendor/Payee's name and title (type or print) _____ Daytime telephone no. _____

Vendor/Payee's signature ► _____ Date _____

For Privacy Notice, get form FTB 1131.

7061103

Form 590 c2 2009 (REV 03-10)

- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders

Domicile is defined as the one place:

- Where you maintain a true, fixed and permanent home
- To which you intend to return whenever you are absent

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders (Note: California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRRA).

For assistance in determining whether the applicant meets the MSRRRA requirements, get FTB Pub. 1032, Tax Information for Military Personnel.

F What Is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the California SOS. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

G Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see General Information H.

The vendor/payee must notify the withholding agent if any of the following situations occur:

- The individual vendor/payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold and report the withholding using Form 592, Resident and Nonresident Withholding Statement, and remit the withholding using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. Form 592-B, Resident and Nonresident Withholding Tax Statement, is retained by the withholding agent and a copy is given to the payee.

H Publications, Forms, and Additional Information

You can download, view, and print California tax forms and publications at ftb.ca.gov.

To have publications or forms mailed to you or to get additional nonresident withholding information, contact the Withholding Services and Compliance.

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Telephone: 888.792.4900

916.845.4900

Fax: 916.845.9512

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla

841.1099 2782989.1

**ON CALL PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
BUREAU VERITAS**

THIS AGREEMENT for nonexclusive on-call professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Bureau Veritas, a ("Professional") as of March 1, 2017.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on March 1, 2019, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 **Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 **Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder. Professional shall not devote time to the performance of services until instructed to do so by the City's contract manager.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed Seven Hundred Fifty Thousand Dollars per year (\$750,000), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional

Last Revised July 31, 2012

EXHIBIT 2

CONTRACT NO.: 20-2017

for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional acknowledges that City has agreements with multiple consultants for the same on-call services to be provided under this Agreement. As such, Professional acknowledges that City has set the maximum compensation amount of this Agreement at \$750,000 per year, but that this amount reflects the City's total budget for all of these agreements and therefore it is unlikely that Professional will be compensated this amount.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City

Last Revised July 31, 2012

EXHIBIT 2

CONTRACT NO.: 20-2017

shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities

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shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount

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not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

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- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

- 4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 4.4.3 Subcontractors.** Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.
- During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.
- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any employee and/or

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employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- 5.3 Design Professionals.** Notwithstanding Sections 5.1 and 5.2, to the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.

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- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

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In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1, up to two (2) one-year extensions. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or

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- 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Joseph Cuffe ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:
 Gene Paolini
 180 Promenade Circle, Suite 150
 Sacramento, CA 95834
 Email Address (for Insurance Update Requests)
 gene.paolini@us.bureauveritas.com
- Any written notice to City shall be sent to:
 Joseph Cuffe
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
- 10.11 Professional Seal.** Where applicable in the determination of the contract administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.
-
- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Craig Baptista, Director of Operations

Date: _____

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

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EXHIBIT A
SCOPE OF SERVICES

City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

C. Scope of Work

Firm Qualifications

Bureau Veritas has been in business for over 180 years. Founded in 1828 Bureau Veritas is a global leader in quality assurance, health, safety and environmental (QHSE) solutions. For over 35 years BVNA has provided comprehensive municipal consulting services, including building plan review, throughout Northern California and the Western United States. BVNA has unparalleled expertise and resources to manage projects requiring a broad range of expertise. As the largest code compliance firm in the United States, we have provided plan review and inspection services to over 100 agencies throughout California.

Our wide array of professional services, backed by many years of combined experience with public sector clients, allows BVNA to bring you one integrated source to meet your needs. We strive to build long-term partnerships with agencies that expect and require quality, accuracy, efficiency, and integrity in all aspects of community services. We do this by offering the City demonstrated expertise in plan review, a commitment to reducing the City's plan review turnaround times and accurate corrections based on the current adopted codes.

Our Sacramento Office will be responsible for the implementation of this contract. Our partnership with the City of Rancho Cordova will be managed from our Sacramento Office and augmented by our staff located throughout California, enabling quick and efficient responses in order to provide the customers of Rancho Cordova with the highest standard of customer service. Our company representative who will be responsible for day-to-day management of this contract is Gene Paolini, Client Liaison. He will be the contact for all communications between the City and BVNA.

BVNA has an extensive background in building services. Our range of experience in this unique arena covers literally every key area of service defining a building department in today's industry. We are skilled at helping existing building departments augment or refine their current level of client service or capable of crafting a department from the ground up.

- Permitting
- Plan Review
- Inspections
- Code Interpretation
- Code Adoption and Ordinance Preparation
- Planning and Zoning Meeting Attendance
- City Council Meeting Attendance
- Building Official Duties
- Permit Tracking and Record Keeping
- Plan Reviewer, Inspector and Permit Tech Training
- Budget and Staffing Planning
- Pre-Design and Pre-Construction Meetings
- Designer and Builder Training
- Contractor Licensing
- Fee Schedule Evaluation and Updates

Our **local presence** allows us to provide timely delivery and exceptional customer service in the most cost-effective manner. Our long-standing presence in Northern California and past experience working with the



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

City of Rancho Cordova has enabled us to gain the knowledge of the local area and to provide continuity, responsiveness to on-call assignments, and technical proficiency.

BVNA will bring a cooperative and creative problem solving approach to plan review. We fully understand our role as a team member committed to achieving successful projects for the City and its customers. **For more than 12 years, BVNA has worked in the City of Rancho Cordova providing plan review, inspection, permit technician, and co-building official services.** Currently, BVNA provides a full time Sr. Combination Building Inspector, Permit Technician and previously provided a full time Plans Examiner to the City of Rancho Cordova. Our inspector performs many daily inspections, and provides plan review services when needed. Bureau Veritas' plans examiner provided in-house plan review for any projects that come through the City of Rancho Cordova. CASp reviews were also conducted in-house to ensure that the City meets the requirements of SB1608.

BVNA also provides fill in permit technician staffing for when City staff is on leave. Our team has considerable experience providing on-call reviews on complex and unique projects. Recent projects include the construction of a new Walgreens, the Mather campus office building and a CVS pharmacy.

Other recent projects also include:

- **Cordova Restaurant and Casino:** Our inspector has been involved with the Cordova Restaurant and Casino project which included the total remodel of an existing building. The building and site needed to be brought up to current accessibility standards while complying with a tight construction time frame.
- **Target:** This project included the construction of a new target store. Bureau Veritas staff had to ensure that the extremely tight construction schedule could be met.
- **Kohl's:** This 78,398 square foot project included the complete demolition of the interior of an existing Mervyn's retail store as well as the interior improvements for Kohl's. The project was completed on a very tight construction schedule and included outdoor accessibility upgrades to the existing entrances and parking lot.

Workload and Availability

BVNA has a steady flow of projects and a large pool of resources to tap into should workload increase. Any project that comes into our offices is reviewed on time, on budget and accurately. As a result of having a large staff, we are able to handle multiple projects large and small concurrently, without any negative impact to project turnaround times, project budgets, customer service or accuracy.

Our personnel assigned to the project are available to attend meetings at the City to address questions or discuss issues with the City staff, design team and/or construction team that may arise on a project at no additional cost to the City for projects paid on percentage.

Our Client Liaison, Gene, is available to attend (two hour) bi-monthly plan review and/or inspection related meetings at the City at no extra cost to the City. Our project staff are available to discuss projects and technical data via phone or other means with the City's staff, design team and/or construction team at no additional cost to the City for projects paid on percentage.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

On-Call Plan Check Services

BVNA personnel have performed and managed plan review for literally thousands of projects. Project types include high-rise hotels and office buildings, institutional occupancies such as jails, shipping facilities, room additions, single-family tract and custom homes, tilt-up shells, tenant improvements, and infrastructure (roads, wet and dry utilities, etc.). Our staff has considerable review experience of virtually any structure requiring permits, plan reviews, and inspections. With such a large and licensed plan review staff, we are able to manage numerous and complex projects simultaneously. We are able to provide discipline-specific plan reviews (e.g., structural, mechanical/plumbing, electrical, fire, access, street, drainage, map, civil infrastructure, etc.).

We are the **largest plan review firm in the United States**, providing full service code consulting and plan review services. Our team provides plan reviews for compliance with a variety of codes, including the California Building, Plumbing, Electrical, Mechanical, Fuel Gas, Energy Conservation, Fire and the National Electric Codes as adopted by the City. We have specific experience working through a variety of challenges including, but not limited to, infill commercial development, adaptive reuse and change of occupancies of existing buildings, retrofit of un-reinforced masonry or soft-story buildings, large commercial shopping centers and mixed-use multi-family developments, live-work projects and high tech, research and development facilities.

We are able to offer the following plan review services to the City of Rancho Cordova:

- Architectural, fire and life safety plans examination
- Structural plans examination
- Energy code plans examination
- Accessibility requirements including:
 - Barrier free plans examination requirements
 - Disabled access
 - CASp
 - ADA
- Mechanical, plumbing and electrical code plans examination
- Review and approval of alternative materials, alternative design and methods of construction
- Fire plan review including:
 - Fire sprinkler
 - Fire alarm
 - Smoke detection and dampers
 - Underground
- Civil plans examination including:
 - Grading and drainage
 - NPDES/SWPPP
 - Development
 - Infrastructure
 - Water and wastewater
 - Sewer
- Green building and LEED consulting including:
 - LEED submittal consultation
 - Green building consulting including CALGreen
 - ENERGY STAR verification
 - Energy efficiency audits
 - Chain of Custody (COC) certification



BUREAU
VERITAS

City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

Plan Review Turnaround Times

At your request, BVNA can provide plan review activities on a fast-track basis. Turnaround times for each submittal will relate to the size and nature of the project and its impact on the construction schedule. To reduce turnaround times for plan review, we can use electronic submittals, phased submittals, conference calling, and videoconferencing.

BVNA has built long-term partnerships with agencies. We understand that accuracy, efficiency, and integrity in all aspects of professional services are required. Testimony to our professional excellence is the fact that we have provided services to many of our municipal clients since their incorporation. Because of our large pool of accessible resources we are able to assemble experienced personnel in order to help with project schedule recovery when necessary. Our team will maintain efficient turnaround times on all reviews as a key measurement of our performance for our plan review services. The following schedule is representative of the review times associated with the type of construction you can anticipate.

Typical turnaround times for building plan review are as follows:

	Initial Check (working days)	Recheck (working days)	Expedited Initial Review	Expedited Recheck
Commercial TI	5	3	3	2
Residential addition and/or accessory building	5	3	3	2
New Residential	5	5	3	3
New Commercial	5	5	3	3
Complex, large, or unusual project	*	*	*	*

**Turnaround times for unusually complex or large projects can be negotiated*

BVNA will also accommodate preliminary reviews to facilitate fast tracked or accelerated projects. This will aid with timely turnaround and create good public relations. If applicants include designs that do not conform to the prescriptive requirements of the codes, the City's designee will have final approval over the plan being reviewed. Our staff will make recommendations for the resolution if requested. We are also available to meet with agency staff or others as needed to discuss our findings.

Third Party Plan Review and Inspection

Supplementing the development community to provide exceptional customer service and expertise

Rapid development can be overwhelming to building departments and can cause schedule delays for developers, contractors, and design-build teams. Although public agencies are dedicated to providing a high level of customer service while ensuring the integrity of design and construction, their staff becomes overloaded and unable to keep the development moving forward efficiently.

Third party plan review and inspection enables BVNA to supplement the local authority having jurisdiction on a project-by-project basis, at the applicant's expense. This is an optional method to accomplish the plan review for applicants that desire preliminary plan reviews or have expediting needs due to project time constraints.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division
C. Scope of Work

This method allows the designer to work with plan review staff early in the design process to avoid code problems that could lead to extensive redesign of completed plans. It also allows the permit applicant to pay for review services directly to BVNA, independent of the normal City plan review fee. With approval of the building official, our team can provide third-party plan reviews/inspections by allowing an applicant to provide payment directly to BVNA for our plan review fee or inspection costs.

This program is utilized by many public agencies, developers, contractors, and project management firms to help promote economic development, keep projects on track, expedite projects, etc. BVNA teams with cities, counties, developers, contractors, project managers, design-build teams, and other members of the development community to provide a high level of customer service, experience, and technical expertise.

LEED Consulting/Review

BVNA is at the forefront of the green building movement, and by implementing green building solutions, we help reduce energy consumption, maintenance and capital costs, environmental impact, and increase occupant comfort and health. We are experts in assisting municipal clients in green building ordinance implementation.

- Provided approximately 1,000 LEED reviews for the USGBC
- Building services
- LEED submittal consultation
- Green building consulting
- CALGreen code compliance
- ENERGY STAR verification
- Energy efficiency audits
- Chain of Custody (COC) certification

Methodology

Our proposed team familiarizes themselves with the requirements of a public agency before beginning a review. BVNA has extensive public sector experience, which assures that the public's interests are fully protected. We believe that technical competence, while expected, is not enough. Experience and careful, thorough consideration of issues and impacts is needed in addition to the purely technical considerations. We have devoted a great deal of time and effort over the years to refining our approach and developing documentation to assist our clients and train our staff in understanding plan review procedures.

BVNA will work to ensure that submittals are properly coordinated and tracked by following an established internal plan check coordination process in which each plan received for review is entered into our Deltek database, processed and returned on time to the client. Our plan tracking procedures are designed to track each submittal throughout the review process and maintain accurate and comprehensive records for each submittal. To accomplish this we:

- Screen and log each application to assure that they are routed to all plan reviewers in a timely manner.
- Submittals are reviewed for compliance with all relevant state and City requirements. The log serves as a tracking device to assure turnaround times and completeness of the review.
- Plan reviews will be done in accordance with local, state and federal regulations with which local jurisdictions are mandated to enforce as well as all codes and ordinances in effect by adoption at the time of plan review. Preliminary consultations will be provided to the applicant upon request, to assist and guide them in the design and plans preparation process.
- Information shown on each permit application is verified. Construction valuation is based on information provided by the City and compared to estimates provided by the applicant.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

- Provide a thorough architectural and structural review of design drawings and details for compliance with the California Building Code architectural provisions, including provisions for safety glazing, building security and noise insulation performance standards, to name a few.
- Plan review management.
- BVNA assures that corrections are handled as quickly and as clearly as possible. Our goal is to help the applicant through the plan review process. All corrections are identified based on compliance with specified codes and regulations.

Generally, corrections are identified in two ways. Notes are made on plans during electronic review or on hard copy plans if appropriate and a correction sheet is generated detailing what items need to be addressed before plans can be approved. The City shall approve the development of any customized correction sheets. Correction sheets for specific projects shall be forwarded to the City along with a cover memo containing at least the following:

- The date(s) plans were received and reviewed by our firm
- The date(s) the applicant was notified of completed plan reviews
- The name and telephone number of the applicant

During the plan review process, BVNA is prepared to meet with the applicant or architect/engineer, City employees or consultants at any time. Telephone discussions or meetings at project sites are welcomed to assure that any plan review issues are handled efficiently. We propose to meet at the offices of the building and safety division or at a particular project site. Our goal is to issue approved plans as quickly as possible but in full compliance with laws, codes, ordinances and regulations. Upon completion of the plan review, the following information package is prepared and logged as a minimum:

- Completed plan review documents which include sign-offs
- Transmittal letter documenting any conditions associated with issuance of a permit, if any
- Marked up plan review documents
- Two sets of approved building plans
- Backup documents and reports
- All documents shall be provided in a format desired by the City.

Transmittal of Plans and Correction Lists

BVNA assumes responsibility for the pickup and return of plans. All plans shall be picked up from the City offices within 24 hours of notification. Should the volume of work be sufficient, we propose to establish regular pick up of plans on a consistent basis. We will also utilize shipping courier, at no additional cost to the City.

Upon completion of each plan review, we will forward a copy of the correction list to both the City and the applicant, by mail. When corrected plans are resubmitted, the previous procedure will be followed or the applicant may schedule an office visit to go over any corrections in person. When plans are completed they are stamped, signed and forwarded by BVNA staff. Our transmittal forms are customized for use unique to the City.

BVNA will conduct and coordinate all communications with the City's representative. BVNA will not contact the applicant directly unless directed to do so by the City. BVNA understands that the City will notify the applicant when the permit is ready to issue and will not contact the applicant when plans are approved. All personnel assigned to your project will have available the necessary materials, resources and training to conduct plan reviews, including copies of applicable local amendments, policies, procedures and forms.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division
C. Scope of Work

On-Call Permit Processing Services

BVNA staff will work with the City staff to seamlessly staff the public counter, issue counter permits, answer plan review or inspection questions, and assist the public with a high level of customer service. Our staff will be trained and proficient in City policies, procedures, administrative and technical regulations. Our staff is familiar with various software systems. Our staff will be able to answer questions pertaining to inspections, plan approvals, business license approvals and certificates of occupancy.

Permit technician services may include:

- Interface with the public, internal staff, and related departments
- Review permit applications for completeness
- Accept, login, and route plans
- Calculate and/or collect fees
- Issue permits
- When authorized, review and issue counter permits
- Maintain permit records
- Use jurisdiction permitting programs and/or software, where applicable

BVNA will assign personnel who are professionally qualified by both experience and training to perform permit processing and counter services. Our assigned staff shall perform all permit processing and counter services at the City office and under the direction of City staff.

We will provide resources where appropriate, including all materials, tools and training to deliver professional these services with the same sense of urgency, professionalism and attention to detail that you would deliver yourself or expect from your internal staff.

On-Call Field Inspection Services

BVNA can provide inspection services for a single project that presents unique complexities due to its construction or size, or we can provide enough staff to handle all inspection services for an entire jurisdiction. Our building inspection services can be adjusted to provide a high level of coordination specifically suited to the design-build concept. Our inspectors are ICC certified and have extensive experience in the construction trades as well. Fast-track projects may be built into small phases based on incremental design and fabrication steps. In such cases, our inspection team keeps daily logs to track corrections and plan review changes.

BVNA's inspection teams also provide on-call building inspection services to cover staff vacation time, peak work loads, specialized inspection activities, and any other situations that may arise. These activities may include next-day inspections and same-day response to important or urgent requests.

BVNA will provide the City with professionally qualified and experienced ICC certified personnel to provide the following services performed through the City Building and Safety Division and under the direction of the City staff:

- Construction inspections for commercial tenant improvements, residential addition and/or accessory buildings, new residential, new commercial and/ or complex, large, or unusual projects.
- Read and study project specifications, plans, and drawings to become familiar with project prior to inspection, ensuring that structural or architectural changes have been stamped as approved by appropriate authority and recognizing the need for and requiring plan checks for electrical, plumbing, and mechanical code requirements.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

C. Scope of Work

- Perform and document inspections on construction projects to determine that all aspects of the project such as foundations, building, electrical, plumbing, and mechanical systems conform to the applicable building codes, zoning ordinances, energy conservation, and disabled access requirements including known local, city, state, and federal requirements.
- Construction inspections performed for compliance with State of California Building, Mechanical, Plumbing, Electrical, Energy and Fire Codes, as amended by the City and as designated by the City.
- Review plans for building construction, plumbing, electrical, and mechanical details prior to making inspection.
- Bring to the attention of the City of Rancho Cordova for approval of certain changes in building, plumbing, mechanical, electrical, and related work consistent with code and ordinance requirements.
- Participate in reviews with fire, health, and other government agency inspectors, as well as owners.
- Maintain a record of non-complying items and follow up to resolution of such items.
- Upon request, we will inspect existing buildings for substandard, unsafe conditions.

All personnel assigned to your project will have available the necessary materials, resources and training to conduct field inspections, including copies of applicable local amendments, policies, procedures and forms.



EXHIBIT B
COMPENSATION SCHEDULE

City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division
G. Cost Information

G. Cost Information

Our pricing reflects our commitment to the success of your project by helping you maintain significant quality and cost saving benefits moving forward.

These include:

- Reduced plan review turnaround times and quick inspection response time
- Commitment to maintain a proposed rate structure for the life of the initial contract period
- Highly qualified staff
- Confidence of working with a well-established consultant in business for 185+ years
- Next day inspections
- Same day inspections for urgent matters

Building Plan Review Fees

Fees for comprehensive plan reviews performed at our BVNA offices, will be at the rates provided in the Plan Check "Packages". The City will provide BVNA with City plan review fees (project by project) for use in calculating our fees.

The above fee covers all, services associated with the typical plan review including:

- Hand pick-up and delivery of plan review documents at the City.
- First review of a complete set of proposed working plans will not exceed five (5) business days for residential and non-complex commercial reviews; 10 business days on complex commercial reviews, as mutually agreed upon and approved by the jurisdiction on a case by case basis. More complex and some larger projects may require additional time as mutually agreed upon and approved by the jurisdiction on a case by case basis.
- Second and subsequent checks of complete documents shall be reviewed within three (3) business days for residential and five (5) business days for commercial. More complex and some larger projects may require additional time as mutually agreed upon and approved by the jurisdiction on a case by case basis.
- Third quick reviews, if necessary, to approve projects.
- Pre-application, pre-construction, or additional meeting attendance that is necessary for unusual or complex projects.
- Telephone calls from City or inspectors regarding questions from the field.

Response Time Delays

As mentioned earlier in this proposal, BVNA is serious about providing the staff and systems so that we are always on time. To prove it, we propose to raise the bar on the minimum response time delay requirements for the City of Rancho Cordova:

If the plan review as noted above is completed and returned to the City in one (1) to five (5) working days in excess of the due date, a twenty percent (20%) reduction in our fee will be offered. If the plan review is completed and returned to the City in six (6) to ten (10) working days in excess of the due date, a fifty percent (50%) reduction in our fee will be offered. If the plan review time exceeds the due date by more than ten (10) working days, the plan review will be free of charge to the City.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division
G. Cost Information

Partial Plan Review Fees for Building Departments

1. **Plan Review Package "A"**
Complete structural and nonstructural commercial building plan review including CBC, CMC, CPC, CEC (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies will be charged at sixty percent (60%) of the plan review fee received by the City.
2. **Plan Review Package "B"**
Complete nonstructural commercial building plan review including CBC, CMC, CPC, CEC (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies will be charged at forty percent (40%) of the plan review fee received by the City.
3. **Plan Review Package "C"**
Complete structural commercial building plan review including CBC and City specific regulations and policies will be charged at forty percent (40%) of the plan review fee received by the City.
4. **Plan Review Package "D"**
Complete residential building plan review including structural and nonstructural CBC, CMC, CPC, CEC (California Electrical Code), California Energy Code (California Energy Efficiency Standards), and City specific regulations and policies will be charged at fifty-five percent (55%) of the plan review fee received by the City.
5. **Plan Review Package "E"**
Complete structural residential building plan review including CBC and City specific regulations and policies will be charged at forty percent (40%) of the plan review fee received by the City.
6. **Plan Review Package "F"**
Hourly fee for **nonstructural** plan review services are listed in **Exhibit A**, depending on complexity (Plans Examiner \$98/hour or Plan Review Engineer \$120/hour).
7. **Plan Review Package "G"**
Hourly fee for **structural** plan review services are listed in **Exhibit A**, depending on complexity (Plans Examiner \$98/hour or Plan Review Engineer \$120/hour).
8. **Inspection Package "H"**
Hourly fee for **commercial** building inspection services covering building, plumbing, mechanical and electrical trades, depending on complexity (\$75/hour for Inspector I or \$88/hour for Senior Inspector).
9. **Inspection Package "I"**
Hourly fee for **residential** building inspections covering building, plumbing, mechanical and electrical trades, depending on complexity (\$75/hour for Inspector I or \$88/hour for Senior Inspector).
10. **Plan Review Package "J"**
Hourly fee for in-house permit processing services will be charged at \$62/hour, as listed in **Exhibit A**.



City of Rancho Cordova

On-Call Plan Review, Permitting and Field Inspection Services for the Building & Safety Division

G. Cost Information

11. Other Services Offered

Special project fees (e.g., plumbing/ mechanical/ electrical-only, URM) can be based on a percentage of the plan review fee, hourly rate or other fee methods mutually agreeable to both parties. The plan review fee for Special Projects or more complex projects, as determined by the City, may be negotiable.

Other Potential Fee Types for Building Departments

For projects where percentage fees are not applicable, or for plan review projects requiring services far exceeding the normal expectations, the hourly fee basis as listed in the below in **Exhibit A**, Staff Level Classification will be used when approved and negotiated with the jurisdiction.

Inspection Fees for Building Departments

On-site field inspection related support services are performed on an hourly fee basis as listed in the below in **Exhibit A**, Staff Level Classifications. All Employees classified as "non-exempt" by the U.S. Department of Labor will be compensated at 1-1/2 times salary for overtime hours as per State and Federal wage and hour laws. No overtime will be charged without prior consent.. When requested by the City, BVNA will provide transportation for inspection services at a rate of \$0.55 (or current IRS) per mile within the jurisdiction.

Exhibit A

Hourly rates for project personnel are outlined below:

<u>Staff Level Classifications</u>	<u>Hourly Billing Rate*</u>
Principal / Building Official	\$150
Plan Review Engineer/Architect	\$120
Plans Examiner	\$98
Fire Plans Examiner	\$98
CASp Specialist	\$105
Permit Technician	\$62
Clerical Support	\$55
Supervising Inspector/Project Manager	\$110
Senior Inspector	\$88
Inspector I	\$75

****Pricing assumes that this contract is non-prevailing wage - for any prevailing wage projects, BVNA will discuss rates with the City to account for the California Prevailing Wage requirements.***

This fee proposal is valid from January 1, 2017 thru December 31, 2017 and is subject to annual review and adjustment, with the approval of the City.



Form W-9 (Rev. September 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- ☐ Exempt payee ☐ Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	
Part I Taxpayer Identification Number (TIN)		

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ¹
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ²
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2010

(This form can only be used to certify exemption from nonresident withholding under California R&TC Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name _____

Vendor/Payee's name _____

Vendor/Payee's ☐ SSN or ITIN
☐ SOS file no. ☐ CA corp. no. ☐ FEIN

Address (number and street, PO Box, or PMB no.) _____

Apt. no./ Ste. no. _____

City _____

State _____

ZIP Code _____

Read the following carefully and check the box that applies to the vendor/payee.

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

☐ **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

☐ **Partnerships or Limited Liability Companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a Limited Liability Partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California R&TC Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Vendor/Payee's name and title (type or print) _____ Daytime telephone no. _____

Vendor/Payee's signature ► _____ Date _____

For Privacy Notice, get form FTB 1131.

7061103

Form 590 c2 2009 (REV 03-10)

- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders

Domicile is defined as the one place:

- Where you maintain a true, fixed and permanent home
- To which you intend to return whenever you are absent

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders (Note: California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRRA).

For assistance in determining whether the applicant meets the MSRRRA requirements, get FTB Pub. 1032, Tax Information for Military Personnel.

F What Is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the California SOS. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

G Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see General Information H.

The vendor/payee must notify the withholding agent if any of the following situations occur:

- The individual vendor/payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold and report the withholding using Form 592, Resident and Nonresident Withholding Statement, and remit the withholding using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. Form 592-B, Resident and Nonresident Withholding Tax Statement, is retained by the withholding agent and a copy is given to the payee.

H Publications, Forms, and Additional Information

You can download, view, and print California tax forms and publications at ftb.ca.gov.

To have publications or forms mailed to you or to get additional nonresident withholding information, contact the Withholding Services and Compliance.

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Telephone: 888.792.4900

916.845.4900

Fax: 916.845.9512

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla

841.1099 2782989.1

EXHIBIT 3

CONTRACT NO.: 21-2017

**ON CALL PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
4LEAF, INC.**

THIS AGREEMENT for nonexclusive on-call professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and 4Leaf, Inc., a ("Professional") as of March 1, 2017.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on March 1, 2019, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder. Professional shall not devote time to the performance of services until instructed to do so by the City's contract manager.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed Seven Hundred Fifty Thousand Dollars per year (\$750,000), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional

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for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional acknowledges that City has agreements with multiple consultants for the same on-call services to be provided under this Agreement. As such, Professional acknowledges that City has set the maximum compensation amount of this Agreement at \$750,000 per year, but that this amount reflects the City's total budget for all of these agreements and therefore it is unlikely that Professional will be compensated this amount.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City

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shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities

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shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount

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not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

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- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

- 4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 4.4.3 Subcontractors.** Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.
- During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.
- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any employee and/or

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employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- 5.3 Design Professionals.** Notwithstanding Sections 5.1 and 5.2, to the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.

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- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

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In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1, up to two (2) one-year extensions. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or

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- 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Joseph Cuffe ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:
 Joseph Nicolas
 8896 North Winding Way
 Fair Oaks, CA 95628
 Email Address (for Insurance Update Requests)
 jnicolas@4leafinc.com
- Any written notice to City shall be sent to:
 Joseph Cuffe
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
- 10.11 Professional Seal.** Where applicable in the determination of the contract administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.
-
- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Date: _____

Gene Barry, Vice President

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

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EXHIBIT A
SCOPE OF SERVICES

**4LEAF, INC.**ENGINEERING • CONSTRUCTION MANAGEMENT
BUILDING INSPECTION • PLAN CHECK

Section C: Scope of Work

Plan Review Services

4LEAF will provide plan review for any and all types of structures to ensure compliance with all adopted codes, local ordinances (including Tier 1 of Cal Green, if required) and state and federal laws that pertain to Building and Safety, and for compliance with the adopted International Code Council (ICC) building, plumbing, electrical, mechanical, and fire codes, and the accessibility and Noise and Energy Conservation requirements as mandated by the State of California Title 24, State of California Water Efficient Landscape Ordinance, the State of California Certified Access Specialist (CASP) compliance, and all other applicable ordinances. ***Types of projects we provide these services for include: Single-Family Dwellings, Multi-Family Dwelling Units, Commercial, and Industrial.***

On-Site Review Work Plan

4LEAF can supply Registered Professional Engineers to the City of Rancho Cordova to work on-site performing structural plan review and non-structural reviews at the Jurisdiction's discretion. 4LEAF currently supplies on-site review to such Municipalities as:

City of Folsom
City of Livingston
City of Livermore
City of Hollister
Livermore/Pleasanton Fire Dept. (LPFD)
City of San Jose

Aerojet, Folsom, CA
County of San Joaquin
City of Pleasanton
City of East Palo Alto
City of Gilroy
City of Palo Alto

Off-Site Review Work Plan

4LEAF is able to work effectively with design teams and assist Public Works, Planning, Fire, and Building Departments in the construction, rehabilitation, and repair of both public and private projects. Our experience includes checking for compliance with the structural, life-safety, accessibility, plumbing, mechanical, electrical (PME), fire, and local codes/ordinances.

Approach

We understand that the specific building plan review responsibilities will include, but are not limited to:

- Examining plans, drawings, specifications, calculations, soils reports, and any additional supplemental documents;
- Ascertaining whether projects are in accordance with applicable building and fire codes, and City ordinances, including but not limited to Title 24;
- Performing such reviews as structural, PME, green building, fire and life safety;
- Providing additional plan review services as requested by the City;
- Conducting all plan review at the City Department or, as needed, at a site mutually agreed upon in writing and;
- Supplying all plan review staff with all code books and other basic professional references.


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Plan Check Turn-Around Times

4LEAF has a tremendous reputation for completing projects on-time and under budget. 4LEAF's plan review team is often recognized for our quick turn-around times and prompt service. Off-site plan reviews are performed at our office with plans transmitted by personal delivery or overnight service. The standard turn-around time is within 10 business days for residential plan reviews and within 10 days for commercial/industrial plan reviews; however, these timeframes may be negotiated based on your needs and 4LEAF staff availability. 4LEAF also provides **Fire Plan Review Services** and **Expedited or "Fast Track" Plan Reviews** which will take place upon a written request (email) by the client.

Pick-up of all plans will be performed by 4LEAF staff within 24 hours of the City's phone call or e-mail. 4LEAF prefers to pick-up and deliver the plans in person in order to communicate any information that may be pertinent to the project and maintain a consistent communication. 4LEAF staff will transport the plans to and from the City upon a phone call to the 4LEAF office or by simply e-mailing for "pick-up" to pickup@4leafinc.com. Pick-ups are at no additional cost.

Project Manager (Plan Review)

Melissa Dubovik, P.E.

Plan Review Project Manager

Melissa is a California registered Civil Engineer with more than eleven years of experience providing plan review and engineering services on numerous projects. Melissa currently assists 4LEAF in the management of plan review efforts including distribution to our Fire Review, Structural Review, and Non-Structural Review personnel. Melissa is responsible for coordinating all plan reviews from 4LEAF's clientele.

The off-site plan review portion of this contract will be managed by Melissa Dubovik. Melissa manages a comprehensive team of Structural and Non-Structural plans examiners who work on a variety of residential, commercial, and industrial projects throughout the region and service such clients as: **City of Sacramento, City of Folsom, City of Roseville, City of Galt, City of Rocklin, City of Ranch Cordova, Aerojet Rocketdyne, UC Davis Design & Construction Management, and numerous Cities and Counties throughout the Central Valley, East Bay Area, and South Bay Area.**

Melissa Dubovik, P.E.
 Supervising Plan Review Engineer
 (916) 965 – 0010 – Office
 (916) 479 – 2403 – Cell
mdubovik@4leafinc.com





4LEAF Plan Review QA/QC Process for all Reviews

Task 1 – Project Tracking Set-up

The first step of our process will be to set up the project in our system to enable 4LEAF and the City of Rancho Cordova to track the progress of the review. Our plan tracking procedures are designed to track each submittal throughout the review process and maintain accurate and comprehensive records for each submittal.

Task 2 - Complete Submittal Review

Upon receiving the plans from the City, 4LEAF will triage (preliminary plan review performed by 4LEAF plan review project lead) the submittal to verify that the submittal received is complete (i.e., all pertinent plans, calculations, reports, and other related documents) in order that we can begin our review. If the submitted package is incomplete, we will communicate with the City to discuss the deficient documents needed to proceed with our review.

Task 3 - Plan Review Assignment

After the triage process is performed and a complete package is verified, the project will be assigned to the most qualified Plans Examiner and a turnaround time will be established. We will log each application into our database the same day the plans are received to assure that they are routed in a timely manner and to allow for daily project tracking.

Task 4 - Plan Review

4LEAF will provide the project contact (Developer, Contractor, Architect, or Engineer) desired by City of Rancho Cordova with a list of any items needing correction and clarification to comply with applicable building codes, ordinances, and regulations. A correction list will be created based on the items that do not comply with applicable codes and ordinances.

Task 5 - Quality Control

Prior to submitting the plan review correction list to the City the designated plan review project lead will review the correction list for adherence to applicable codes and ordinances as well as for accuracy and completeness. After completion of our quality control review a correction list will be e-mailed to a designated staff member at the City of Rancho Cordova or as directed by the City of Rancho Cordova. The correction list and a 4LEAF transmittal form will include the following information: a description of the work, type of construction, occupancy group, square footage, number of floors, and sprinkler requirements.

Task 6 - Plan Review Rechecks

Plans received for rechecks will be reviewed for conformance. Our goal is to actively work with the designers to resolve all unresolved issues after our second review. If it appears that there are complicated issues that may require additional collaboration, we will communicate directly with the designer to resolve these concerns.

Task 7 - Project Approval

Once the final plan reviews are completed and ready for approval, 4LEAF will organize the plans and supporting documents per the City of Rancho Cordova processing requirements and return them to the City, along with a letter of our completed final review.



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Document Control and Electronic Plan Review

When plans and documents are received for review, 4LEAF's Plan Review Manager and Document Control Technician analyzes the project, creates a Job number, and completes a Job Setup Sheet. This form highlights both jurisdiction and project specific design criteria and notes applicable contact information. Jobs are transmitted through 4LEAF's easily accessed EZPlan Review portal which tracks initial and subsequent reviews and is open for view by the customer. The City and their Customers can view 4LEAF's plan control log through **EZPlan Review Portal**.



Plans then get distributed for review to a 4LEAF team consisting of a Plan Review Engineer or architect (a licensed State Professional) and/or an ICC Certified Plans Examiner, as applicable. Our staff then performs his or her function of analyzing the plans and documentation for effective conformance to the California Codes, referenced construction standards, and City amendments. Code review methodology entails "The Effective Use of the CBC" reinforced through proprietary and jurisdictional checklists. When complete the Plan Review Manager overviews the project for quality control purposes and forwards comments or approvals to the pre-designated contacts.

4LEAF's EZPlan Review

- Structural & Non-Structural Guidelines and Checklists
- Specialized Spreadsheet Web-Based (EZPlan Review)



4LEAF is a green company and has the capability to receive and review electronic plans (pdf format) utilizing Adobe Acrobat Pro.

Structural Only Review

Upon request, 4LEAF will perform "structural only" reviews for the City. 4LEAF can communicate directly with the designers via email, in-person meetings, and through our EZ Plan Review system. The majority of 4LEAF's plan review engineers have a design background and work well with project designers.

Certified Access Specialist (CASP) Plan Review Staff



CASP Staff	Certification No.	Expiration
Jerry Thome	CASp-104	09/14/2018
Frank Rainone	CASp-410	12/10/2019
Mike Anderson, P.E.	CASp-328	09/22/2019
Howie Conroy, CBO	CASp-429	07/31/2018
David Rashé, CBO	CASp-213	06/23/2019
Scott Wungluck	CASp-560	04/29/2017
Brent Hipsher, CBO	CASp-422	04/12/2018
William Holl, AIA	CASp-509	12/6/2019



4LEAF, INC.

ENGINEERING • CONSTRUCTION MANAGEMENT
BUILDING INSPECTION • PLAN CHECK

Project Manager (Staff Augmentation)

Joseph Nicolas, P.E.

Project Manager

Joe is a California registered Civil Engineer has more than 30 years of experience with both structural design and code compliance for large-scale projects as well as being a **Project Manager** on collaborative code review and building design projects. While leading the Plan Review Staff of more than 45 at the City of Sacramento, Joe had oversight of large public and private developments.

All staff augmentation (permit technicians, inspection services, & on-site plan review) requests can be made to Joe Nicolas, P.E. Joe helps collectively manage the entirety of 4LEAF's Building and Safety Services division that includes up to 150 employees, including more than 100 Inspectors. Whether the request ranges from full-time to part-time assignments, Joe will take the request via email or phone, schedule the personnel, and confirm with the City all the pertinent details of the scheduling (i.e. time, dates, scope of service).

Joe Nicolas, P.E.

Senior Engineer

(916) 965 – 0010 – Office

(916) 200 – 9959 – Cell

jnicolas@4leafinc.com



Permit Technician Services

4LEAF has a proven track record of providing Building Officials and Permit Technician/Counter staff to jurisdictions throughout California. The 4LEAF pool of talented professionals includes qualified and experienced permit technicians, capable of providing all permit processing and counter services. 4LEAF can deploy such staff on short notice and offers training programs for department staff, if required.

Our staff encompasses the right combination of experience, education and certifications. 4LEAF Permit Technician Staff must be experienced and dedicated to serving the public at the Planning and Building Department counter. Typical duties include:

- Accepting Plans for Plan Check
- Verification that Plans are accurate and complete
- Calculate Permit Fees
- Explain ordinances and procedures to owners, contractors, developers, architects, and general public
- Assist with preparation of permit applications
- Receive Plans for Planning and Building permits and route to various agencies (if requested)
- Accept complaints on code violations, process, and record complaints
- Answer telephone for field and office staff
- Process inspection requests
- Maintain files for building permits
- Operate Building Department's computerized information system
- Input variety of information including building permits and inspections
- Complete related duties and responsibilities as assigned by Building Official and Senior staff members



4LEAF, INC.

ENGINEERING • CONSTRUCTION MANAGEMENT
BUILDING INSPECTION • PLAN CHECK

Inspection Services

4LEAF maintains the largest database of qualified inspectors of varied qualifications. Inspectors vary from current full-time inspection staff, idle staff (temporarily between assignments), and pre-qualified staff which include inspectors who are available subject to client demand. 4LEAF's inspectors are all ICC certified and experienced working within a municipal work environment. 4LEAF will provide inspectors with all the necessary tools, equipment, and current code books sufficient to facilitate all required inspections. **4LEAF can provide interim or full-time inspectors same-day or within one business day.**

We maintain an on-call database for as-needed requests with our clients. 4LEAF utilizes this service for more than 75 municipalities. Below is a snapshot of our database.

Monthly Inspection Assignment Schedule

	W.C.	GII	EPA	Danv	Rose	Hollister	Apple	Sal	Nwrk	Mod	Sun cup	Dubl	VAL	Ala	Lath	Brentwood	Sac	Tiburon	BNL	Fols	LPFD	Plsn	Tracy	Aero	Daly	Sac	PA		
1-Jan	Holiday			Holiday																									
2-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10				EP	JD/KB	8	DS	RO/IL/BA	DN	MJ	MK	RS/PG					JD	LLD	RE	MJ	10	
5-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10	DN			EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10	
6-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10	DN			EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10	
7-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10	DN			EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10	
8-Jan	MEP/WO/AM/MP	JC			CFF	GI/MO/TE	10	DN			EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10	
9-Jan	MEP/WO/AM/MP	JC/GM			CFF	GI/MO/TE	10				EP	JM	8	DS	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10		
12-Jan	MEP/WO/AM/MP	DN			CFF	GI/MO/TE	10				EP		8	DS	RO/IL/BA	DN	MJ	MK	RS/PG				JD	LLD	RE	MJ	10		
13-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10				EP		9	DS	MK	RO/IL/BA	GA/DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10	
14-Jan	MEP/WO/AM/MP	JC			CFF	GI/MO/TE	10	JM/DN			EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10	
15-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	10	JM/DN			EP		8	DS	MK	RO/IL/BA	GA/DN	MJ	MK/EP	RS/PG	KB			JD	LLD	RE	MJ	10	
16-Jan	MEP/WO/AM/MP	JC/GM			CFF	GI/MO/TE	10	JM/DN			EP		8	DS	RO/IL/BA	GA/DN	MJ	MK	RS/PG	KB				JD	LLD	RE	MJ	10	
19-Jan	Holiday			Holiday																									
20-Jan	MEP/WO/AM/MP			RST	CFF	GI/MO/TE	11	JM/DN			EP	JD	8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG	KB	GM		JD	LLD	RE	MJ	10	
21-Jan	MEP/WO/AM/MP	MM			CFF	GI/MO/TE	11	JM/DN			EP	JD	8	DS	MK	RO/IL/BA	GA/DN	MJ	MK/EP	RS/PG	KB			JD	LLD	RE	MJ	10	
22-Jan	MEP/WO/AM/MP				CFF	GI/MO/TE	11	JM/DN			EP	JD	8	DS	MK	RO/IL/BA	DN	MJ	MK/EP	RS/PG	KB			JD	LLD	RE	MJ	10	
23-Jan	MEP/WO/AM/MP	MM		MC/RST	CFF	GI/MO/TE	11	JM			EP	JD	8	DS	RO/IL/BA	GA/JC	MJ	MK/EP	RS/PG	KB				JD	LLD	RE	MJ	10	
26-Jan	MEP/WO/AM/MP	JC		RST	CFF	GI/MO/TE	11	JM			EP		8	DS	MK	RO/IL/BA	GA/DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10	
27-Jan	MEP/WO/AM/MP	MM			RST	CFF	GI/MO/TE	11	JM		EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG	KB	GM		JD	LLD	RE	MJ	10	
28-Jan	MEP/WO/AM/MP				RST	CFF	GI/MO/TE	11	JM		EP		8	DS	MK	RO/IL/BA	GA/DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10	
29-Jan	MEP/WO/AM/MP	MM			RST	CFF	GI/MO/TE	11	JM		Example	EP		8	DS	MK	RO/IL/BA	DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10
30-Jan	MEP/WO/AM/MP	MM			RST	CFF	GI/MO/TE	11		Example	EP		8	DS	MK	RO/IL/BA	GA/DN	MJ	MK	RS/PG	KB			JD	LLD	RE	MJ	10	

Key
White = Filled
= Needs staff
Green = No Request
Black = Closed/Holiday
Grey = No Fill
Blue = Sick

Inspection Options

Periodic Inspection Services → Available Next Day

4LEAF can fulfill inspection requests immediately upon request including same day. 4LEAF has a wealth of local and available inspectors ready to serve the City of Rancho Cordova. In addition, 4LEAF has a proven track record of providing such services to a number of different building departments.

Part-Time Inspection Services → Available Next Day

4LEAF will provide the City with part-time inspectors upon request. 4LEAF can provide part-time staff within 24 hours of request for any duration of time. 4LEAF's Project Manager will work closely with the department to identify the right personnel and determine the appropriate work schedule.

Full-Time Inspection Services → Available Two Days or Less

4LEAF can provide full-time inspectors upon request. 4LEAF provides this service regularly to many clients throughout the Central Coast, Sacramento Valley, Peninsula/South Bay Regions, East Bay, and Central Valley.

Project Specific Inspection Services → Available Two Days or Less

4LEAF is often tasked with providing inspection services to large projects on behalf of municipalities. 4LEAF currently handles large-scale projects for such clients as the City of Palo Alto, City of Cupertino, etc. These projects are developer funded into a separate City account which is distributed to 4LEAF using a separate invoice and contract number. This is particularly helpful to fast paced projects looking for continuous inspection services over a short period of time (i.e. 6 – 36 Months).

EXHIBIT B
COMPENSATION SCHEDULE

Exhibit B

**4LEAF, INC.**ENGINEERING • CONSTRUCTION MANAGEMENT
BUILDING INSPECTION • PLAN CHECK**Section G: Cost Information****2017-2018 FEE SCHEDULE AND BASIS OF CHARGES**

Interim Chief Building Official	\$135/hour
Senior Building Inspector	\$105/hour
Building Inspector III.....	\$90/hour
Building Inspector II.....	\$82/hour
Building Inspector I.....	\$72/hour
Training Building Inspector.....	\$65/hour
Code Enforcement.....	\$85/hour
Permit Technician.....	\$49/hour
On-Site Structural Plan Review Engineer	\$120/hour
On-Site Non-Structural Plans Examiner	\$90/hour
Fire Review	\$155/hour
Public Works Inspector.....	\$137/hour
CASp Inspection.....	\$175/hour
Project Inspector / Inspector of Record	\$100-125/hour*
Hourly overtime charge per inspector	1.5 x hourly rate
Mileage (for inspections performed within the City).....	IRS Rate + 20%

*Rates will be communicated with the City Management at time of request. Rates will vary based on the qualifications and experience of the personnel.

BASIS OF CHARGES

Rates are inclusive of "tools of the trade" such as forms, telephones, and consumables.

- All invoicing will be submitted monthly.
- Plan review Packages A-E are inclusive of three (3) plan reviews; plan reviews beyond the third review will be billed at the hourly rates shown in Section G.
- Staff Augmentation work (excluding plan review) is subject to 4 hour minimum charges unless stated otherwise. Services billed in 4 hour increments.
- Most plan reviews will be done in 10 business days or less and 5 business days or less for re-checks. This is not inclusive of holidays or the day of the pick-up of plans.
- Expedited reviews will be billed at 2x the flat fee for plan review Packages A-E or 2x the hourly rates for plan review Packages F, G as listed in Section G Cost Information.
- All plan review services will be subject to \$250 minimum fee.
- 4LEAF assumes that these rates reflect the 2017-2018 contract period. 3% escalation for 2017 and 2019 is negotiable per market conditions.
- Overtime and Premium time will be charged as follows:


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 BUILDING INSPECTION • PLAN CHECK

Exhibit B

- Regular time (work begun after 5AM or before 4PM) 1 x hourly rate
- Night Time (work begun after 4PM or before 5AM) 1.125 x hourly rate
- Overtime (over 8 hours M-F or Saturdays) 1.5 x hourly rate
- Overtime (over 8 hours Sat or 1st 8 hours Sun) 2 x hourly rate
- Overtime (over 8 hours Sun or Holidays) 3 x hourly rate
- Overtime will only be billed with prior authorization of the Chief Building Official, Public Works Director, or other responsible designated City personnel.
- All work with less than 8 hours rest between shifts will be charged the appropriate overtime rate.
- Mileage, driven during the course of Inspections will be charged at cost plus 20%.
- Payment due on receipt. All payments over 30 days will be assessed a 1.5% interest charge.
- Client shall pay attorneys' fees, or other costs incurred in collecting delinquent amounts.
- Client agrees that 4LEAF's liability will be limited to the value of services provided.

PLAN CHECK PACKAGES

Plan Review Package "A"	65%
Plan Review Package "B"	65%
Plan Review Package "C"	40%
Plan Review Package "D"	65%
Plan Review Package "E"	40%
Plan Review Package "F"	\$90/hr
Plan Review Package "G"	\$120/hr
Plan Review Package "H"	See Page 1 of this section for Breakdown of Inspection Rates
Plan Review Package "I"	See Page 1 of this section for Breakdown of Inspection Rates
Plan Review Package "J"	\$49/hr
Other Services Offered	See Page 1 of this section for Rates of Other Services Offered

Form W-9 (Rev. September 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- ☐ Exempt payee ☐ Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	
Part I Taxpayer Identification Number (TIN)		

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ¹
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ²
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2010

(This form can only be used to certify exemption from nonresident withholding under California R&TC Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name _____

Vendor/Payee's name _____

Vendor/Payee's ☐ SSN or ITIN
☐ SOS file no. ☐ CA corp. no. ☐ FEIN

Address (number and street, PO Box, or PMB no.) _____

Apt. no./ Ste. no. _____

City _____

State _____

ZIP Code _____

Read the following carefully and check the box that applies to the vendor/payee.

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

☐ **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

☐ **Partnerships or Limited Liability Companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a Limited Liability Partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California R&TC Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Vendor/Payee's name and title (type or print) _____ Daytime telephone no. _____

Vendor/Payee's signature ► _____ Date _____

For Privacy Notice, get form FTB 1131.

7061103

Form 590 c2 2009 (REV 03-10)

- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders

Domicile is defined as the one place:

- Where you maintain a true, fixed and permanent home
- To which you intend to return whenever you are absent

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders (Note: California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRRA).

For assistance in determining whether the applicant meets the MSRRRA requirements, get FTB Pub. 1032, Tax Information for Military Personnel.

F What Is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the California SOS. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

G Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see General Information H.

The vendor/payee must notify the withholding agent if any of the following situations occur:

- The individual vendor/payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold and report the withholding using Form 592, Resident and Nonresident Withholding Statement, and remit the withholding using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. Form 592-B, Resident and Nonresident Withholding Tax Statement, is retained by the withholding agent and a copy is given to the payee.

H Publications, Forms, and Additional Information

You can download, view, and print California tax forms and publications at ftb.ca.gov.

To have publications or forms mailed to you or to get additional nonresident withholding information, contact the Withholding Services and Compliance.

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Telephone: 888.792.4900
916.845.4900

Fax: 916.845.9512

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov
Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov
Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla

841.1099 2782989.1

EXHIBIT 4

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**ON CALL PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
SHUMS CODA ASSOCIATES**

THIS AGREEMENT for nonexclusive on-call professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Shums Coda Associates, a ("Professional") as of March 1, 2017.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on March 1, 2019, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder. Professional shall not devote time to the performance of services until instructed to do so by the City's contract manager.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed Seven Hundred Fifty Thousand Dollars per year (\$750,000), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional

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for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional acknowledges that City has agreements with multiple consultants for the same on-call services to be provided under this Agreement. As such, Professional acknowledges that City has set the maximum compensation amount of this Agreement at \$750,000 per year, but that this amount reflects the City's total budget for all of these agreements and therefore it is unlikely that Professional will be compensated this amount.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City

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shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities

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shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount

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not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

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- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

- 4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 4.4.3 Subcontractors.** Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.
- During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.
- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any employee and/or

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employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- 5.3 Design Professionals.** Notwithstanding Sections 5.1 and 5.2, to the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.

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- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

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In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1, up to two (2) one-year extensions. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or

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- 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Joseph Cuffe ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:
David Basinger
5776 Stoneridge Mall Road, Suite 150
Pleasanton, CA 94588
Email Address (for Insurance Update Requests)
david.basinger@shumscoda.com
- Any written notice to City shall be sent to:
Joseph Cuffe
2729 Prospect Park Drive
Rancho Cordova, CA 95670
- 10.11 Professional Seal.** Where applicable in the determination of the contract administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.
-
- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager_____
David Basinger, Principal

Date: _____

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

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EXHIBIT A
SCOPE OF SERVICES

Exhibit A**Plan Review Services**

SCA performs plan reviews to cover one or more of the following disciplines:

- Building: architectural (fire/life safety), structural, mechanical, electrical, plumbing, accessibility, green building, energy conservation, and geotechnical in conformance with the 2016 (or most current) California Building Codes (all as modified or amended by the jurisdiction)
- Fire: fire/life safety in conformance with the 2016 (or most current) California Building Codes (all as modified or amended by the jurisdiction)
- Public Works: grading, drainage, geotechnical, onsite\right-of-way improvements, construction management and inspection for public infrastructure projects, and FEMA Flood Insurance Program.

Field Inspection Services

SCA will perform building and public works inspection services as directed by the jurisdiction. These services include:

- Review of all approved plans, specifications and documents,
- Review and respond to all inspection requests and reports,
- Attend mandatory meetings, including safety training and project management,
- Perform inspections for compliance to applicable State of California Building, Mechanical, Electrical, Plumbing, Fire, Energy and Green codes, as well as State accessibility standards as amended by the jurisdiction.

Permitting Services

SCA provides Permit Technician Services to cover one or more of the following disciplines:

- Assists with permit applicants and others by phone and in person,
- Calculates and processes permit fees,
- Reviews, logs, coordinates and routes various plans and permits,
- Processes and reviews building permit applications, documents and plan submittals to assure accuracy and compliance with the jurisdiction
- Provides information to the public relating to the status of projects and permits.



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EXHIBIT B
COMPENSATION SCHEDULE

Exhibit B

Plan Review and Inspection "Packages"

We will always strive to match the Jurisdiction's needs with the right consultant for the job.

1. Plan Review Package "A" Building

Fees for complete structural and nonstructural commercial building plan reviews, performed at SCA offices, will be equal to Sixty-five percent (65%) of the plan review fees as calculated per the jurisdiction.

2. Plan Review Package "B" Building

Fees for complete nonstructural commercial building plan reviews, performed at SCA offices, will be equal to Forty percent (40%) of the plan review fees as calculated per the jurisdiction.

3. Plan Review Package "C" Building

Fees for complete structural commercial building plan reviews, performed at SCA offices, will be equal to Forty percent (40%) of the plan review fees as calculated per the jurisdiction.

4. Plan Review Package "D" Building

Fees for complete structural and nonstructural residential building plan reviews, performed at SCA offices, will be equal to Sixty-Five percent (65%) of the plan review fees as calculated per the jurisdiction.

5. Plan Review Package "E" Building

Fees for complete structural residential building plan reviews, performed at SCA offices, will be equal to Forty percent (40%) of the plan review fees as calculated per the jurisdiction.

The above fees cover all services associated with the typical plan review, including:

- Pick – up and delivery of design documents to the jurisdiction.
- First, second and quick third reviews to approve projects.

Extensive plan reviews (longer third reviews or more) that may be required to be charged on an hourly rate shown below. Further, smaller projects that take one or more reviews may also be charged at an hourly rate when agreed upon with the Chief Building Official. Pre-application, pre-construction, or additional meeting attendance that is necessary for unusual or complex projects shall also be charged at the same hourly rate schedule.

When expedited plan reviews are requested, the turn-around time could be as quickly as a single day, but these types of review schedules are typically determined based on the complexity of the project and the availability of SCA staff to complete the review.



Cost Information

On-Call Plan Review, Permitting and Field Inspection Services

Exhibit B

6. Plan Review Package "F" Building

Hourly fee for complete nonstructural building plan review services will be based on consultant's qualifications. Hourly fee will range from \$75 to \$125 per hour.

7. Plan Review Package "G" Building

Hourly fee for complete structural building plan review services will be based on consultant's qualifications. Hourly fee will range from \$75 to \$125 per hour.

8. Inspection Package "H"

Hourly fee for commercial building inspection services will be based on consultant's qualifications. Hourly fee will range from \$70 to \$90 per hour.

9. Inspection Package "I"

Hourly fee for residential building inspection services will be based on consultant's qualifications. Hourly fee will range from \$50 to \$90 per hour.

10. Permit Processing Package "J"

Hourly fee for in-house permit processing services will be based on consultant's qualifications. Hourly fee will range from \$45 to \$55 per hour.

Personnel Description

Hourly Billing Rate

Interim Building Official	\$125
In-House/Counter Plan Review Engineer/Architect	\$100
Senior Plan Review Engineer/Architect	\$120
Plan Review Engineer/Architect	\$100
Senior Plans Examiner	\$85
Plans Examiner	\$75
Senior Fire Protection Engineer/Inspector	\$190
Fire Protection Engineer/Inspector	\$175
Fire Inspection/Level II Suppression Systems	\$100 - \$170
Permit Technician	\$55
Clerical Support	\$45
Senior Inspector (Combination Certified)	\$ 80 - \$90
Inspector II	\$ 70 - \$80
Inspector I	\$60 - \$70
Inspector In-Training	\$50 - \$60
CASp Specialist	\$250

Overtime will be not be charged for any off-site plan review services billed at the hourly rate, while inspection services will be charged at 150% of the standard hourly rates.



Form W-9 (Rev. September 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- ☐ Exempt payee ☐ Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	
Part I Taxpayer Identification Number (TIN)		

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ¹
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ²
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2010

(This form can only be used to certify exemption from nonresident withholding under California R&TC Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name _____

Vendor/Payee's name _____

Vendor/Payee's ☐ SSN or ITIN
☐ SOS file no. ☐ CA corp. no. ☐ FEIN

Address (number and street, PO Box, or PMB no.) _____

Apt. no./ Ste. no. _____

City _____

State _____

ZIP Code _____

Read the following carefully and check the box that applies to the vendor/payee.

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

☐ **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

☐ **Partnerships or Limited Liability Companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a Limited Liability Partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California R&TC Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Vendor/Payee's name and title (type or print) _____ Daytime telephone no. _____

Vendor/Payee's signature ► _____ Date _____

For Privacy Notice, get form FTB 1131.

7061103

Form 590 c2 2009 (REV 03-10)

- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders

Domicile is defined as the one place:

- Where you maintain a true, fixed and permanent home
- To which you intend to return whenever you are absent

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders (Note: California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRRA).

For assistance in determining whether the applicant meets the MSRRRA requirements, get FTB Pub. 1032, Tax Information for Military Personnel.

F What Is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the California SOS. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

G Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see General Information H.

The vendor/payee must notify the withholding agent if any of the following situations occur:

- The individual vendor/payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold and report the withholding using Form 592, Resident and Nonresident Withholding Statement, and remit the withholding using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. Form 592-B, Resident and Nonresident Withholding Tax Statement, is retained by the withholding agent and a copy is given to the payee.

H Publications, Forms, and Additional Information

You can download, view, and print California tax forms and publications at ftb.ca.gov.

To have publications or forms mailed to you or to get additional nonresident withholding information, contact the Withholding Services and Compliance.

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Telephone: 888.792.4900
916.845.4900

Fax: 916.845.9512

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov
Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov
Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla

841.1099 2782989.1

**ON CALL PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND
STEPHEN TWIST CONSULTING**

THIS AGREEMENT for nonexclusive on-call professional services is made by and between the City of Rancho Cordova, a California municipal corporation ("City"), and Stephen Twist Consulting, a ("Professional") as of March 1, 2017.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Professional shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on March 1, 2019, the date of completion specified in Exhibit A. Professional shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder. Professional shall not devote time to the performance of services until instructed to do so by the City's contract manager.

Section 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed Seven Hundred Fifty Thousand Dollars per year (\$750,000), notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional

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for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

Professional acknowledges that City has agreements with multiple consultants for the same on-call services to be provided under this Agreement. As such, Professional acknowledges that City has set the maximum compensation amount of this Agreement at \$750,000 per year, but that this amount reflects the City's total budget for all of these agreements and therefore it is unlikely that Professional will be compensated this amount.

Professional and City acknowledge and agree that compensation paid by City to Professional under this Agreement is based upon Professional's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Professional. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Professional and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Professional shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Professional and each employee, agent, and subcontractor of Professional performing services hereunder, as well as a separate notice when the total number of hours of work by Professional and any individual employee, agent, or subcontractor of Professional reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Professional's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City

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shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

- 2.3 Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 8, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Professional shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Professional only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities

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shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Professional, at its own cost and expense, shall procure "occurrence coverage" insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Professional and its agents, representatives, employees, and subcontractors. Professional shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Professional shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Professional's bid. Professional shall not allow any subcontractor to commence work on any subcontract until Professional has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

- 4.1 Workers' Compensation.** Professional shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Professional. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative, Professional may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or the Professional, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

The requirement to maintain Statutory Worker's Compensation and Employer's Liability Insurance insurance may be waived by the City upon written verification that Professional does not have any employees.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General requirements.** Professional, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount

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not less than TWO MILLION DOLLARS (\$2,000,000.00) and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00). The commercial general liability and automobile liability insurance shall be per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a commercial general liability insurance or an automobile liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 Minimum scope of coverage. Commercial general liability coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition), Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as an endorsement to the policy:

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

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- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

4.3.1 Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 An endorsement shall state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

4.3.3 The following provisions shall apply if the professional liability coverages are written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Professional must provide extended reporting coverage for a minimum of five (5) years after completion of the Agreement or the work. The City shall have the right to exercise, at the Professional's sole cost and expense, any extended reporting provisions of the policy, if the Professional cancels or does not renew the coverage.
- d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

- 4.4.1 Acceptability of insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of coverage.** Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.
- 4.4.3 Subcontractors.** Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.4.4 Deductibles and Self-Insured Retentions.** Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.
- During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.
- 4.4.5 Waiver of Subrogation.** Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.
- 4.4.6 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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4.5 Remedies. In addition to any other remedies City may have if Professional fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Professional's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Professional to stop work under this Agreement or withhold any payment that becomes due to Professional hereunder, or both stop work and withhold any payment, until Professional demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

5.1 General Requirement. Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 PERS Indemnification. In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any employee and/or

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employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- 5.3 Design Professionals.** Notwithstanding Sections 5.1 and 5.2, to the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

Section 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Professional and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Professional shall not allow any employee to become eligible for a claim for PERS benefits.

- 6.2 Professional Not an Agent.** Except as City may specify in writing, Professional shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.

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- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.
- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

Professional shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** City may cancel this Agreement at any time and without cause upon written notification to Professional.

Professional may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

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In the event of termination, Professional shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Professional delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Professional or prepared by or for Professional or the City in connection with this Agreement.

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1, up to two (2) one-year extensions. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.
- 8.3 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.
- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Professional.** If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;
 - 8.6.3** Retain a different Professional to complete the work described in Exhibit A not finished by Professional; or

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- 8.6.4** Charge Professional the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Professional pursuant to Section 2 if Professional had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Professional's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.
- 9.2 Professional's Books and Records.** Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Sacramento or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 Use of Recycled Products.** Professional shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Professional may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Professional in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Professional shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Professional hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Professional was an employee, agent, appointee, or official of the City in the previous twelve months, Professional warrants that it did not participate in any manner in the forming of this Agreement. Professional understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Professional will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Professional will be required to reimburse the City for any sums paid to the Professional. Professional understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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- 10.8 Solicitation.** Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Joseph Cuffe ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Professional shall be sent to:
 Stephen Twist
 4640 Tracy Lane
 Garden Valley, CA 95633
 Email Address (for Insurance Update Requests)
 easypermits@yahoo.com
- Any written notice to City shall be sent to:
 Joseph Cuffe
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
- 10.11 Professional Seal.** Where applicable in the determination of the contract administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.
-
- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above, which date shall be considered by the Parties to be the effective date of this Agreement.

CITY OF RANCHO CORDOVA

PROFESSIONAL

Cyrus Abhar, City Manager

Date: _____

Stephen Twist, President

Date: _____

Attest:

Mindy Cuppy, MMC, City Clerk

Date: _____

Approved as to Form:

Adam Lindgren, City Attorney

Date: _____

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EXHIBIT A
SCOPE OF SERVICES

EXHIBIT A CURRENT SCOPE OF SERVICES

Services currently provided to the City of Rancho Cordova:

- Plan review services for both commercial and residential construction documents. These reviews include Fire and Life Safety, Accessibility, Plumbing, Mechanical, Electrical, Energy Efficiency Standards, Green Building Standards, Photo Voltaic and Structural.
- Technical support for Building and Safety staff, Code Enforcement, Public Works, Parks and Recreation and other City staff
- Building inspection services
- CASp plan review
- CASp inspections for commercial and multi-family residential projects
- CASp inspections and consultation requested by the general public as required by SB-1186
- Plan review for Public Works Dept. including civil, accessibility, sound/retaining walls, etc.
- CASp consultation and services such as site inspections and evaluations for City properties as needed
- Special Projects:
Stephen Twist Consulting, Inc. provides the following on-call services as directed by the Building Official or other designated City Staff. Such services may include, but are not limited to
 - Site accessibility consultation and inspection
 - Housing Dept. projects
 - Professional consultation & technical support for ADA compliance with regard to City projects and events
 - Other duties are periodically assigned by the Building Official or other designated City Staff
Examples: CASp consulting services for the Mather Mills Station (Measure H) project, CASp inspections of City Hall, Police station, Gold Tailings property, court appearances/depositions as occurs
 - Professional and technical support for the City's designated ADA Coordinator
 - Technical support for the City's ADA Transition Plan

EXHIBIT B
COMPENSATION SCHEDULE

**EXHIBIT B
COMPENSATION SCHEDULE**

Senior Plans Examiner	\$125.00 per hr.
Plans Examiner I	\$75.00 per hr.
Plans Examiner II	\$85.00 per hr.
CASp Services/Inspections	\$125.00 per hr.
Building Inspection I (Upon request)	\$95.00 per hr.
Building Inspection II (Upon request)	\$125.00 per hr.
Permit Technician (Upon request)	\$58.00 per hr.

OTHER SERVICES:

In addition to the services noted above, we propose the following:

We propose additional plan review services as required when workload necessitates, outside of normal working hours. These services may include, Fire/Life/Safety, Structural and Non-Structural, Plumbing, Mechanical, Electrical, Energy and Accessibility, CASp review, inspection and consultation. These services are offered at an hourly rate of \$125.00 per hour.

Form W-9 (Rev. September 2007) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ----- ☐ Exempt payee ☐ Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
OR
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ¹
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ²
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2010

(This form can only be used to certify exemption from nonresident withholding under California R&TC Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name

Vendor/Payee's name

Vendor/Payee's ☐ SSN or ITIN
☐ SOS file no. ☐ CA corp. no. ☐ FEIN

Address (number and street, PO Box, or PMB no.)

Apt. no./ Ste. no.

City

State

ZIP Code

Read the following carefully and check the box that applies to the vendor/payee.

I certify that for the reasons checked below, the entity or individual named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

☐ **Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

☐ **Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

☐ **Partnerships or Limited Liability Companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a Limited Liability Partnership (LLP) is treated like any other partnership.

☐ **Tax-Exempt Entities:**

The above-named entity is exempt from tax under California R&TC Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

☐ **Insurance Companies, IRAs, or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

☐ **California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

☐ **Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

☐ **Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Vendor/Payee's name and title (type or print) _____ Daytime telephone no. _____

Vendor/Payee's signature ► _____ Date _____

For Privacy Notice, get form FTB 1131.

7061103

Form 590 c2 2009 (REV 03-10)

- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders

Domicile is defined as the one place:

- Where you maintain a true, fixed and permanent home
- To which you intend to return whenever you are absent

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders (Note: California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRRA).

For assistance in determining whether the applicant meets the MSRRRA requirements, get FTB Pub. 1032, Tax Information for Military Personnel.

F What Is a Permanent Place of Business

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or if it is a foreign corporation qualified to transact intrastate business by the California SOS. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

G Withholding Agent

Keep Form 590 for your records. Do not send this form to the FTB unless it has been specifically requested.

For more information, contact Withholding Services and Compliance, see General Information H.

The vendor/payee must notify the withholding agent if any of the following situations occur:

- The individual vendor/payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.
- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

The withholding agent must then withhold and report the withholding using Form 592, Resident and Nonresident Withholding Statement, and remit the withholding using Form 592-A, Payment Voucher for Foreign Partner or Member Withholding. Form 592-B, Resident and Nonresident Withholding Tax Statement, is retained by the withholding agent and a copy is given to the payee.

H Publications, Forms, and Additional Information

You can download, view, and print California tax forms and publications at ftb.ca.gov.

To have publications or forms mailed to you or to get additional nonresident withholding information, contact the Withholding Services and Compliance.

WITHHOLDING SERVICES AND
COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

Telephone: 888.792.4900

916.845.4900

Fax: 916.845.9512

For all other questions unrelated to withholding or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 personas con discapacidades auditivas y del habla

841.1099 2782989.1

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Aaron M. Busch, Community Development Director

SUBJECT: **AMENDMENTS TO TITLE 23, ZONING CODE, OF THE MUNICIPAL CODE REGARDING ALLOWED USES FOR THE OFFICE PROFESSIONAL MIXED USE (OPMU) ZONE.**



RECOMMENDATION

Introduce and waive first reading of Ordinance 3-2017.

RESULT OF RECOMMENDED ACTION

Approval of Ordinance 3-2017 will amend Chapter 23.313 of the Municipal Code related to the Office Professional Mixed Use (OPMU) zone district. Specifically, the proposed amendment will modify the list of allowable uses and further clarify the applicable development standards for this zoning designation. If approved, the Ordinance would come back to Council for second reading and adoption at its next regular meeting.

BACKGROUND

In 2006, the City's first Zoning Code was adopted to replace the Sacramento County Code for local land use and development regulations. Since that time, there have been more than a dozen focused amendments to the Zoning Code as a result of legislative updates, to address specific issues/topics, and in response to applicant requests. These amendments included, but were not limited to, updated housing regulations and standards, creation of form based zoning provisions, adoption of new permits/entitlements or thresholds thereof, special use regulations (cardroom, check cashing, thrift store, hookah bars, medical marijuana dispensaries), and changes to reflect master plans or area planning efforts.

Last year, staff began a new, in-depth update of the Zoning Code which includes both minor clean ups and more substantive amendments compiled over the last two to three years for the following purposes:

- To ensure compliance with state and federal laws,
- To clarify ambiguities,
- To codify interpretations,
- To streamline procedures,
- To address local issues and concerns,
- To make sure that zoning is not an obstacle to economic development, and
- To make the document more user-friendly.

All of the proposed amendments are text changes only and do not propose any changes to the Zoning Map.

In addition to working closely with a Council Subcommittee on the identification, discussion, and initial direction on key issues for the update (per City Council direction), several City Council workshops were conducted to seek Council's feedback on specific zoning issues. These public workshops were held on: November 29, 2016; January 10, 2017; and February 6, 2017. All of the input received has been incorporated into the draft Zoning Code Update and proposed changes are shown in track changes. The Draft Zoning Code has been posted on the City's website, shared with stakeholder groups and interested parties.

At the February 6, 2017 Council meeting, staff presented the Council with three very specific issues including: potential updates intended to preserve the character and vision for the City's business parks; possible updates related to off-street parking design standards for single family residential uses; and, landscaping standards and maintenance responsibilities. (Note: due to time constraints the Council was unable to fully discuss the third subject matter relating to landscaping). Based on the input received from the Council at this meeting and a strong desire to preserve its vision for all business parks within the City, staff has prepared the attached Ordinance which incorporates minor amendments to the Zoning Code for the Office Professional Mixed Use zoning district.

ANALYSIS

Maintaining the high quality appearance and functionality of the City's business parks is a high priority of the City Council. Ensuring that the allowable uses within these areas and the applicable development standards are functional and supportive of the vision, is critical to the long term success of this land use type. In accordance with the City's Zoning Code, business parks are primarily located in the Office Professional Mixed Use (OPMU) zoning district. As defined in Section 23.313.020 of the Zoning Code, the OPMU zoning district is:

“... intended to designate property for the development of larger office buildings and business parks with supporting retail and service uses. The predominant use is office, but commercial and residential uses may be integrated into office buildings or located horizontally in freestanding buildings.”

Upon a detailed review of the allowable uses and development standards associated with this zoning district, staff found that there are some modifications that should be made to ensure that the above definition is fully realized. The first of these necessary modifications relates to some peculiar allowable uses within this zone district that do not appear to be compatible with the Council's vision for this zone district. Table 23.313-1 in the Zoning Code identifies the allowable uses within the OPMU zone district. Uses recommended for modification include: veterinary facilities, kennels, mortuaries, funeral homes, drive-in and drive-throughs; and car washing and service stations. With the exception of the car washing and service station uses that are proposed to be modified from being allowed with a Limited Use Permit to a Conditional Use Permit, the other uses are proposed to not be allowed within the OPMU zone district. The purpose for these changes is to ensure that the allowed uses reflect the business and professional nature envisioned in these zones and that the uses all function in an integrated, pedestrian oriented manner.

The second modification proposed relates to the development standards associated with the OPMU zone district. According to Table 23.313-2 in the Zoning Code, the “predominant use”

intended for the OPMU zone district is office uses, with other uses such as retail and residential functioning in more of an incidental or secondary capacity. However, in looking at the allowable uses in Table 23.313-1, there are certain use types that are appropriate in the OPMU zone district that cannot be considered a primary office use. Some good examples of this include: hotels; hospitals; banks and financial services; education; and public assembly uses. To ensure consistency with the allowable use tables, staff is recommending that additional clarification language is included in this section of the Zoning Code to further clarify the intent of the OPMU zone district and incorporate provisions for “stand alone” uses such as those previously noted. By incorporating this new language, there will not be any confusion about the intended uses within the OPMU zone district, which will further ensure the continued orderly development of this important land use type.

ENVIRONMENTAL ANALYSIS

The Rancho Cordova General Plan Final Environmental Impact Report (EIR) was certified in June 2006 by the Rancho Cordova City Council. The General Plan EIR is a Program EIR (CEQA Guidelines section 15168). The amendments to the City-Wide Zoning Code are activities within the scope of the General Plan Program EIR and no further environmental review is required. Further environmental review is not required because the proposed amendments do not meet the criteria for preparing a subsequent EIR under State CEQA Guidelines Section 15162, as detailed below.

First, the proposed amendments do not constitute substantial changes to the existing policies and actions in the General Plan. The proposed amendments are limited in nature and are not substantial changes to existing policies and actions contained in the General Plan. Overall, the project would not cause any new significant environmental impacts or substantially increase the severity of a previously identified significant impacts from the General Plan Final EIR (State CEQA Guidelines Section 15162[a][1]) that would require major revisions to the General Plan Final EIR. As these amendments simply reduce the number of allowable uses in the zone, all impacts would be nearly equivalent to or less than the impacts previously analyzed in the General Plan Final EIR.

Second, the City is not aware of any substantial changes in the circumstances that would cause any new significant impacts or substantially increase the severity of a previously identified significant impacts requiring major revisions to the General Plan EIR (State CEQA Guidelines Section 15162[a][2]). There have been no changes in the environmental conditions contemplated and analyzed in the General Plan EIR that would result in new or substantially more severe environmental impacts.

Third, there is no new information of substantial importance (which was not known or could not have been known at the time of the General Plan adoption in June 2006) that identifies: a new significant impact (condition “A” under State CEQA Guidelines Section 15162[a][3]); a substantial increase in the severity of a previously identified significant impact (condition “B” State CEQA Guidelines Section 15162[a][3]); mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects of the General Plan; or mitigation measures or alternatives which are considerably different from those analyzed in the General Plan EIR which would substantially reduce one or more significant effects on the environment (conditions “C” and “D” State CEQA Guidelines Section 15162[a][3]). None of the “new information” conditions listed in the State CEQA Guidelines Section 15162[a][3] are present here to trigger the need for a subsequent EIR.

Further environmental review is not required because the proposed amendments do not meet the criteria for preparing a subsequent EIR or Negative Declaration under State CEQA Guidelines Section 15162.

FISCAL IMPACT

There is no anticipated fiscal impact of the proposed action on City finances.

ATTACHMENTS

1. Ordinance 3-2017, including: revised Section 23.313.020; amended Table 23.313-1, and, amended Table 23.313-2 of the Municipal Code (**Exhibit A**).
2. Map of all OPMU properties within the City limits.

2782902.1

ATTACHMENT 1

CITY OF RANCHO CORDOVA

ORDINANCE NO. 3-2017

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AMENDING CHAPTER 23.313 REGARDING THE ALLOWED USES WITHIN THE OFFICE
PROFESSIONAL MIXED USE ZONING DISTRICT IN TITLE 23, THE ZONING CODE, OF
THE MUNICIPAL CODE**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Purpose and Declarations.

WHEREAS, as seen throughout the region, professional office business parks are a vital component to the City's sustainable land use planning efforts as a means of providing a positive jobs-housing balance and positive economic growth for the community; and

WHEREAS, to ensure that the design and character of these use types remain high quality, staff has worked with the Council Subcommittee on the Zoning Code Amendments to draft revisions to the City-wide Zoning Code to preserve these uses where appropriate and possible and to provide clarity for both staff and our customers; and

WHEREAS, on February 6, 2017, the City Council conducted a study session discussion regarding the allowable uses and applicable development standards for the Office Professional Mixed Use (OPMU) zone district; and

WHEREAS, the City Council directed staff to review and propose amendments to the OPMU zone district that would preserve the character and vision for the City's professional business parks; and

WHEREAS, amendments to the allowable uses and development standards for the OPMU zone district within the Zoning Code are included to clarify the permissions related to these uses; and

WHEREAS, the certified Environmental Impact Report prepared for and adopted by City Council for the previously adopted General Plan, via City Council Resolution 116-2006, was found to adequately address all potential environmental impacts associated with the adoption of the proposed Zoning Code amendments; and

WHEREAS, these amendments were analyzed and determined to be within the scope of the General Plan EIR and require no further environmental review under State CEQA Guidelines Section 15162 as established in the staff report associated with this Ordinance; and

WHEREAS, on February 21, 2017, the City Council held a properly noticed public hearing for this Ordinance and considered all oral and written testimony.

Section 2: Findings. The City Council hereby finds:

A. **CEQA Compliance.** The Rancho Cordova General Plan Final Environmental Impact Report (EIR) was certified in June 2006 by the Rancho Cordova City Council City Council Resolution 116-2006. The General Plan EIR is a Program EIR (CEQA Guidelines

ATTACHMENT 1

section 15168). The amendments to the City-wide Zoning Code are activities within the scope of the General Plan Program EIR and no further environmental review is required. Further environmental review is not required because the proposed amendments do not meet the criteria for preparing a subsequent EIR under State CEQA Guidelines Section 15162.

B. The proposed amendment is consistent with the General Plan. The attached Zoning Code Amendment ("Amendment") is consistent with the General Plan, as required by Government Code Section 65454, because it advances numerous General Plan Policies and Goals, including: Goal LU.1 – Achieve a Balanced and Integrated Land Use Pattern Throughout the Community; Policies LU.1.2 and LU.1.3; Goal LU.6 – Ensure Development of the Planning Areas is Consistent with the City's Vision. The amendment will preserve the intent of the office professional mixed use zone district opportunities throughout the City.

C. The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City. The attached amendment is focused on preserving the intended allowable uses for the Office Professional Mixed Use zone district by restricting uses that are not compatible with the predominant use type of professional office uses or secondary uses related to support retail and residential uses. None of these proposed amendments will be detrimental to the public interest, health, safety, convenience, or welfare of the City as they are allowed elsewhere in more appropriate zone districts of the City. Rather, the amendments will be beneficial by preserving a valuable land use type for the City's jobs-housing balance.

D. The proposed amendment is internally consistent with other applicable provisions of this zoning code. The attached Amendment was reviewed for consistency with the entirety of Title 23 of the Municipal Code and is consistent with other applicable provisions of the Municipal Code.

Section 3. Amendments to Title 23

The City Council hereby adopts amended Section 23.313.020; Table 23.313-1, and Table 23.313-2 of the Municipal Code in **Exhibit A**, attached and incorporated herein.

Section 4. Severability

If any provision of this Ordinance or the application thereof to any person or circumstance, is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 5. Effective Date

Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent, or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in

ATTACHMENT 1

accordance with Government Code Section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its inception.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

2782917.1

Chapter 23.313

MIXED-USE ZONING DISTRICTS

Sections:

- 23.313.010 Purpose.
- 23.313.020 Characteristics of the mixed-use zoning districts.
- 23.313.030 Allowed land uses and permit requirements.
- 23.313.040 Development standards.

23.313.010 Purpose.

The purpose of this chapter is to establish several mixed-use zoning districts in the city. These districts provide for the compatible integration of residential, commercial, office, and/or industrial uses on a single project site. These districts are consistent with and implement the city's following General Plan land use categories: residential mixed-use, commercial mixed-use, office mixed-use, light industrial, local town center, and regional town center. [Ord. 12-2011 § 3 (Exh. A); Ord. 27-2008 § 1 (Exh. A § 2.5.010)].

23.313.020 Characteristics of the mixed-use zoning districts.

The following descriptions of each mixed-use zoning district identify the characteristic uses, intensity of uses, and level of development intended for that district.

A. Residential Mixed-Use (RMU) Zoning District. This district is intended to designate property for the development of medium and high density housing (between 6.1 and 40 dwelling units per acre) that may incorporate office and/or commercial services. While the predominant use of the development is residential, the city encourages the vertical and/or horizontal integration of commercial and/or office uses that are compatible with the residential development.

B. Commercial Mixed-Use (CMU) Zoning District. This district is intended to designate property for vibrant commercial and mixed-use development. While a predominantly commercial district, the CMU category is designed to provide for the integration of retail and service commercial uses with office and/or residential uses. In multiple-story buildings, retail uses are the predominant use on the ground floor.

C. Office Professional Mixed-Use (OPMU) Zoning District. This district is intended to designate property primarily for the development of larger office buildings and business parks with supporting retail and service uses. The predominant use is office, but commercial, service and residential uses may be integrated into office buildings or located horizontally in freestanding buildings. This district also allows some stand-alone uses that are not traditional or predominant office uses, such as hospitals, banks/financial institutions, hotels/motels, and recreation, education, and public assembly uses.

D. Office Industrial Mixed-Use (OIMU) Zoning District. This district is intended to designate property for a wide range of office and light industrial development. The OIMU district is intended for the seamless integration of office and light industrial uses with supporting retail and service uses. Offices may be developed in an office park setting, but most office and light industrial development stands alone. Commercial and other support services may be integrated vertically and/or horizontally in this district, but the predominant use of integrated developments is office and/or light industrial. Public and quasi-public uses are permitted by right in this district.

E. Light Industrial Business Park (LIBP) Zoning District. This district is intended to designate property for the development of research and development, industrial, and/or manufacturing activities that occur primarily within an enclosed building. Development in this district may be integrated into a business park or campus setting with supporting retail services. This district also allows warehousing activities or distribution centers. Limited office and retail service uses may be integrated into the predominantly industrial use of the property horizontally or vertically. This district also allows public/quasi-public uses by right.

F. Village Center (VC) Zoning District. This district is intended to provide centers of activity that are within an easy walking distance from neighborhood homes and to provide local-serving commercial opportunities. A network of sidewalks, bicycle trails and transit routes provides easy nonvehicular access to these centers and buildings within

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this zone are appropriately scaled to fit in the neighborhood context and are placed to encourage the active use of public spaces and generate pedestrian activity.

G. Local Town Center (LTC) Zoning District. This district is intended to provide vibrant activity centers that serve the major retail and entertainment needs for a collection of neighborhoods that form districts as defined by the city's community building block concept of the General Plan. Nightlife is an important component of this district. An extensive network of sidewalks, bicycle trails and transit routes will connect these centers to the neighborhoods. The local town centers created within this zone will provide pedestrian-oriented gathering places.

H. Regional Town Center (RTC). This district is intended to provide locations for regional-serving retail, office, and residential uses that provide a vibrant mixed-use setting that fosters positive day and nighttime activity. Development may feature dynamic taller buildings and building complexes (over four stories in height) that are scaled appropriately to create a comfortable pedestrian environment and be compatible with adjacent neighborhoods. Mixed-use development can be designed horizontally (e.g., a grocery store next to a residential building) or vertically (e.g., a grocery store as the ground floor use with residential units above). Design characteristics include public plazas and other gathering places, open storefronts with expansive windows, and a rich mix of uses and tenants. [Ord. 12-2011 § 3 (Exh. A); Ord. 4-2011 § 3 (Exh. A); Ord. 27-2008 § 1 (Exh. A § 2.5.020)].

23.313.030 Allowed land uses and permit requirements.

Table 23.313-1 identifies allowed uses and corresponding permit requirements for the mixed-use districts subject to compliance with Chapter 23.304 RCMC (Land Use Classification) and all other provisions of this title.

Descriptions/definitions of the land uses can be found in Article 11 of this title (Definitions). The specific use regulations column in the table identifies the specific chapter or section where additional regulations for that use type are located within this title.

Use regulations in the table are shown with representative symbol by use classification listing: "P" symbolizes uses allowed by right, "L" symbolizes uses that require approval of a limited use permit, "C" symbolizes uses that require approval of a conditional use permit, and "N" symbolizes uses that are not permitted.

Table 23.313-1: Allowed Use and Permit Requirements for Mixed-Use Districts

Land Use Category	RMU	CMU	OPMU	OIMU	LIBP	VC	LTC	RTC	Specific Use Regulations
Residential Uses									
Adult Day Care Home	P	N	N	N	N	N	N	N	
Caretaker Housing	P	P	P	P	P	P	P	P	RCMC 23.901.020
Dwelling, Multifamily	P ¹	P ^{1,2}	P ^{1,2}	N	N	P ¹	P ¹	P ¹	
Dwelling, Second Unit	P	N	N	N	N	N	N	N	RCMC 23.901.060
Dwelling, Single-Family	P ¹	P ^{1,2}	P ^{1,2}	N	N	P ¹	P ¹	P ¹	
Dwelling, Two-Family	P ¹	P ^{1,2}	P ^{1,2}	N	N	P ¹	P ¹	P ¹	
Emergency Shelter	C	C	C	C	N	N	N	N	
Family Day Care Home, Small	P	N	N	N	N	N	N	N	
Family Day Care Home, Large ¹⁷	AUP	N	N	N	N	N	N	N	RCMC 23.901.080
Group Residential	L	N	N	N	N	N	N	N	
Home Occupations	P	P	P	N	N	P	P	P	RCMC 23.901.030

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Land Use Category	RMU	CMU	OPMU	OIMU	LIBP	VC	LTC	RTC	Specific Use Regulations
Live-Work Facility	P ¹	P ¹	P ¹	N	N	P ¹	P ¹	P ¹	RCMC 23.901.040
Residential Care Home, Small	P	N	N	N	N	N	N	N	
Residential Care Home, Large ¹⁸	AUP	N	N	N	N	N	N	N	RCMC 23.901.090
Transitional Housing	P	N	N	N	N	N	N	N	
Recreation, Education, and Public Assembly Uses									
Clubs, Lodges, and Private Meeting Halls	P	P	P	P	L	P	P	P	
Community Centers/Civic Uses	P	P	P	P	AUP	P	P	P	
Indoor Amusement/Entertainment Facility	AUP	P	P	P	AUP	L	P	P	
Indoor Fitness and Sports Facility	L	P	P	P	AUP	L	P	P	
Libraries and Museums	P	P	P	P	P	P	P	P	
Outdoor Commercial Recreation	N	C	P	P	P	C	C	C	
Parks and Public Plazas	P	P	P	P	C	P	P	P	
Public Safety Facility	P	P	P	P	P	P	P	P	
Religious Institutions	P	P	P	P	P	P	P	P	
Schools, Private and Special/Studios	P	P	P	P	C	P	P	P	
Schools, Public	P	P	P	P	P	P	P	P	
Theaters and Auditoriums	C	P	P	P	N	AUP	P	P	
Utility, Transportation, and Communication Use Listings									
Broadcasting and Recording Studios	N	P	P	P	P	N	N	N	
Bus and Transit Shelters	P	P	P	P	P	P	P	P	
Freight Yard/Truck Terminal	N	N	N	C	C	N	N	N	
Fuel Storage and Distribution	N	N	N	N	C	N	N	N	
Heliports	N	L	L	L	L	N	N	N	
Park and Ride Facility	C	P	P	P	P	C	C	P	
Parking Facility	L	P	P	P	P	L	P	P	
Telecommunication Facility	C	L/C ²¹	L/C ²¹	L/C ²¹	L/C ²¹	L/C ²¹	L/C ²¹	L/C ²¹	RCMC 23.907.020
Transit Facilities	N	N	N	C	P	N	N	N	
Transit Stations and Terminals	C	P	P	P	P	P	P	P	
Utility Facility and Infrastructure	AUP	AUP	AUP	AUP	AUP	AUP	AUP	AUP	RCMC 23.907.030

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EXHIBIT A

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Land Use Category	RMU	CMU	OPMU	OIMU	LIBP	VC	LTC	RTC	Specific Use Regulations
Retail, Service, and Office Uses²²									
Adult Day Care Facility	N	AUP	AUP	AUP	AUP	AUP	AUP	AUP	
Alcoholic Beverage Sales, Off-Site ¹⁶	N	C	C ²	C ²	C ²	C	C	C	
Ambulance Service	N	L	L	P	P	N	N	N	
Animal Sales and Grooming	AUP	P	N	N	N	P	P	P	
Art, Antique, Collectable	P ²	P	P ²	P ²	N	P	P	P	
Artisan Shops	AUP	P	P ²	P ²	P ²	P	P	P	
Artisanal and Specialty Manufacture, Display, and Sales	N	P	P	P	N	P	P	P	
Banks and Financial Services	P ²	P	P	P	P	P	P	P	
Bars and Nightclubs	C ³	C ³	C ^{2, 3}	C ^{2, 3}	C ^{2, 3}	C ³	C ³	C ³	
Bed and Breakfast Inns	P	P	N	N	N	N	N	N	
Brew Pub	N	P	P ²	P ²	P ²	P	P	P	
Building Materials Stores and Yards	N	P ⁴	N	C ⁴	N	N	C ⁴	C ⁴	
Business Support Services	AUP ^{2, 4, 5}	P	P	P	AUP	P ⁵	P	P	
Call Centers	N	N	P	P	AUP	N	N	N	
Child Day Care Facility	AUP	AUP	AUP ²	AUP ²	AUP ²	P	C	C	
Convenience Stores	L ²	L	L ²	L ²	L ²	L	L	L	
Drive-In and Drive-Through Sales and Service	N	C ^{20, 21}	N	C ^{6, 20, 21}	C ^{6, 20, 21}	C ^{20, 21}	C ^{20, 21}	C ^{20, 21}	RCMC 23.910.030
Equipment Sales and Rental	N	N	N	P	P	N	N	N	
Furniture, Furnishings, and Appliance Stores	N	P	N	N	N	N	C	P	
Garden Center/Plant Nursery	N	P	N	AUP	N	N	C	C	
Grocery Stores/Supermarkets	AUP ²	P	P ²	AUP ²	N	AUP ⁸	P	P	
Home Improvement Supplies	N	P ⁹	N	P	P	N	P ⁹	P ⁹	
Hotels and Motels	C ²	P	P	C	N	C	P	P	
Hotels and Motels, Extended Stay	C ²	C	C	C	N	C	C	C	
Kennels, Commercial	C ^{4, 2}	AUP ⁴	N	AUP ⁴	AUP ⁴	N	N	N	
Maintenance and Repair, Small Equipment	N	P	N	P	P	AUP	P	P	
Medical Services, General	L ²	P	P	P	P	P	P	P	
Medical Services, Extended Care	P	C	C	C	N	N	N	N	
Medical Services, Hospitals	N	P	P	P	P	P	P	P	

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Land Use Category	RMU	CMU	OPMU	OIMU	LIBP	VC	LTC	RTC	Specific Use Regulations
Mortuaries and Funeral Homes ¹⁵	N	P	N	P	P ¹⁵	N	N	N	
Neighborhood Market	P ²	P	P ²	L ²	N	P	P	P	
Offices, Business and Professional	P ²	P ²	P	P	N	P ²	P ²	P ²	
Offices, Accessory	P	P	P	P	L ¹⁰	P	P	P	
Personal Services	P ^{5,2}	P	P ²	P ²	P ²	P	P	P	
Residential Care Facility	L	C	C	N	N	N	N	N	
Restaurants	P ²	P	P ²	P ²	P ²	P	P	P	
Retail, Accessory	P ²	P	P ⁶	P ⁶	P ⁶	P	P	P	
Retail, General	P ^{2,11}	P	N	N	N	P	P	P	
Retail, Warehouse Club	N	P	N	N	N	N	C	P	
Tasting Room, Off-Site	N	P	P ²	P ²	P ²	P	P	P	
Veterinary Facility	L ²	P	N	P	L	L	P	P	
Automobile and Vehicle Uses									
Auto and Vehicle Sales and Rental	N	P ¹⁹	N	N	P ¹⁹	N	N	N	RCMC 23.913.040
Auto and Vehicle Sales, Wholesale	N	N	N	C	P	N	N	N	
Auto and Vehicle Storage	N	N	N	C ¹²	P ¹²	N	N	N	
Auto Parts Sales	N	P ^{11,12}	N	N	P ^{11,12}	N	N	N	
Car Washing and Detailing	N	L ¹³	L¹³	L ¹³	L	N	C	C	
Service Stations	N	L	C	L	P	N	C	C	
Vehicle Services, Major	N	N	N	C ¹²	P ¹²	N	N	N	
Vehicle Services, Minor	N	L ^{12,13}	N	L ¹²	P ¹²	N	N	N	
Industrial, Manufacturing, and Processing Uses									
Agricultural Products Processing	N	N	N	N	C	N	N	N	
Manufacturing, Major	N	N	N	N	C ¹⁴	N	N	N	
Manufacturing, Minor	N	N	N	P	P	N	N	N	
Manufacturing, Small Scale	N	P	P	P	P	P	N	N	
Printing and Publishing	N	C	C	P	P	N	N	N	
Recycling Facility, Processing	N	N	N	N	C	N	N	N	
Recycling Facility, Scrap and Dismantling Facility	N	N	N	N	C	N	N	N	
Research and Development	N	N	P	P	P	N	N	N	
Storage, Personal Storage Facility	N	N	N	C	P	N	N	N	

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Land Use Category	RMU	CMU	OPMU	OIMU	LIBP	VC	LTC	RTC	Specific Use Regulations
Storage, Warehouse	N	N	N	P	P	N	N	N	
Storage, Yards	N	N	N	p ¹⁴	p ¹⁴	N	N	N	
Wholesaling and Distribution	N	N	N	p ¹⁴	p ¹⁴	N	N	N	
Special Regulated Uses									
Card Rooms	N	P	C	C	C	N	N	N	RCMC 23.919.020
Check Cashing Businesses	N	P	N	N	N	N	N	N	RCMC 23.919.030
Massage Parlors	N	P	N	N	N	N	N	N	
Pawnshops	N	P	N	N	N	N	N	N	RCMC 23.919.040
Recycling Facility, Collection Facility	N	C	C	C	P	C	C	C	RCMC 23.919.050
Sexually Oriented Businesses	N	N	N	N	P	N	N	N	RCMC 23.919.060
Smoke Shops	N	P	N	N	C	N	N	N	RCMC 23.919.070
Tattoo Parlors	N	P	N	N	N	N	N	N	RCMC 23.919.080
Thrift Stores	N	P	N	L	L	N	N	N	RCMC 23.919.090

Notes:

1. See the density restrictions in the underlying zoning district.
2. This use is permitted or permitted with a use permit as specified only in conjunction with the predominant use of the mixed-use district. In other words, this use is only allowed as part of an integrated development and not as a stand-alone use. Other uses in the table are allowed as stand-alone uses.
3. All forms of speaker amplification exterior to the building shall be prohibited unless authorized in combination with project approval or amendment thereto.
4. All activities shall occur within a completely enclosed building or shall be located behind a solid/screened enclosure directly adjacent to the building.
5. Maximum gross floor area is less than 5,000 square feet.
6. Limited to a maximum of 25 percent of the gross floor area of the integrated development.
7. Maximum tenant space shall be 25,000 square feet.
8. Maximum tenant space shall be 50,000 square feet.
9. Uses 25,000 square feet and over require a conditional use permit.
10. Limited to less than 50 percent of the gross floor area of the integrated development.
11. Maximum tenant space shall be 15,000 square feet.
12. All activity and storage must be located within an enclosed structure.
13. No portion of the use shall be located within 500 feet of an intersection.
14. All activity must be entirely screened from public view and not within 500 feet of a residential use.
15. A crematory is prohibited in all zones with the exception of LIBP, where it is permitted in association with a mortuary or funeral home.
16. Only establishments that sell alcoholic beverages for off-site consumption require a conditional use permit. On-site consumption is considered a permitted use if the related use is a permitted use.
17. See additional provisions in RCMC 23.901.080, Family day care (large).
18. See additional provisions in RCMC 23.901.090, Residential care home (large).
19. This use is not permitted if incidental to and not a primary part of the operation of the primary use. Rentals that are an integral part of a primary use are subject to the additional provisions of RCMC 23.913.040.
20. Drive-throughs that are added to existing buildings may be processed with an LUP.
21. CUP required if any portion of proposed facility is within 500 feet of a residential zoning district or existing residential use.
22. All commercial activity, display and storage shall occur within a building or within a screen enclosure. A temporary use permit, limited use permit or conditional use permit may be obtained to deviate from this requirement.

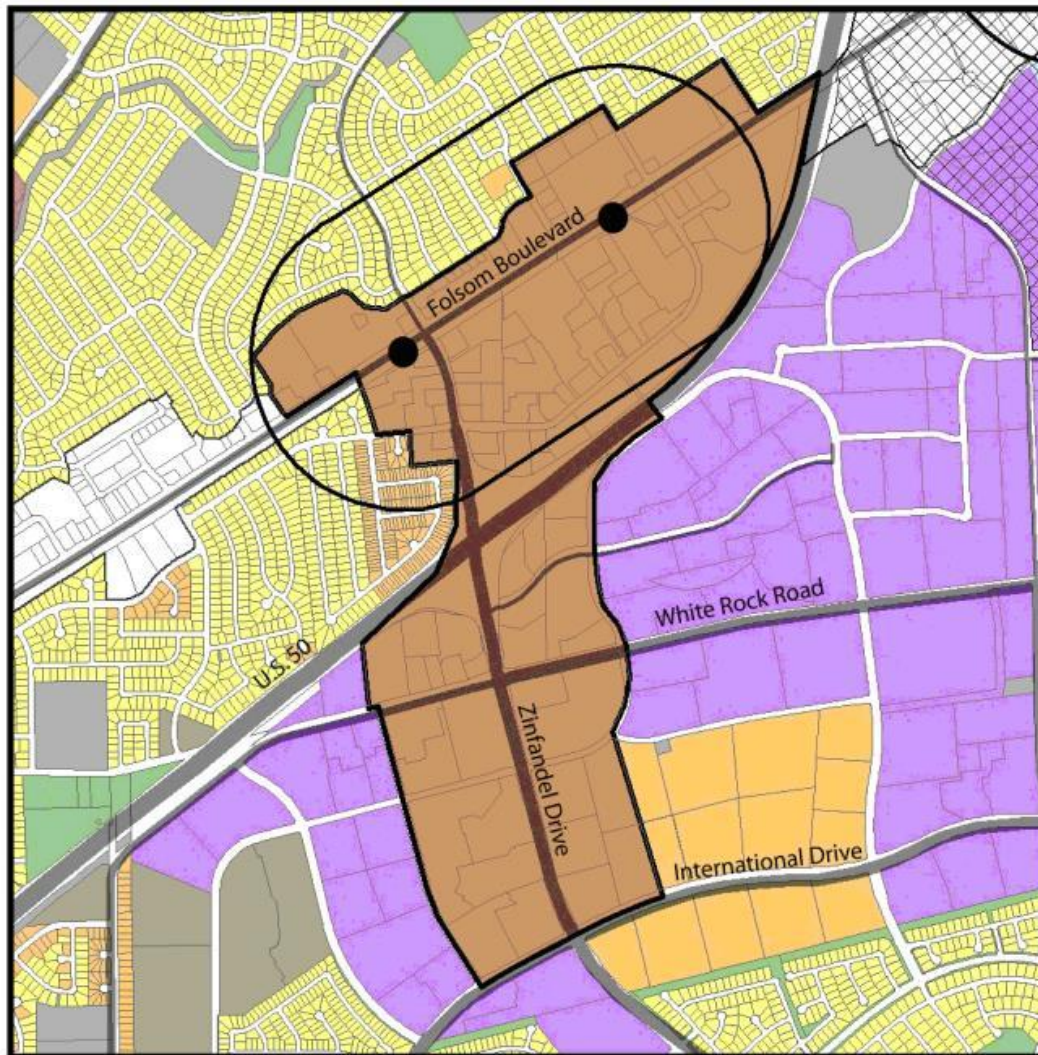
[Ord. 8-2015 § 4 (Exh. B); Ord. 12-2011 § 3 (Exh. A); Ord. 27-2008 § 1 (Exh. A § 2.5.030)].

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23.313.040 Development standards.

The following development standards are applicable to the mixed-use zoning districts. These standards, along with other development standards (e.g., landscaping requirements, parking standards) in this title and citywide design guidelines, are intended to assist property owners and project designers in understanding the city's minimum requirements and expectations for high quality development. Where identified, the downtown shall be that area identified as the downtown planning area in the city's General Plan and as illustrated in Figure 23.313-1.

Figure 23.313-1: Downtown Planning Area



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Development standards for the village center (VC), local town center (LTC), and regional town center (RTC) zoning districts are listed in Article 5 of this title (Form-Based Zoning Provisions). Because of their unique character and location within the city, these zoning districts benefit from the application of these form-based standards.

Table 23.313-2: Mixed-Use Zoning District Development Standards¹

Development Standard	RMU (UR2 in FBSP)	CMU	CMU Downtown	OPMU	OPMU Downtown	OIMU	LIBP
Density ²							
Minimum	6.1 du/ac	10.0 du/ac	10.0 du/ac	10.0 du/ac		n/a	
Maximum	40.0 du/ac	18.0 du/ac	40.0 du/ac	18.0 du/ac		n/a	
Predominant Use Standards							
Use Type	Residential	Commercial		Office ³		Industrial ³	
Standard	≥ 50% total combined building sf	≥ 50% of combined ground floor building sf ²		≥ 50% total combined building sf		n/a	
Floor Area Ratio ^{4, 5}							
Minimum	n/a	0.25	0.4	0.25	0.3	n/a	
Maximum	n/a	1.5	3.0	2.0	2.5	n/a	
Setbacks (minimum) ⁶							
Front	10 ft	See below (based on project size)			10 ft		25 ft
Front – Front-Facing Garage ⁶	18 ft	n/a				n/a	
Front and Street- Side, ≤ 15 acres	n/a	0 ft (min.) to 30 ft (max.) ⁸			n/a		n/a
Front and Street- Side, > 15 acres	n/a	0 ft (min.) to 80 ft (max.) ⁸			n/a		n/a
Street-Side	10 ft				10 ft		25 ft
Rear ⁷	10 ft	10 ft				10 ft	
Interior	n/a	0 ft				10 ft	
Interior – Attached Units	0 ft	n/a					
Interior – Detached Units	5 ft	n/a					
Interior – Zero Lot Line ⁹	0 ft / 10 ft						
Residential, Stand-alone Structure	n/a	Refer to setbacks for the MDR or HDR zone, based on density of project					n/a
Height (maximum)							
Primary Structures ¹⁰	50 ft	50 ft	No Maximum ¹¹	65 ft	No Maximum ¹¹	45 ft	
Accessory/Second Dwelling Units ¹²	26 ft						

Notes:

1. VC, LTC, and RTC development standards are provided in Article 5 of this title, Form-Based Zoning Provisions.

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2. The minimum and maximum density standards are only applicable to mixed-use and integrated developments that include residential uses. Residential projects shall include a minimum of four units. The planning director may approve residential densities below 10 dwelling units per acre if the units are located above retail or office uses.

3. Predominant use standards for the OPMU District are intended to establish maximum square footage allowances for those uses in Table 23.313-1 that are allowed only as accessory or secondary to a primary use. The OPMU District allows some stand-alone uses that are not traditional or predominant office uses (e.g., hospitals, banks/financial institutions, hotels/motels, recreation, education, and public assembly uses). This standard does not apply to stand-alone uses allowed by right or with a use permit consistent with Table 23.313-1.

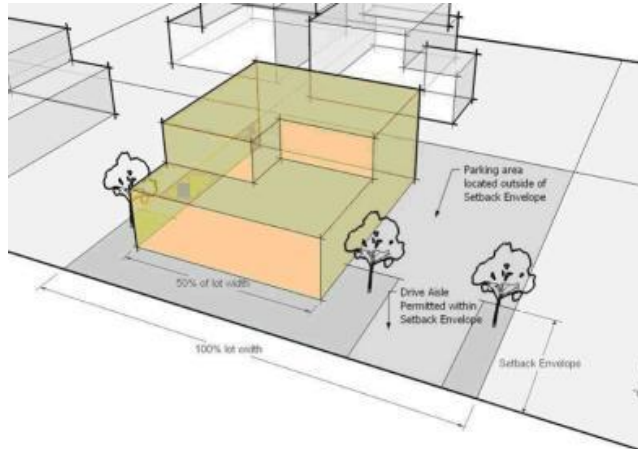
4. Excludes square footage of structured parking.

5. Includes residential uses and square footage. See Article 11 of this title for definition of floor area ratio (FAR).

6. At no time shall any portion of the structure be located within a designated public utility easement.

7. Garages may also be accessed from an alley with a minimum three-foot rear setback.

8. Consistent with the setback provisions in the design guidelines, the city requires new commercial and mixed use buildings to be located in close proximity to the street for improved relationship to the street and pedestrian. Therefore, for lots less than 15 acres in size, at least 50 percent of the lot width is occupied by primary building frontage and/or pedestrian features located between zero and 30 feet from the front property line. Similarly, for lots greater than 15 acres in size, at least 50 percent of the lot width is occupied by primary building frontage and/or pedestrian features located between zero and 80 feet from the front property line. The following figure, from the design guidelines, is provided to help illustrate this concept.



9. A zero lot line home allows a zero side-yard minimum setback on one side with a corresponding 10-foot minimum side-yard setback on the other side.

10. The maximum height may be increased in conjunction with design review when the proposed structure includes a parking structure or a combination of uses (e.g., commercial with residential and/or office) in the same structure.

11. While there is no height maximum in the downtown, the regulations of the Federal Aviation Administration (FAA) limit the height of structures to between 150 and 350 feet based on location. See the safety element of the General Plan for more information. FAA approval is required for all structures over 150 feet in height.

12. Secondary dwelling units are subject to the square footage limitations provided within this zoning code (see RCMC 23.901.060). Second dwelling units may be located above the garage.

[Ord. 12-2011 § 3 (Exh. A); Ord. 27-2008 § 1 (Exh. A § 2.5.040)].

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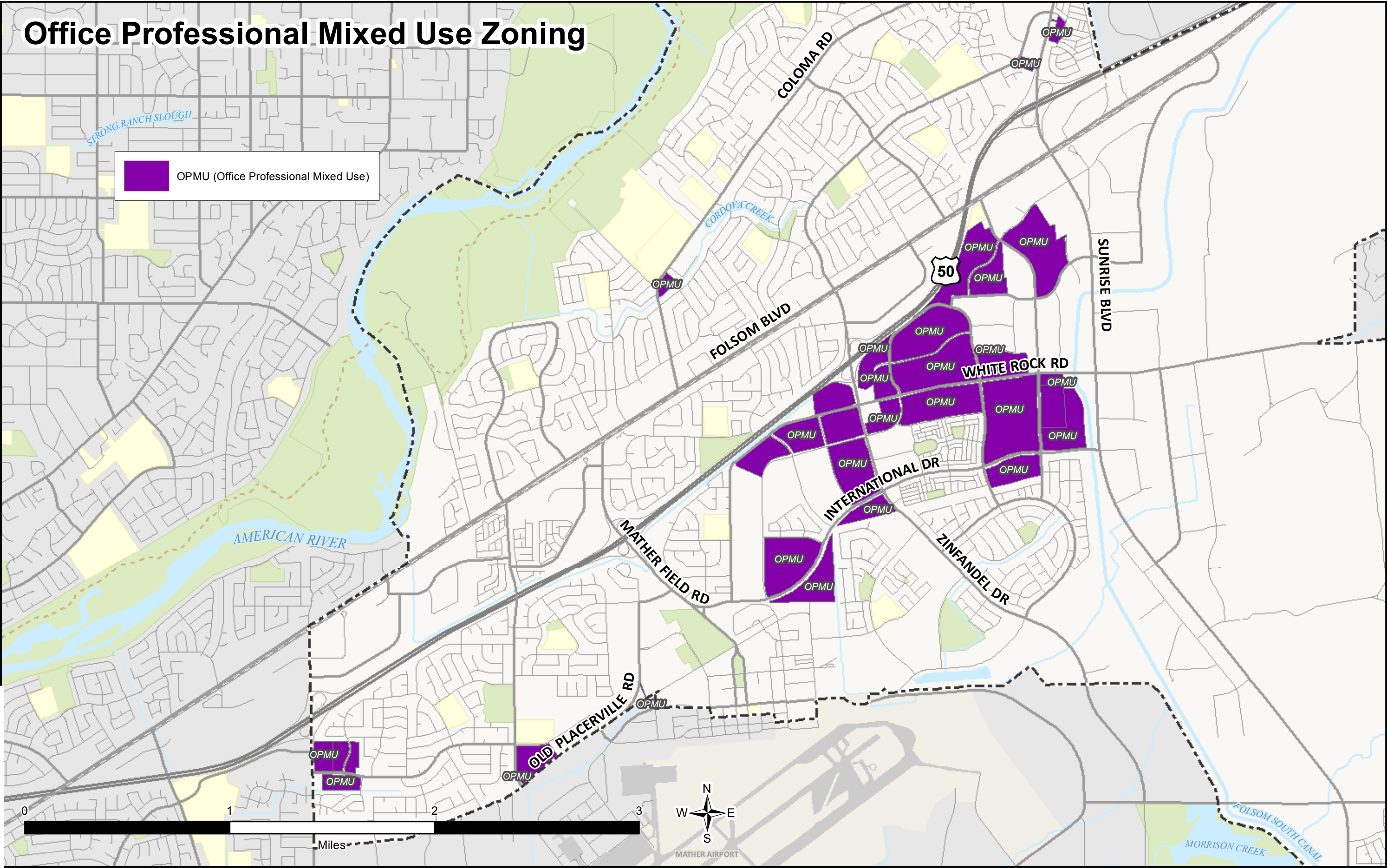
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Office Professional Mixed Use Zoning

OPMU (Office Professional Mixed Use)



Zoning Code Amendment

Title 23: OPMU Zone District

Zoning Code Update

Last year, staff began a new, in-depth update of the Zoning Code which includes both minor clean ups and more substantive amendments compiled over the last two to three years for the following purposes:

- To ensure compliance with state and federal laws,
- To clarify ambiguities,
- To codify interpretations,
- To streamline procedures,
- To address local issues and concerns,
- To make sure that zoning is not an obstacle to economic development,
- To make the document more user-friendly, and
- To achieve the Council's vision

City Council Workshops

In addition to working closely with a Council Subcommittee on the identification, discussion, and initial direction on key issues for the update, several City Council workshops were conducted to seek Council's feedback on specific zoning issues.

- November 29, 2016
- January 10, 2017
- February 6, 2017

Multiple topics and issues were discussed in detail at each of these workshops.

Updated/proposed amendments were provided on the City's Website.

Business Park Amendments

At the February 6, 2017 meeting, the subject of preserving the design and character of existing and future business parks was discussed.

- Current Zoning Code includes two areas that did not appear consistent with Council's expectations and vision for this land use.
- Focus of this discussion was on the Office Professional Mixed Use (OPMU) zone district which is defined as:

"... intended to designate property for the development of larger office buildings and business parks with supporting retail and service uses. The predominant use is office, but commercial and residential uses may be integrated into office buildings or located horizontally in freestanding buildings."

Business Park Amendments

A detailed review of the allowable uses and development standards associated with the OPMU zoning district, revealed that there are some modifications that should be made to ensure that the above definition is fully realized.

- The first of these necessary modifications relates to some peculiar allowable uses within this zone district that do not appear to be compatible with the Council's vision for this zone district.
 - Uses recommended for modification include: veterinary facilities, kennels, mortuaries, funeral homes, drive-in and drive-throughs; and car washing and service stations.
- The second modification proposed relates to the development standards associated with the OPMU zone district.
 - The "predominant use" intended for the OPMU zone district is office uses, with other uses such as retail and residential functioning in more of an incidental or secondary capacity.
 - However, there are certain use types that are appropriate in the OPMU zone district that cannot be considered a primary office use.
 - Some good examples of this include: hotels; hospitals; banks and financial services; education; and public assembly uses.

OPMU Modifications

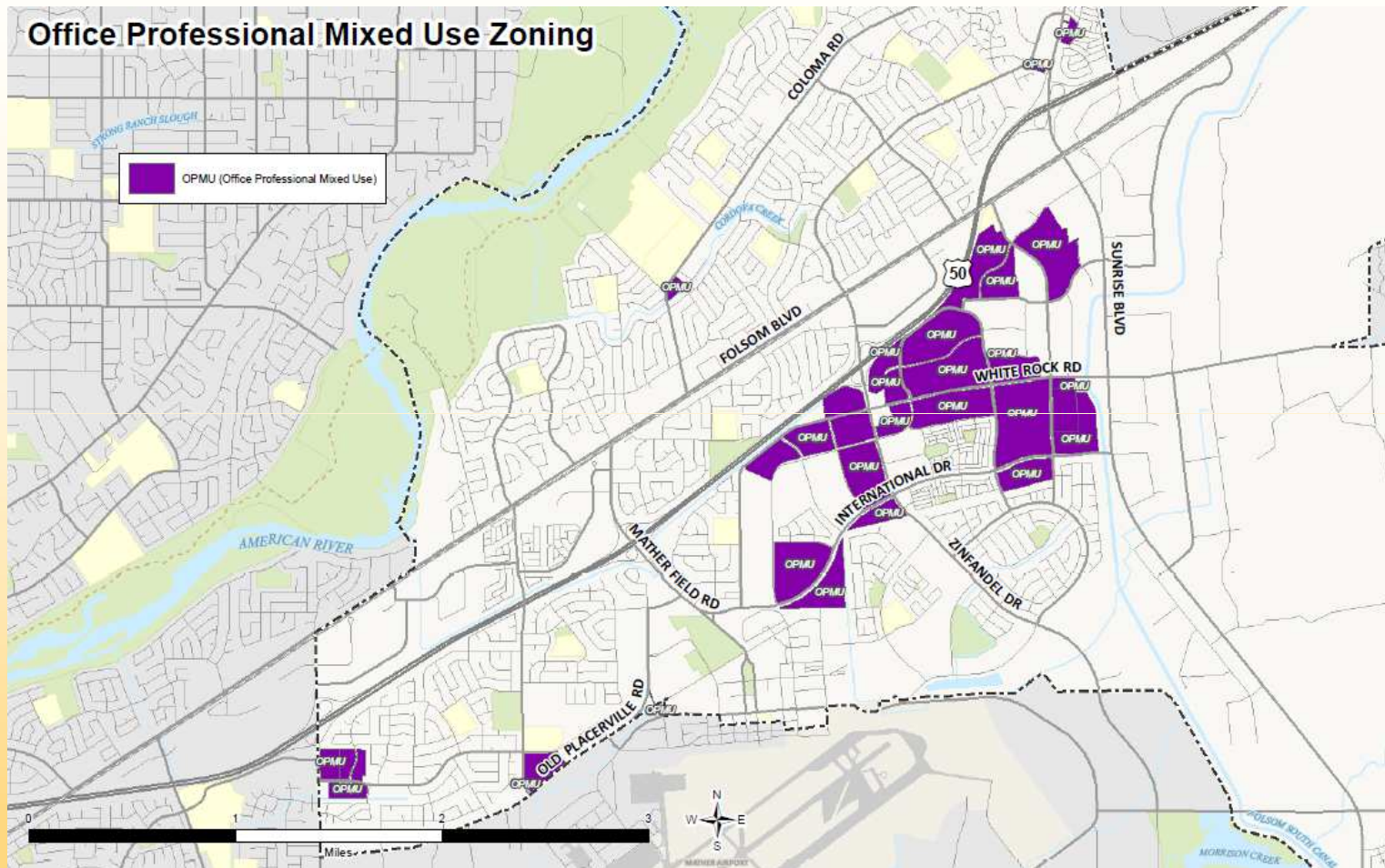
To ensure the allowable uses within the OPMU zone district accurately reflect the intended vision for this type of land use, Table 23.313-1 includes modifications to specific uses:

- Proposed modification: the following uses would change from "P" (allowed) to "N" (not allowed):
 - veterinary facilities, kennels, mortuaries, funeral homes, drive-in and drive-throughs
- Proposed modification: the following uses would change from "LUP" (Limited Use Permit) to "CUP" (Conditional Use Permit):
 - car washing and service stations

To ensure consistency with the allowable use tables, staff is recommending that additional clarification language is included to further clarify the intent of the OPMU zone district and incorporate provisions for "stand alone" uses (i.e. hotels; hospitals; banks and financial services; education; and public assembly uses).

Both modifications are included in the attached Ordinance 3-2017

OPMU Location Map



MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: June Cowles, Senior Planner



SUBJECT: CROSSINGS AT WOODBERRY WAY REZONE FROM COMMERCIAL MIXED USE AND HIGH DENSITY RESIDENTIAL TO RESIDENTIAL MIXED USE, VIA A, FOLSOM BOULEVARD SPECIFIC PLAN AMENDMENT, PARKING EXCEPTION, AND MAJOR DESIGN REVIEW; PROJECT NO. DD9683.

PROPERTY OWNER: City of Rancho Cordova 2729 Prospect Park Drive Rancho Cordova, CA 95670	APPLICANT/DEVELOPER: Urban Housing Communities, (UHC 00575 Rancho Cordova L.P) 2000 E Fourth Street, Suite 205 Santa Ana, CA 92705
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PROJECT: FILE: LOCATION: APN: PLANNER:	The applicant requests approval of a Rezone from Commercial Mixed Use (FB-CMU) and High Density Residential (FB-HDR) to Residential Mixed Use (FB-RMU), Folsom Boulevard Specific Plan amendment, a parking exception, and Major Design Review for three, three-story multi-family buildings to include a total of 28 units, parking, landscaping, and play area on a 0.97-acre site located within the Folsom Boulevard Specific Plan. DD9683 2738 Woodberry Way, Rancho Cordova (formerly 10447 Folsom Boulevard), 057-0221-0220 June Cowles, Senior Planner
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RECOMMENDATION

- Introduce and waive first reading of Ordinance No. 2-2017 approving a zoning amendment to the Folsom Boulevard Specific Plan Land Use Map.
- Adopt Resolution No. 35-2017 approving the parking exception and Major Design Review for the 28-unit affordable multi-family housing project.

RESULT OF RECOMMENDED ACTION

Approval of Ordinance 2-2017 would amend the Folsom Boulevard Specific Plan Land Use Map for the project site changing the zoning from Commercial Mixed Use (CMU) and High Density Residential (HDR) to Residential Mixed Use (RMU). Adoption of Resolution 35-2017 would approve a Major Design Review and a parking exception for three, three-story multi-family buildings to include a total of 28 affordable units, parking, landscaping, and play area, contingent upon the final approval of the zoning map amendment. The Ordinance would come back to Council for second reading and adoption at the next regular meeting. The Resolution would not become effective until 30 days after the second reading of the Ordinance.

BACKGROUND

The project site, 2738 Woodberry Way (formerly 10447 Folsom Boulevard) is located within the Folsom Boulevard Specific Plan (FBSP) which was adopted in 2006 and amended substantially in 2013. The FBSP is a guide for future development and redevelopment in the plan area. It seeks to increase the density of both housing and commercial activity and increase pedestrian, bicycle, and transit trips to, from, and through the area; increase the visibility of the Folsom Boulevard corridor as a destination; and change the dynamic and image to that of a high demand, thriving urban area. The plan area is approximately 4 miles in length and includes all of the parcels with frontage on Folsom Boulevard between Bradshaw Road and Sunrise Boulevard as well as some parcels contiguous to those adjacent properties. The City acquired the subject property in order to clear a former deteriorated structure on the site which was achieved in 2010. The property to the north, known as the Crossings at New Rancho was the first phase of the “New Rancho” project. The project site is the second phase of that larger project, **(See Figure 1)**. Since 2013, the second phase was proposed to be developed as a 48-unit senior, affordable housing project named the Horizons @ New Rancho. Efforts to accumulate the funding required for this phase have been unsuccessful.

Figure 1: Project site



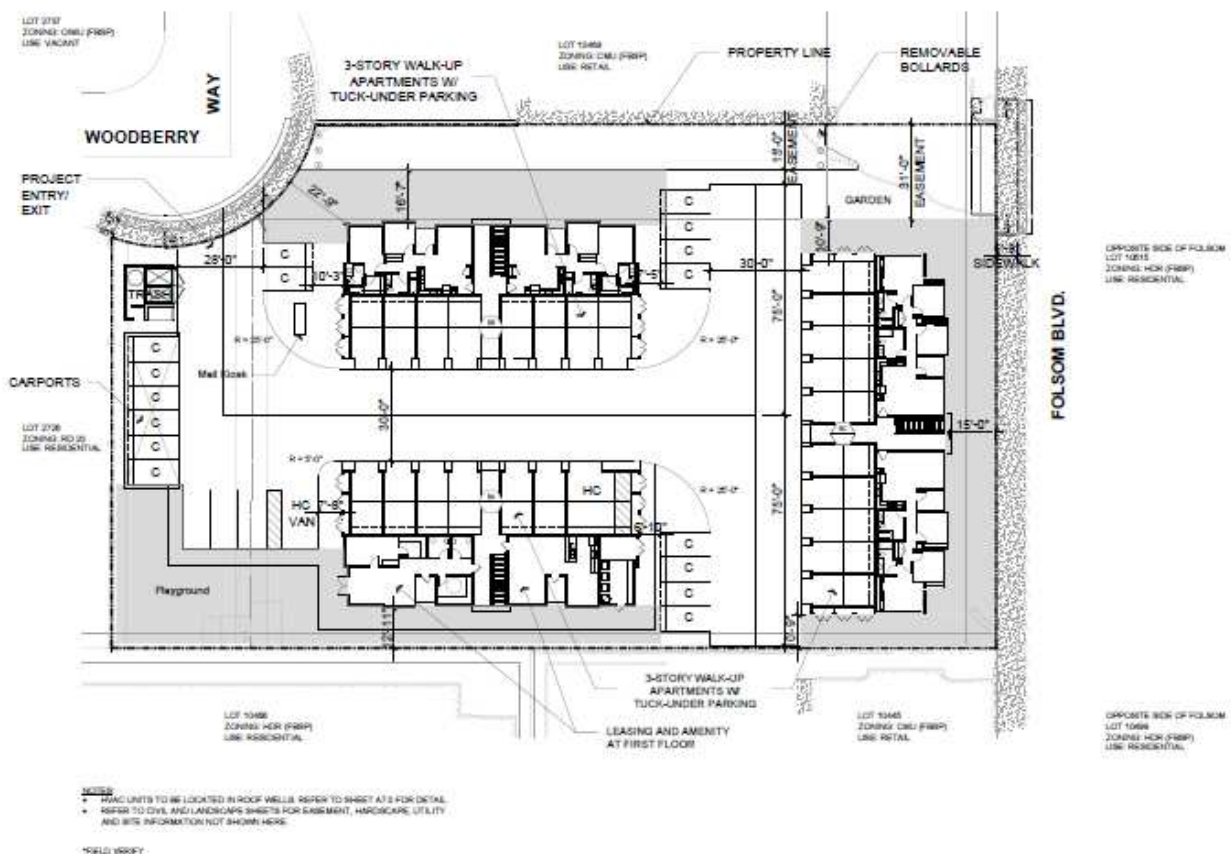
January 17, 2017 City Council Meeting

On January 17, 2017, staff requested direction from the Council on the conversion from senior affordable apartments to family affordable apartments. Council gave direction to proceed with the change to family affordable apartments. The Crossings at New Rancho project and the proposed Crossings at Woodberry Way project provide needed affordable residential development in an area close to transit and existing commercial establishments.

PROJECT DESCRIPTION:

The project includes: a Rezone in order to revise the project site zoning designation from Commercial Mixed Use and High Density Residential to Residential Mixed Use; Specific Plan Amendment; a parking exception; and, a Major Design Review. The proposed Crossings at Woodberry Way project includes three, three-story multi-family buildings with a total of 28 affordable units, with under-structure and surface parking, landscaping, a play area, garden, and a pedestrian/bicycle connection from Woodberry Way to Folsom Boulevard. (See Figure 2).

Figure 2: Site Plan



Adjacent Zoning and Land Uses:

	Zoning	Land Use description	
North	R-20 Residential	Multi-Family, Crossings at New Rancho	
South	High Density Residential (HDR FBSP)	Multi-Family	
East	Commercial Mixed Use (CMU FBSP)	Commercial businesses	
West	High Density Residential (HDR FBSP) and Commercial Mixed Use (CMU FBSP)	Multi-Family and Commercial businesses	

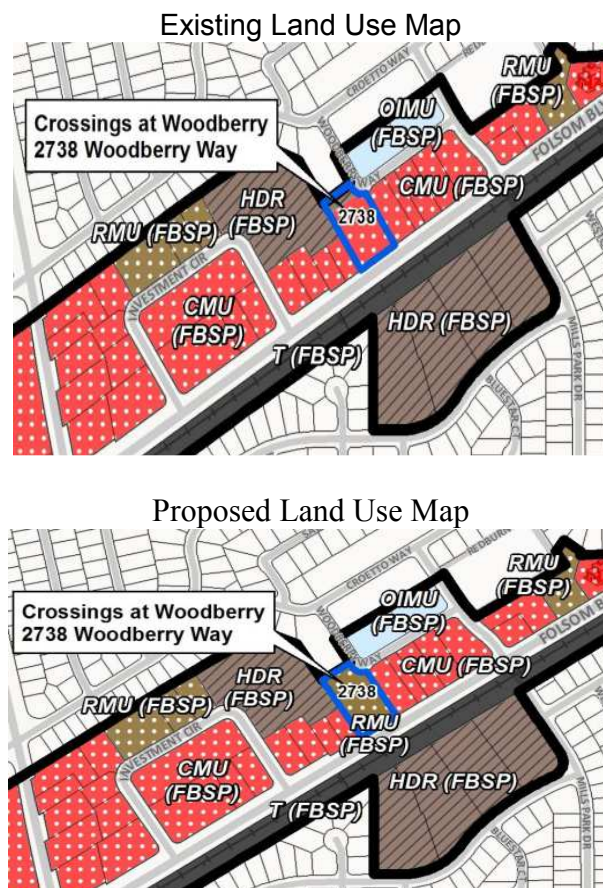
ANALYSIS:

The proposal contains the following items that will be analyzed individually as follows: Rezone (via a Folsom Boulevard Specific Plan Amendment), parking exception, and Major Design Review.

SPECIFIC PLAN AMENDMENT

The applicant's request for the rezone to the Folsom Boulevard Specific Plan includes an amendment to the Land Use Map from Commercial Mixed Use and High Density Residential to Residential Mixed Use. (**See Figure 3 and (Exhibit 1A).**)

Figure 3: Existing and Proposed Rezone to the FBSP

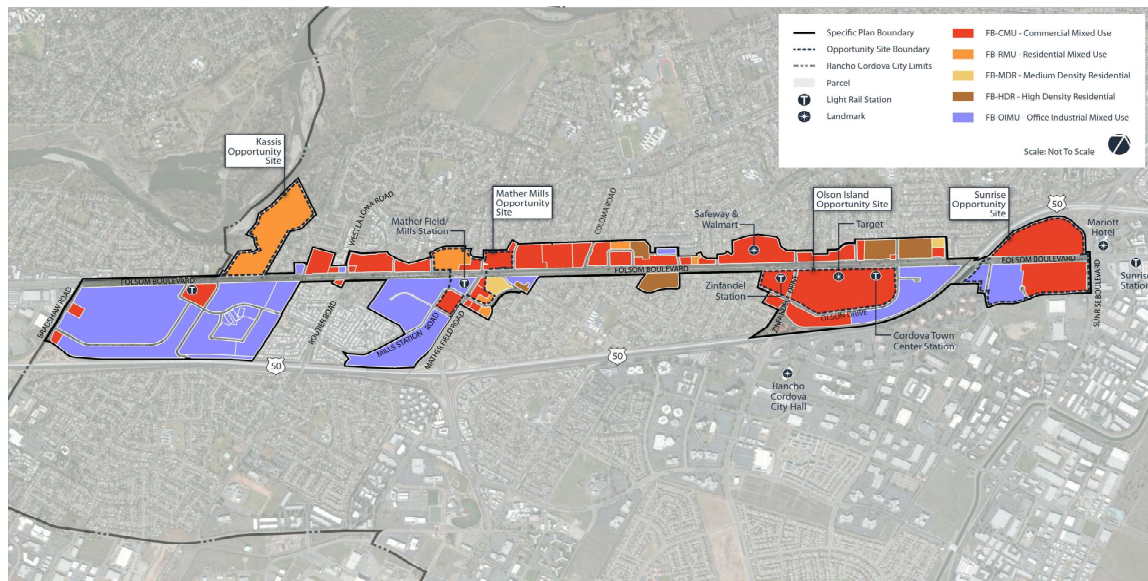


When the FBSP was approved the land use designation for the project site was high density residential. In 2009, the project site was rezoned to Urban Reserve 2 (UR-2). The UR-2 zoning designation required density of between 6.1 and 40 dwelling units per acre. While the predominate future development pattern within this district will have a medium to high density housing focus, the City encourages the vertical and/or horizontal integration of commercial and/or office uses that are compatible with residential development, particularly at the edge of neighborhoods to provide needed and compatible services. In 2013, the FBSP was amended again and the project site was rezoned to Commercial Mixed Use (CMU). There is a strip of land on the northern portion of the site zoned High Density Residential due to a lot line adjustment for the several parcels that were included in the “New Rancho” project. The subject FBSP Land Use zone designations are described as follows;

Zone	Description
CMU	Primarily for commercial development. However properties with this designation may also include office and/or residential uses. In multiple-story buildings, commercial uses are the predominant use on the ground floor, occupying at least 50 percent of the ground-floor area. Commercial retail and service uses are permitted by right, and more intense commercial and service uses are conditionally permitted. Business and professional office uses, as well as residential uses with a density between 10 and 18 units per acre, are also permitted by right when integrated vertically or horizontally with commercial uses.
HDR	Development of residential uses with a density between 18.1 and 40 units per acre. The HDR district is intended for higher-density residential development, such as apartments, condominiums, lofts, and other multi-story residential uses.
RMU	Designate property primarily for the development of medium and high density housing, between 6.1 and 40.0 dwelling units per acre. However, properties with this designation may also include office and/or commercial services. Residential and nonresidential uses may be integrated vertically and/or horizontally and may be developed separately in phases consistent with the allowed use and development standards.

The project includes a multi-family use with a total of 28 affordable units on 0.97 acres (28.9 density). Under the current CMU zoning designation the project is over the allowed density. In addition, as described in the CMU designation the density between 10 and 18 units per acre are permitted by right when integrated vertically or horizontally with commercial uses. The proposed project does not include any commercial uses. In reviewing the FBSP Land Use Plan, several of the RMU zoning designations are located along Folsom Boulevard, similar to the subject site, see **Figure 4**. In addition, the RMU allows density between 6.1 and 40.0 dwelling units per acre and includes flexibility to include service related commercial and office services. The RMU zone provides the allowable residential density for the proposed multi-family project.

Figure 4: FBSP Land Use Plan



Rezone FBSP Amendment Findings

In order to approve an Amendment to the FBSP, specific findings must be made. These findings are provided below:

- A. Finding: The proposed amendment to the FBSP is consistent with the goals, objectives, general land uses, programs and policies of the applicable General Plan of the City of Rancho Cordova.

Evidence: The project is providing an infill development within the allowable densities of the Residential Mixed Use zoning with proximate housing that will support the Folsom Boulevard Specific Plan businesses and the City of Rancho Cordova as related to *Goal LU.2 – Establish Growth Patterns Based on Smart Growth Principles and the City Building Blocks Concepts* and *Goal LU.5 – Redevelop, regenerate, and Raise the Value of Areas of the City Developed Prior to Incorporation..* The project provides affordable residential development that improves the jobs/housing balance as stated in *Policy LU.2.8 – Grant density bonuses and other related incentives, consistent with state law and local policy.* The project provides diversity in housing stock.

- B. Finding: The proposed amendment to the FBSP would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

Evidence: The amendment adds diverse housing stock and provides pedestrian circulation as there are several pedestrian connections included within the project and this improves public safety in the area.

- C. Finding: The proposed amendment to the FBSP complies with the California Environmental Quality Act (“CEQA”).

Evidence: None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan

project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.

- D. Finding: The proposed map amendment that includes the project site is physically suitable.

Evidence: The land is vacant and graded, the adjoining land uses include commercial to the east and west that provide services and similar residential density (multi-family) to the north. Existing utilities are in place. Anticipated land use to the east and west are designated as Commercial Mixed Use, which includes commercial retail and service uses are permitted by right and more intense commercial and service uses are conditionally permitted. CMU also includes office and/or residential uses.

PARKING EXCEPTION

The proposed project is affordable family housing that includes 28 units (18 two-bedroom and 10 three-bedroom units) and 45 parking spaces (1.61 spaces per unit) as follows:

25 under structure carport parking spaces
6 carport spaces
14 surface parking spaces

The FBSP directs the parking standards to the Zoning Code that states that for a multi-family project the parking standard is 2 spaces per unit plus guest parking, at a rate of 0.6 per a unit for a total of 73 parking spaces (2.6 spaces per a unit).

The Folsom Boulevard Specific Plan includes an “Exceptions” section within the Project Review Chapter. The section states as follows:

“The City Council recognizes the real-world challenges that the vision and development standards present in a depressed economy and as such, desires to provide additional flexibility for projects that will benefit the community in specific, identified ways. An applicant may request that the City Council approve an exception to allow a development project that does not strictly adhere to the Specific Plan or to other City development standards.”

The project must meet at least four of the six conditions. The proposed project meets four of the conditions as follows:

1. Will fulfill a compelling community need, as indicated by an existing City goal, General Plan policy, budget policy, or other Council-adopted policy document. *The project provides housing for income restricted families and fulfills a community need as affordable housing is limited in the City and this advances General Plan Housing Element Goal H.1 – Balance Employment and Housing, Goal H.2 – Neighborhood Preservation and Rehabilitation and Goal H.7 – Pursue Public and Private Resources Available to Promote Diverse Housing Opportunities, and Particularly to Assist in the Creation of Workforce Housing and Special Needs Housing.*

2. Will improve an existing blighted situation by removing 100 percent of the blight located on the subject property. *As stated previously, the two projects replace several blighted structures that negatively impacted the immediate area.*
3. Will provide unmet services to a currently underserved community. *The proposed project is providing 28 units for income restricted families and fulfills a community need for affordable housing.*
4. Investments in the property will increase property tax revenue for the subject parcel by at least 250 percent. *Currently, the property tax revenue is \$0. The property will generate assessment of at least \$250 once developed.*

The procedure for granting Exceptions, the City Council shall make the following findings:

1. The proposed project qualifies for an Exception by meeting at least four of the six conditions required for granting of an Exception. *As stated above.*
2. The City Council has determined that the proposed project has adhered to the vision of the FBSP to the fullest extent practicable. *The proposed project provides revitalization pursuant to the FBSP through appropriate economic development and housing options.*
3. The applicant has provided substantial evidence that the conditions for the Exception will be met throughout the life of the project. *The project will be required to be maintained by a property manager to ensure that conditions are met.*
4. Granting the Exception will not adversely affect the interest of the public or the interest of the residents and property owners in the vicinity of the premises and shall not establish a precedent for other project results. *The project provides new residential buildings in an area that was formerly a blighted area. Light rail and bus transit are within the immediate area and provides alternate transportation methods.*
5. Granting the Exception will not endanger the public health and safety. *Reduction of the parking ratio will not endanger the public health and safety because parking space for a vehicle does not provide a health and safety issue.*

In addition, within the Zoning Ordinance Chapter 23.710 Housing Incentives/Density Bonus Provisions, the parking may be reduced for projects that provide affordable housing and close proximity to transit. Section 23.710.050 *Number and types of incentives and bonuses allowed* states as follows:

C. Available Incentives and Concessions:

1. A reduction in the site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Part 2.5, Section 18907 of Division 13 of the Health and Safety Code, including but not limited to a reduction in setback and square footage requirements and in ratio of vehicle parking spaces that would otherwise be required and that results in identifiable, financially sufficient, and actual cost reductions.

The project meets the requirements for affordable incentives as all 28 units will be affordable units. In order to provide additional parking, the applicant would need to acquire more land, which would be an additional cost to the project.

Staff also notes that a shift in planning standards related to parking is occurring Statewide. The State Legislature recently approved Assembly Bill 744, which prohibits cities from imposing parking minimums greater than 0.5 spaces for certain affordable and senior housing developments near major transit.

MAJOR DESIGN REVIEW

Site Design

The three, three-story multi-family buildings are located near the perimeter of the site, with surface parking located on the interior and under structure parking under the buildings. A 15-foot wide pedestrian connection is provided along the eastern property line. The pedestrian connection shown in **Figure 5** is a draft illustration of the space. A condition of approval has been included for the connection requiring that the applicant, planning staff, and staff from the Police Department work on a design to include a path, low landscaping, and lighting utilizing Crime Prevention Through Environmental Design (CPTED) principals to the satisfaction of the Community Development Director.

Figure 5: Pedestrian Connection



The site also includes a small playground, a garden area, a patio area, and an open view wrought iron fence that surrounds the property. Vehicle access to the site is on Woodberry Way. The six-foot wrought iron fence will have gates for pedestrian entry from Folsom Boulevard and from Woodberry Way.

If the Rezone is approved to RMU, the development standards that apply to the RMU zone are listed as follows:

1. *Building Setbacks:*
 - *Front- 12.5 ft minimum*
 - *Interior side- 0 ft.*
 - *Rear- 10 ft. minimum*
 - *Maximum Front setback along public streets- 30 feet*
2. *Building Height- 50 feet maximum*
3. *Floor Area Ratio- (na)*

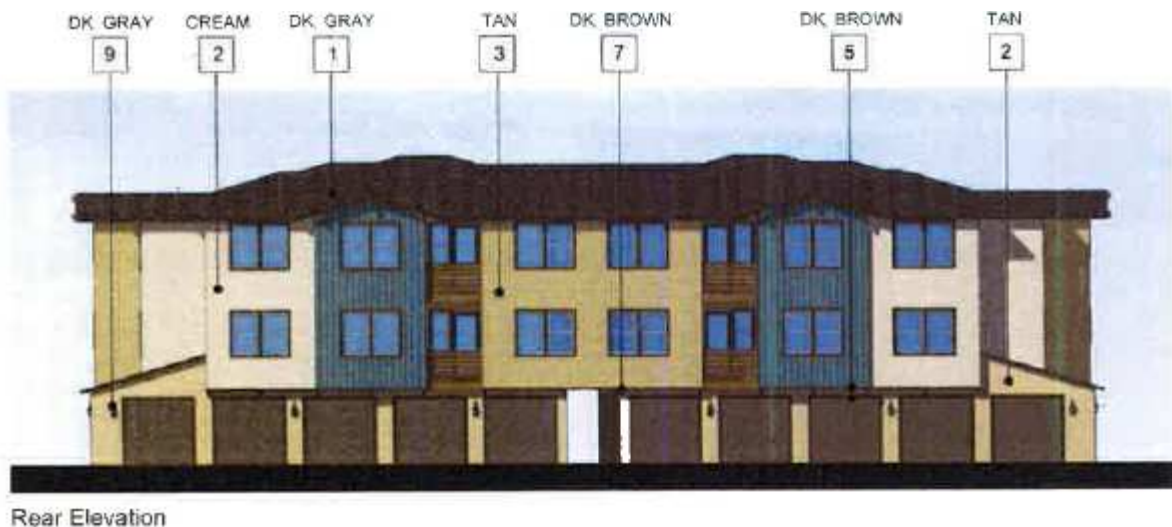
4. *Density- 6 (min.) to 40 (max.) units/acre- current project is 28.9 units/acre.*

The proposed project will meet the minimum development standards.

Architecture

The three-story buildings include under structure carports, ground floor units and units on the second and third story. The buildings include characteristics of a Craftsman style and utilizes complementary materials and colors to coordinate with the “Crossings” project to the north. The three-story structure is treated with a veneer of stucco on the ground floor and a combination of vertical green siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. A condition of approval has been included to include architecture elements to the entrance area of the building (ie. open slat metal awnings, and trim around the windows). The buildings are consistent with the FBSP Plan development standards and the City Design Guidelines. (See Figure 6 and Exhibit 2A).

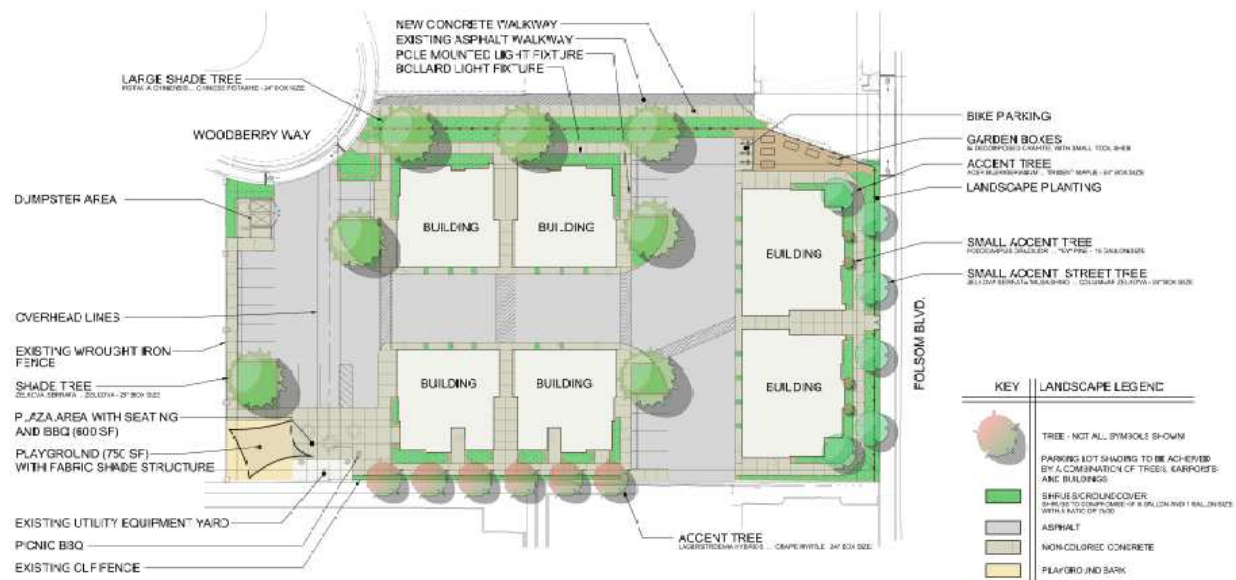
Figure 6: Elevations



Site Landscape Plan

The proposed landscape plan depicts large shade trees within the parking area for shade and small trees and low shrubs are located adjacent to the buildings. A condition of approval has been included to provide additional trees along Folsom Boulevard. (See Figure 7). The overall plan is consistent with the FBSP and City Zoning Ordinance with the additional condition of approval.

Figure 7: Landscape Plan



Major Review Design Findings

In order to approve a Major Design Review, the Council must make the following findings for approval:

- A. **Finding:** *The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, Specific Plan provisions, and Special Planning Area provisions, and is consistent with the applicable Rancho Cordova Design Guidelines.*

Evidence: The General Plan designation is the Folsom Boulevard Specific Plan and the project site zoning of Residential Mixed Use (RMU) is contingent upon the final approval of the zoning map amendment. The proposed project density of 28.9 is consistent with the zoning designation of RMU which allows multi-family with a density of up to 40 units per acre which is consistent with the proposed project density of 28.9. The proposed project has been designed to meet the applicable regulations of the Folsom Boulevard Specific Plan and City Design Guidelines, including setbacks, height regulations, and density for this site contingent on the approval of the final approval of the zoning map amendment.

- B. *Finding: The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site will enhance the character of the neighborhood and community.*

Evidence: The applicant has provided a design package that illustrates the composition and form of the new units. The multi-family buildings are located near the perimeter of the site with the interior area being used for vehicle access and parking. The roof structure is designed to give the appearance of a full roof, however a mechanical equipment well has been provided to screen the A/C units (see roof plan, **Exhibit 2A**). The plan emulates characteristics of the Craftsman style and uses complementary materials and colors to coordinate with the “Crossings” project to the north. The buildings are treated with a veneer of stucco on the ground floor and a combination of vertical siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. The Applicant has submitted preliminary landscape plans with the Design Review package (**Exhibit 2A**). A condition has been placed on the project that will require approval from the Community Development Director, in order to accommodate refinements to the site improvement plans and the pedestrian connection, prior to approval of the improvement plans and refinements to the building prior to the issuance of building permits. Therefore, the proposed architecture, site design, and landscape are suitable for the purposes of a multi-family housing project and the site will enhance the character of the neighborhood and the community by bringing a well-designed project to a vacant parcel in an area with many dated and some blighted structures.

- C. *Finding: The architecture, including the character, scale, and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing, and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.*

Evidence: The architectural style is distinctive in mass and in its details in that the colors and material palettes are complementary to the adjacent Crossings project, which include stucco, vertical metal sidings, and heavy timber balcony railings to add to the overall design of the building. The building wall mass is offset to provide greater articulation to the vertical mass, along with changing roof line to break the monotony of a single ridge roof system.

- D. *Finding: The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.*

Evidence: The units and site configuration have been designed to provide dedicated pedestrian walkways from the units to the public sidewalk. The on-site parking lot is appropriately configured to serve the units and reduce the conflict between vehicle and pedestrian movement by limiting vehicle access to Woodberry Way rather than Folsom Boulevard. The project will also be linked to a more accessible path to Folsom Boulevard and the commercial businesses and transit opportunities along the corridor. A 15-foot wide pedestrian connection has been provided along the eastern property line from Woodberry Way to Folsom Boulevard.

FOLSOM BOULEVARD SPECIFIC PLAN CONSISTENCY

The Folsom Boulevard Specific Plan is the regulatory document that guides development of the proposed project site. The Specific Plan includes both high level expectations for revitalizing Folsom Boulevard and specific development regulations that apply to individual projects.

Overall Specific Plan Goals:

The Folsom Boulevard Specific Plan includes 11 specific goals that guide the transformation of development along the Boulevard. The following six goals from the Specific Plan pertain to the proposed project as follows:

- *Create a Boulevard that will serve as the high-intensity development center of the City.*
- *Develop transit-oriented activity nodes strategically located at light rail stations and freeway interchanges; these nodes will serve as catalyst sites for redevelopment.*
- *Provide additional housing opportunities and developments that support transit ridership.*
- *Ensure development will take advantage of the proximity and availability of light rail to and from the Area.*
- *Create opportunity for identifiable project design that contributes to the enhanced character of the City.*
- *Enrich the pedestrian environment along the Boulevard through well designed and appropriately scaled/articulated projects.*

ENVIRONMENTAL ANALYSIS

Rezone

None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.

Major Design Review

The multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.

A re-evaluation of the original Environmental Assessment has been conducted and updated to fulfill the NEPA requirements for this project and it has been approved by both the Federal Department of Housing and Urban Development and the California Department of Housing and Community Development.

RECOMMENDED MOTION

Staff recommends that the City Council introduce and waive the first reading of Ordinance 2-2017 (**Exhibit 1A**), rezoning the site from CMU and HDR to RMU and finding the rezone exempt from further CEQA review, and adopt Resolution 35-2017 approving the Major Design Review and parking exception for Crossings at Woodberry Way multi-family buildings located at 2738 Woodberry Way subject to the findings and Conditions of Approval (**Exhibit 2A and Exhibit 2B**) and finding the project exempt further CEQA review. Resolution 35-2017, if approved, would go into effect on the effective date of Ordinance 2-1017 (30 days after second reading and adoption), as it is contingent upon the property being rezoned.

ATTACHMENTS

1. Ordinance 2-2017, including FBSP Land Use Map (**Exhibit 1A**).
2. Resolution 35-2017, including Project Plans (**Exhibit 2A**) and Conditions of Approval (**Exhibit 2B**).
3. 500' Radius Map and Mailing Labels.

ATTACHMENT 1

CITY OF RANCHO CORDOVA

ORDINANCE NO. 2-2017

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AMENDING THE FOLSOM BOULEVARD SPECIFIC PLAN ZONING DESIGNATION OF
ASSESSOR PARCEL NUMBER 057-0221-0220 FROM COMMERCIAL MIXED USE AND
HIGH DENSITY RESIDENTIAL TO RESIDENTIAL MIXED USE FOR A PROJECT KNOWN
AS CROSSINGS AT WOODBERRY WAY PROJECT NO. DD9683**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Purpose and Declarations, and Findings.

- A. The purpose of this Ordinance is to amend the Folsom Boulevard Specific Plan Land Use Map, to revise the zoning of the parcel specified within the attached **Exhibit 1A** from Commercial Mixed Use and High Density Residential to Residential Mixed Use.
- B. In November 2006 the Folsom Boulevard Specific Plan was adopted by means of Ordinance No. 57-2006.
- C. Pursuant to Government Code section 65454, the proposed amendments to the FBSP are consistent with and implements the goals, objectives, general land uses, programs and policies of the applicable General Plan of the City of Rancho Cordova in that the project is providing an infill development within the allowable densities of the Residential Mixed Use zoning with proximate housing that will support the Folsom Boulevard Specific Plan businesses and the City of Rancho Cordova as related to *Goal LU.2 – Establish Growth Patterns Based on Smart Growth Principles and the City Building Blocks Concepts and Goal LU.5 – Redevelop, regenerate, and Raise the Value of Areas of the City Developed Prior to Incorporation*. The project provides affordable residential development that improves the jobs/housing balance as stated in *Policy LU.2.8 – Grant density bonuses and other related incentives, consistent with state law and local policy*. The project provides diversity in housing stock.
- D. The proposed amendment to the FBSP would not be detrimental to the public interest, health, safety, convenience, or welfare of the City, as such amendment adds diverse housing stock and provides pedestrian circulation as there are several pedestrian connections included within the project.
- E. The proposed amendment to the FBSP complies with the California Environmental Quality Act (“CEQA”). None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.
- F. The proposed map amendment that includes the project site is physically suitable in that the land is vacant and graded, the adjoining land uses include commercial to the east and west that provide services and similar residential density (multi-family) to the north.

ATTACHMENT 1

Existing utilities are in place. Anticipated land use to the east and west are designated as Commercial Mixed Use, which includes commercial retail and service uses are permitted by right and more intense commercial and service uses are conditionally permitted. CMU also includes office and/or residential uses.

- G. The City Council public hearing on the proposed amendment to the Folsom Boulevard Specific Plan on February 21, 2017 was properly noticed pursuant to Government Code sections 65090 and 65091, and the City Council considered all oral and written testimony on the matter.

Section 2. Adoption of Amended Folsom Boulevard Specific Plan. The City Council hereby adopts the amended Folsom Boulevard Specific Zoning Map as shown in **Exhibit 1A** attached hereto and incorporated herein.

Section 3. Severability. If any provision of this Ordinance, or the application thereof to any person or circumstance, is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances, shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 4. Effective Date. Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent, or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

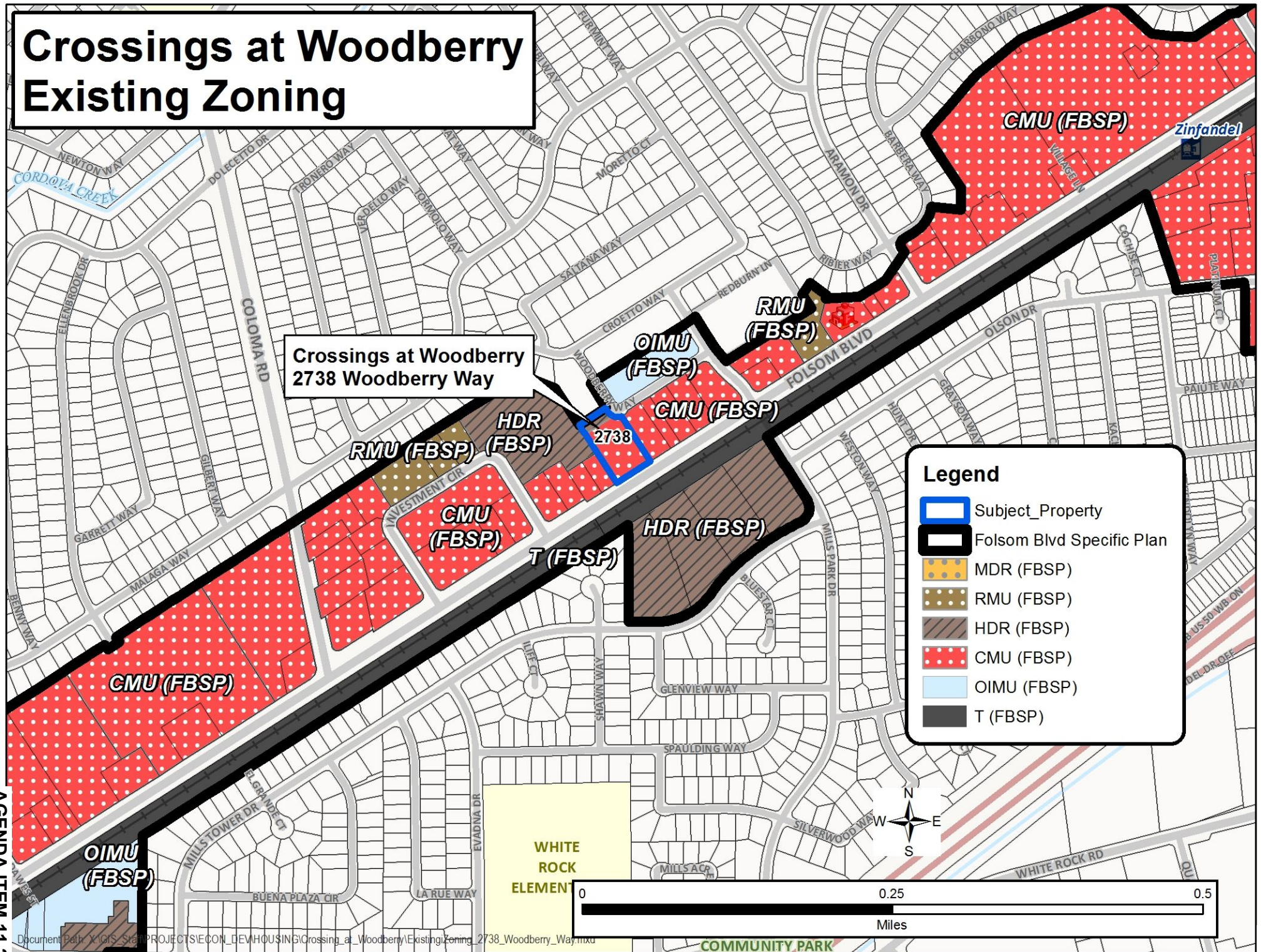
Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk
2782858.1

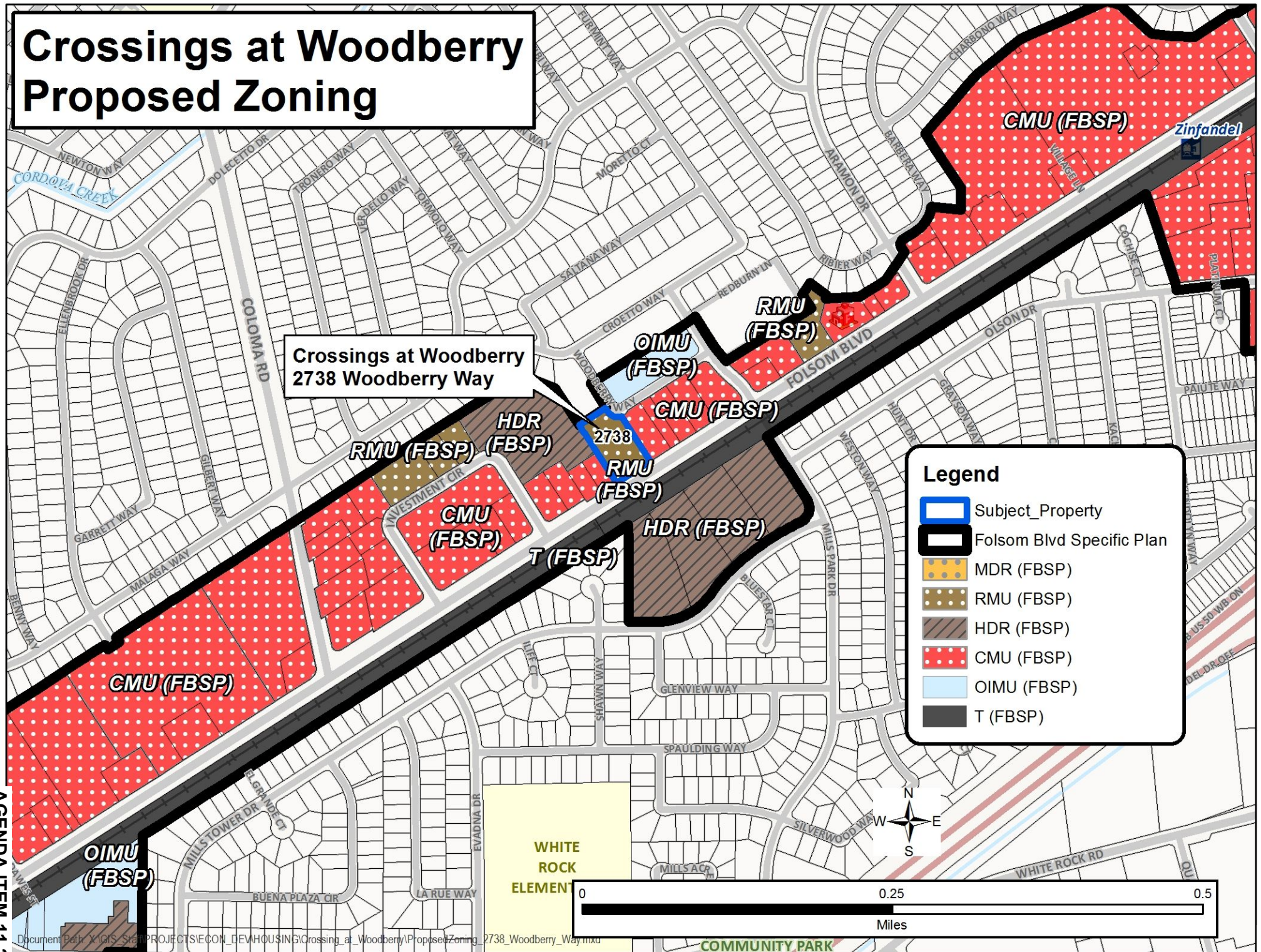
Crossings at Woodberry Existing Zoning

Crossings at Woodberry
2738 Woodberry Way



Crossings at Woodberry Proposed Zoning

Crossings at Woodberry
2738 Woodberry Way



ATTACHMENT 2

CITY OF RANCHO CORDOVA

RESOLUTION NO. 35-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
APPROVING A MAJOR DESIGN REVIEW AND PARKING EXCEPTION FOR
THE CROSSINGS AT WOODBERRY WAY, PROJECT DD9683**

WHEREAS, Urban Housing Communities, Santa Ana (hereinafter referred to as Applicant) filed an application with the City of Rancho Cordova to approve a Major Design Review and parking exception for three three-story multi-family buildings for a 28-unit affordable housing project, known as the Crossings at Woodberry Way; and

WHEREAS, the Major Design Review application submitted included three three-story multi-family buildings with 28 units, parking, landscaping, and play area on a 0.97- acre site located within the Folsom Boulevard Specific Plan. The Major Design Review included a parking exception and was submitted with an application for a site rezone; and

WHEREAS, the City Council is the appropriate authority to hear and take action on this project; and

WHEREAS, the City Council of the City of Rancho Cordova has conducted a properly noticed public hearing on February 21, 2017 pursuant to Government Code section 65090 and has duly considered all written and verbal testimony presented during the hearing.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
HEREBY RESOLVES AS FOLLOWS:**

- A. City Council determines that the project assessment is adequate and complete according to the Guidelines of the California Environmental Quality Act.

Finding: The project site has been analyzed in compliance with the California Environmental Quality Act. Evidence: None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required. The multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.

- B. City Council approves the Major Design Review, subject to the Project Plans (**Exhibit 2A**) and the Conditions of Approval (**Exhibit 2B**); supported by the following Findings and Evidence, as required by Zoning Code Section 23.141.050:

1. Finding: *The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, Specific Plan provisions, and Special Planning Area provisions, and is consistent with the applicable Rancho Cordova Design Guidelines.*

Evidence: The General Plan designation is the Folsom Boulevard Specific Plan and the project site zoning of Residential Mixed Use (RMU) is contingent upon the final approval

ATTACHMENT 2

of the zoning map amendment. The proposed project density of 28.9 is consistent with the zoning designation of RMU which allows multi-family with a density of up to 40 units per acre which is consistent with the proposed project density of 28.9. The proposed project has been designed to meet the applicable regulations of the Folsom Boulevard Specific Plan and City Design Guidelines, including setbacks, height regulations, and density for this site contingent on the approval of the final approval of the zoning map amendment.

2. *Finding: The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site and will enhance the character of the neighborhood and community.*

Evidence: The applicant has provided a design package that illustrates the composition and form of the new units. The multi-family buildings are located near the perimeter of the site with the interior area being used for vehicle access and parking. The roof structure is designed to give the appearance of a full roof, however a mechanical equipment well has been provided to screen the A/C units (see roof plan, **Exhibit 2A**). The plan emulates characteristics of the Craftsman style and uses complementary materials and colors to coordinate with the "Crossings" project to the north. The buildings are treated with a veneer of stucco on the ground floor and a combination of vertical siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. The Applicant has submitted preliminary landscape plans with the Design Review package (**Exhibit 2A**). A condition has been placed on the project that will require approval from the Community Development Director, in order to accommodate refinements to the site improvement plans and the pedestrian connection, prior to approval of the improvement plans and refinements to the building prior to the issuance of building permits. Therefore, the proposed architecture, site design, and landscape are suitable for the purposes of a multi-family housing project and the site will enhance the character of the neighborhood and the community by bringing a well-designed project to a vacant parcel in an area with many dated and some blighted structures

3. *Finding: The architecture, including the character, scale, and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing, and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.*

Evidence: The architectural style is distinctive in mass and in its details in that the colors and material palettes are complementary to the adjacent Crossings project, which include stucco, vertical metal sidings, and heavy timber balcony railings to add to the overall design of the building. The building wall mass is offset to provide greater articulation to the vertical mass, along with changing roof line to break the monotony of a single ridge roof system.

4. *Finding: The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.*

Evidence: The units and site configuration have been designed to provide dedicated pedestrian walkways from the units to the public sidewalk. The on-site parking lot is appropriately configured to serve the units and reduce the conflict between vehicle and

ATTACHMENT 2

pedestrian movement by limiting vehicle access to Woodberry Way rather than Folsom Boulevard. The project will also be linked to a more accessible path to Folsom Boulevard and the commercial businesses and transit opportunities along the corridor. A 15-foot wide pedestrian connection has been provided along the eastern property line from Woodberry Way to Folsom Boulevard.

- C. City Council approves the Parking Exception; supported by the following Findings and Evidence, as required by the Folsom Boulevard Specific Plan Exceptions Section:
1. The proposed project qualifies for an Exception by meeting at least four of the six conditions required for granting of an Exception. *The proposed project meets four of the six conditions as follows;*
 - a) Will fulfill a compelling community need, as indicated by an existing City goal, General Plan policy, budget policy, or other Council-adopted policy document. *The project provides housing for income restricted families and fulfills a community need as affordable housing is limited.*
 - b) Will improve an existing blighted situation by removing 100 percent of the blight located on the subject property. *The two sites replaced several structures that negatively impacted the immediate area.*
 - c) Will provide unmet services to a currently underserved community. *The proposed project is providing 28 units for income restricted families and fulfills a community need for affordable housing.*
 - d) Investments in the property will increase property tax revenue for the subject parcel by at least 250 percent. *Currently, the property tax revenue is \$0. The property will generate assessments of at least \$250 once developed.*
 2. The City Council has determined that the proposed project has adhered to the vision of the FBSP to the fullest extent practicable. *The proposed project adheres to the vision of the FBSP in that it provides revitalization through appropriate economic development and housing options.*
 3. The applicant has provided substantial evidence that the conditions for the Exception will be met throughout the life of the project. *The project will be required to be maintained by a property manager to ensure that conditions are met.*
 4. Granting the Exception will not adversely affect the interest of the public or the interest of the residents and property owners in the vicinity of the premises and shall not establish a precedent for other project results. *The project provides new residential buildings in an area that was formerly a blighted area. Light rail and bus transit are within the immediate area and provides alternate transportation methods and therefore the Exception will not have adverse impacts on surrounding residents or property owners*
 5. Granting the Exception will not endanger the public health and safety. *Reduction of the parking ratio will not endanger the public health and safety as there is adequate parking on the site and alternate transportation methods in the immediate area.*

The State Legislature recently approved Assembly Bill 744, which prohibits cities from imposing parking minimums greater than 0.5 spaces for certain affordable and senior housing developments near major transit.

Effective Date: This Resolution shall become effective on the effective date of Rancho Cordova City Council Ordinance 2-2017, related to the rezone of the project site, which shall be 30 days after the second reading and adoption of such Ordinance.

ATTACHMENT 2

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the ____ day of ____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

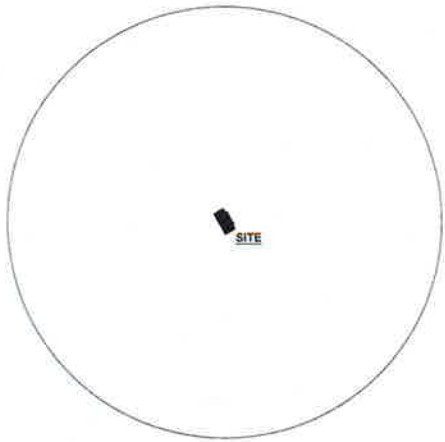
ATTEST:

Mindy Cuppy, MMC, City Clerk

2782867.1



Project Data	
a Name & address(es) and parcel ID(s) of the project	Lot Number: 10447 Address: 10447 Folsom Blvd., Rancho Cordova, CA 95670 Parcel Number: 05702210220000 APN: 057-0221-010
b Applicant/Preparer's name, address, phone number, and e-mail address	Urban Housing Communities - Santa Ana 2000 E. Fourth Street, Suite 205 Santa Ana, CA 92705 Mark Ining mining@uhclic.net (714) 835-3955 #114
c Owner's name, address, phone number, and e-mail address	Community Redevelopment Agency, City of Rancho Cordova
d Contract purchaser's name, address, phone, fax and e-mail address	UHC 00575 Rancho Cordova, LP
e Zoning of the property	CMU (FBSP)
f Current General Plan Map designation	Planning Area (FBPA)
g Proposed General Plan Map designation	Planning Area (FBPA)
h Area of tract(s)	0.77 AC
i Existing and proposed gross square footage of buildings*	Existing: N/A Proposed: 36,466 SF
j Proposed gross square footage of floor area by use*	Garage: 5,791 SF Utilities: 315 SF Amenities: 1,813 SF Residential: 28,547
k Required front, side, and rear yard setbacks	Front: 10' Side: 0' (Interior lot) Rear: 10' (In general), N/A (to Alley ROW)
l Proposed height of the building and number of stories*	*1- 40' 3 stories
m Number of parking spaces required*	45 Spaces Required 1 Space/Unit at 2- & 3- bedroom units 0.6 Spaces/Unit for Guest Parking
n Total number of existing and proposed number of parking spaces provided*	45 Spaces Provided (Combination of Garage, Carports, Open)
o Number of handicapped spaces provided*	2
p Amount and percentage of built upon area allowed	No maximum FAR
q Amount and percentage of built upon area proposed	8,024 SF (Buildings A-C), 23.5% Built upon area proposed
r Indicate if the site contains a FEMA designated 100 year floodplain	Not a FEMA site
s Gross square footage and percent of Open Space required	Common Open Space Requirement, No minimum
t Gross square footage and percent of Open Space provided*	9,564 SF 28.5%
u The proposed type of construction*	Type V-1 Hr.
aa Whether or not an automatic fire sprinkler system is planned*	Yes



CONTEXT MAP NTS (SHOWN WITH A 1/2 MILE RADIUS)

ARCHITECTURE

- A0.1 SHEET INDEX / PROJECT DATA
- A1.0 SITE PLAN
- A1.1 FIRE ACCESS EXHIBIT
- A2.0 ELEVATIONS - BUILDING A
- A2.1 ELEVATIONS - BUILDING B
- A2.2 ELEVATIONS - BUILDING C
- A3.0 BUILDING PLANS - BUILDING A
- A3.1 BUILDING PLANS - BUILDING B
- A3.2 BUILDING PLANS - BUILDING C
- A5.0 UNIT PLANS
- A6.0 PERSPECTIVE - SITE AERIAL
- A6.1 PERSPECTIVE - VIEW FROM FOLSOM BLVD.
- A7.0 DETAIL SHEET - TRASH ENCLOSURE
- A8.0 MATERIAL BOARD

PHOTOMETRICS

- EP1.10 PHOTOMETRIC SITE PLAN

LANDSCAPE

- LANDSCAPING PLAN



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0609

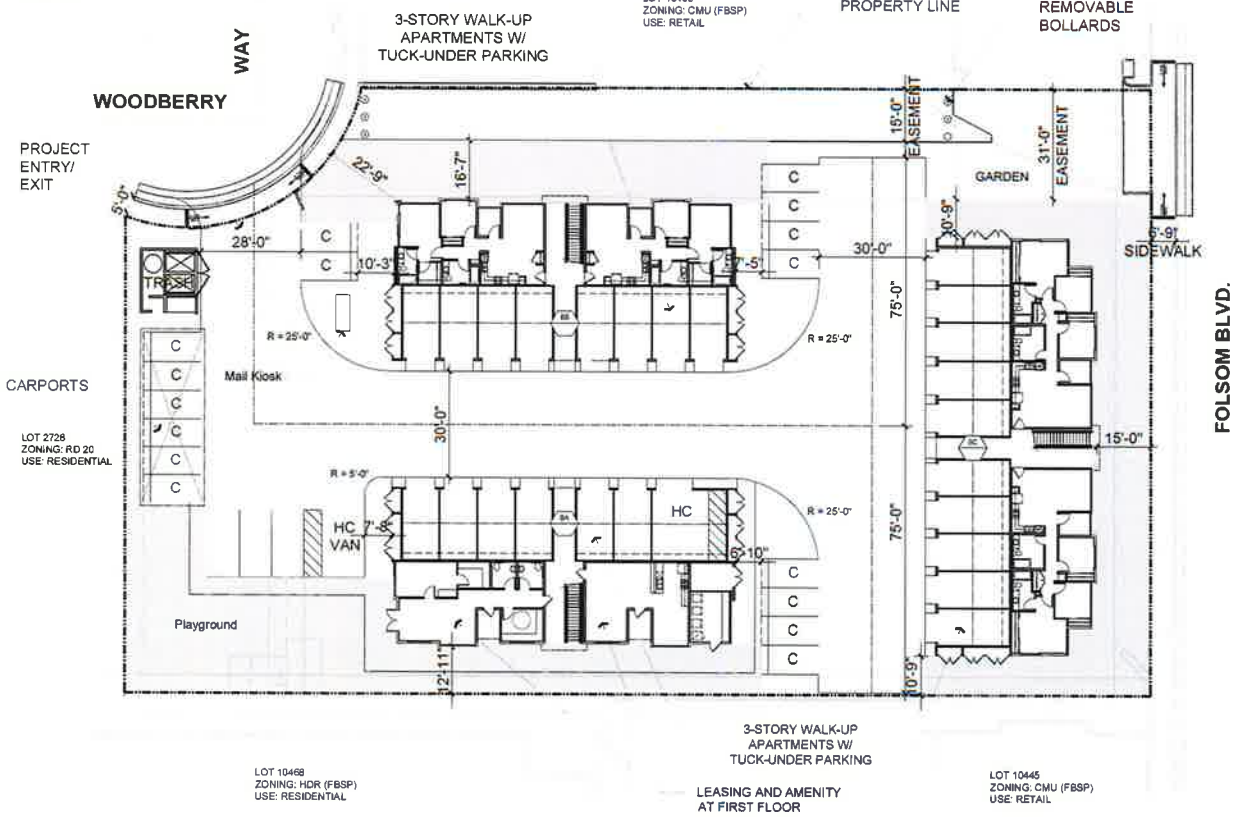
CONCEPTUAL DESIGN
JANUARY 31, 2017

LOT 2737
ZONING: OIMU (FBSP)
USE: VACANT

LOT 10468
ZONING: CMU (FBSP)
USE: RETAIL

LOT 10445
ZONING: CMU (FBSP)
USE: RETAIL

OPPOSITE SIDE OF FOLSOM
LOT 10499
ZONING: HDR (FBSP)
USE: RESIDENTIAL



NOTES:
• HVAC UNITS TO BE LOCATED IN ROOF WELLS. REFER TO SHEET A7.0 FOR DETAIL
• REFER TO CIVIL AND LANDSCAPE SHEETS FOR EASEMENT, HARDSCAPE, UTILITY AND SITE INFORMATION NOT SHOWN HERE.

*FIELD VERIFY

SITE SUMMARY

Site Area	0.97 AC
Units	28 DU
Density	28.9 DU/AC

UNIT SUMMARY

	BD	BA	Unit NSF	Deck NSF	Total Units	%
Plan 2	2	2	843	56	18	64%
Plan 3	3	2	1,043	63	10	36%
					28	100%

BUILDING SUMMARY

	Plan 2	Plan 3	Total Buildings	Total Units
Building A	8	0	1	8
Building B	10	0	1	10
Building C	0	10	1	10
			3	28 Units

Leasing/Amenities 1,940 SF

OPEN SPACE SUMMARY

Open Space Required 0 SF*
*No minimum per Folsom Boulevard Specific Plan Land Use Plan, FB-CMU

Open Space Provided Common 9,564 SF

PARKING SUMMARY

Parking Required	1 Spaces/Unit at 2- & 3-bedroom units	28 Spaces
	0.6 Spaces/Unit for Guest Parking	17 Spaces
		45 Spaces*

*Up to 50% of the req. number of parking spaces may be sized for compact cars

Parking Provided	Quantity	Dimensions	%
Carports (Tuck-Under)	24	10'-2" x 20'-2"	53%
Carports (Tuck-Under)*	1	Van Accessible 20'-0" x 20'-2"	2%
Carports (Freestanding)	6	Compact 8'-0" x 16'-0"	13%
Open Space	10	Compact 8'-0" x 16'-0"	22%
Open Space	3	Standard 9'-0" x 19'-0"	7%
Open Space*	1	Van Accessible 12'-0" x 9'-0"	2%
	45 Spaces	1.61 Spaces/Unit	100%

*Accessible

COMMON OPEN SPACE PROVIDED



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0808

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



SITE PLAN

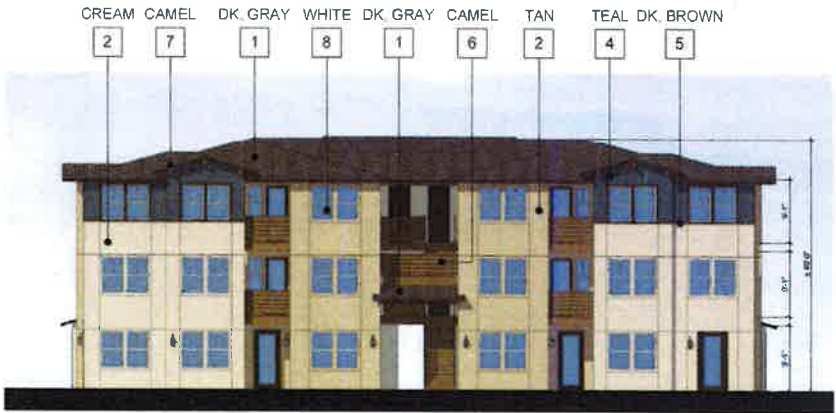
A1.0



Type V-1 Hr. Construction	Building A
L1 - Garage	1,785
L1 - Utilities	104
L1 - Laundry	166
L1 - Storage	102
L1 - Leasing/Amenities	1,543
L1 - Residential	0
L2 - Residential	4,037
L3 - Residential	4,037
Total SF	11,774
Total Residential	8,074

Material Legend

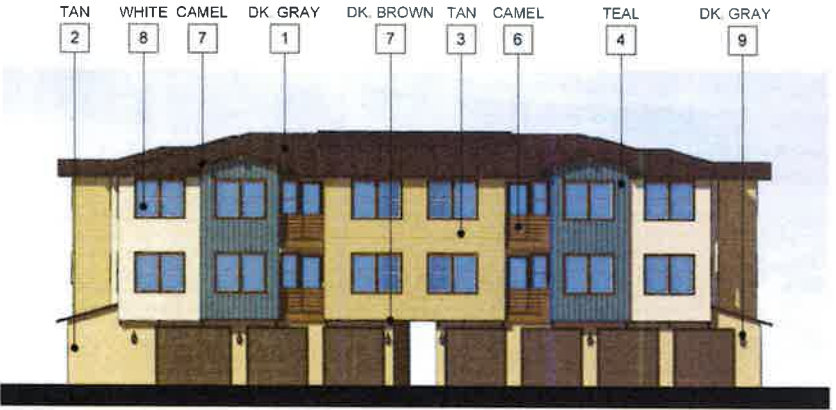
- 1. Concrete Roof Tiles
- 2. Cementitious Panel
- 3. Cementitious Horizontal Siding
- 4. Cementitious Board and Batten
- 5. Cementitious Trim
- 6. Horizontal Railing
- 7. Decorative Corbel
- 8. Vinyl Window
- 9. Light Fixture
- 10. Metal Sectional Garage Door
- 11. Wood Awning



Front Elevation



Right Elevation



Rear Elevation



Left Elevation



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0809

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



ELEVATIONS
BUILDING A

A2.0

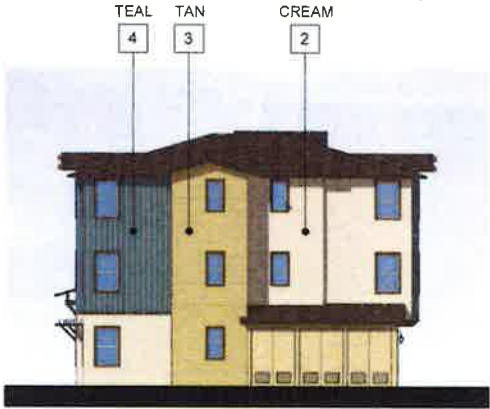
Type V-1 Hr. Construction	Building B
L1 - Garage	1,785
L1 - Utilities	104
L1 - Laundry	0
L1 - Storage	0
L1 - Leasing/Amenities	0
L1 - Residential	1,918
L2 - Residential	4,037
L3 - Residential	4,037
Total SF	11,881
Total Residential	9,992

Material Legend

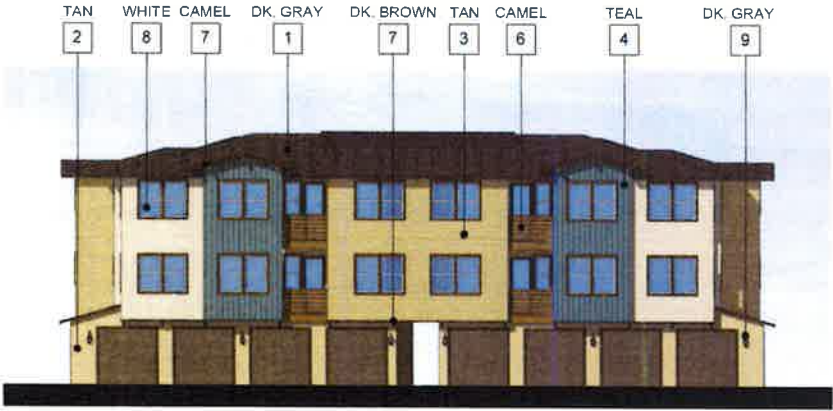
- 1. Concrete Roof Tiles
- 2. Cementitious Panel
- 3. Cementitious Horizontal Siding
- 4. Cementitious Board and Batten
- 5. Cementitious Trim
- 6. Horizontal Railing
- 7. Decorative Corbel
- 8. Vinyl Window
- 9. Light Fixture
- 10. Metal Sectional Garage Door
- 11. Wood Awning



Front Elevation



Right Elevation



Rear Elevation



Left Elevation



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0609

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



ELEVATIONS
BUILDING B

A2.1

Type V-1 Hr. Construction	Building C
L1 - Garage	2,221
L1 - Utilities	105
L1 - Amenities	0
L1 - Residential	2,318
L2 - Residential	4,844
L3 - Residential	4,844
Total SF	14,332
Total Residential	12,006

Material Legend

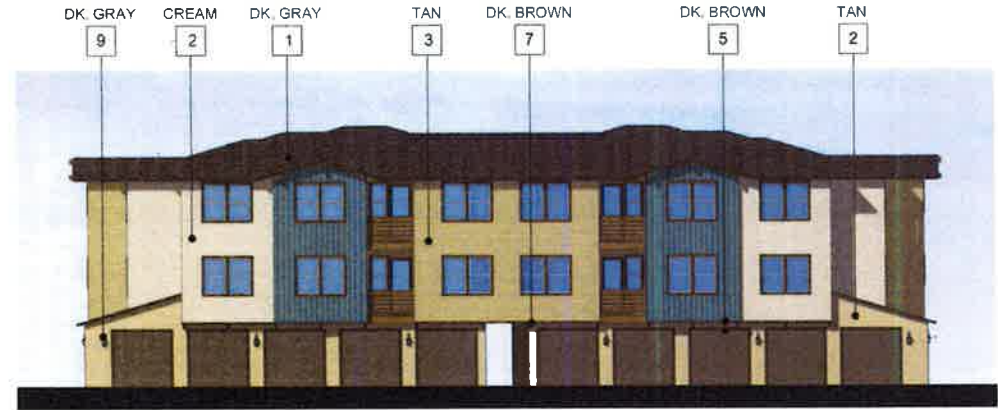
- 1. Concrete Roof Tiles
- 2. Stucco
- 3. Foam Trim
- 4. Cementitious Siding
- 5. Cementitious Trim
- 6. Horizontal Railing
- 7. Decorative Corbel
- 8. Vinyl Window
- 9. Light Fixture
- 10. Metal Sectional Garage Door



Front Elevation



Right Elevation



Rear Elevation



Left Elevation



ELEVATIONS
BUILDING C

A2.2

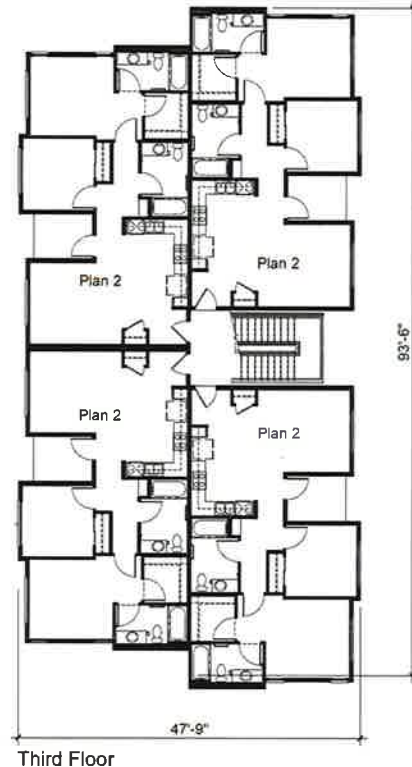
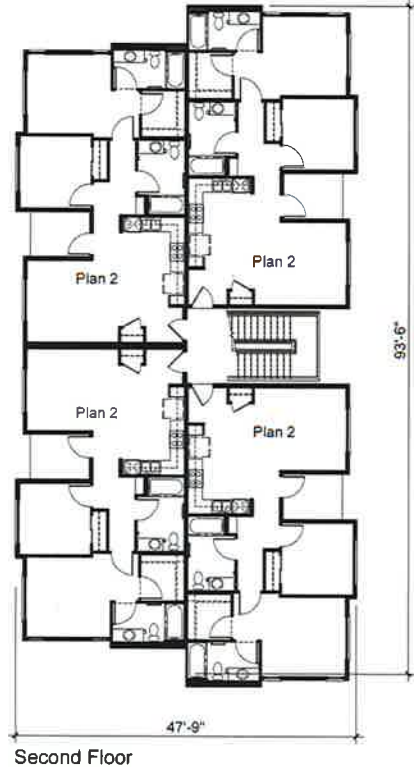
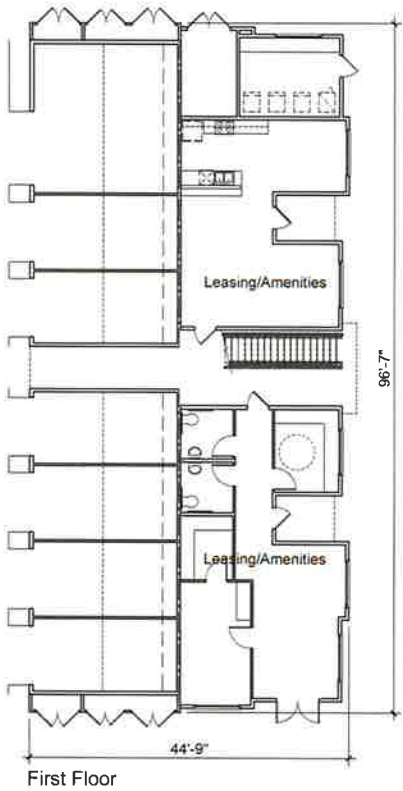


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RANCHO CORDOVA, CA # 2016-0909

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FEBRUARY 10, 2017

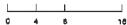


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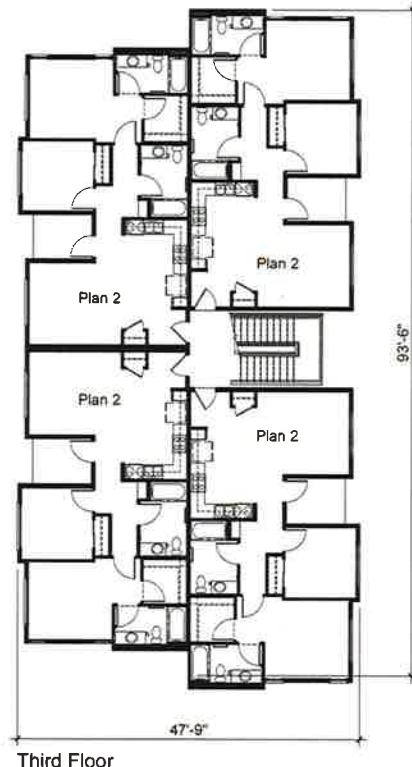
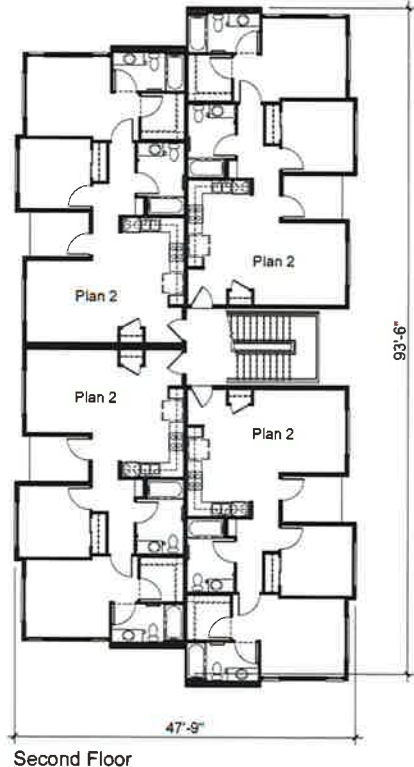
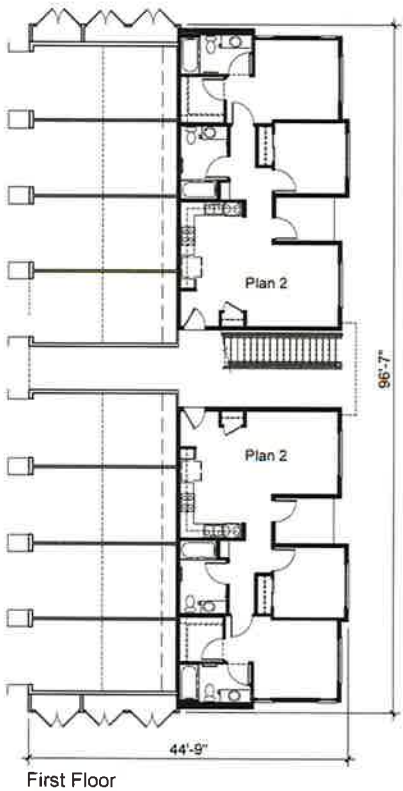
CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0608

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



BUILDING PLANS
BUILDING A

A3.0

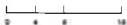


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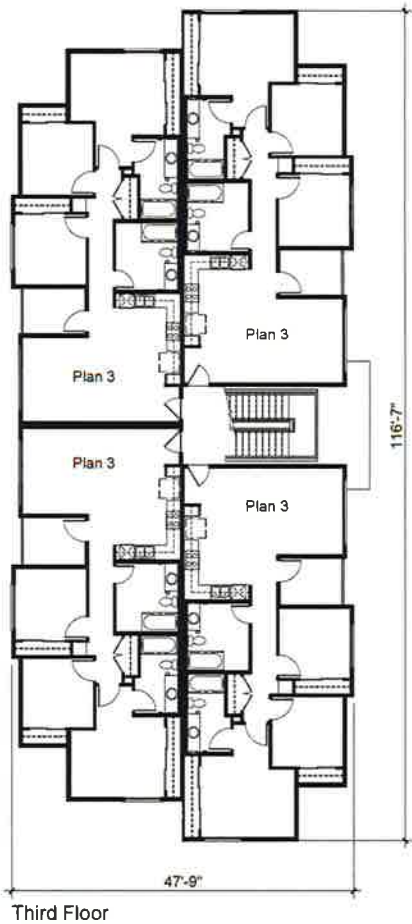
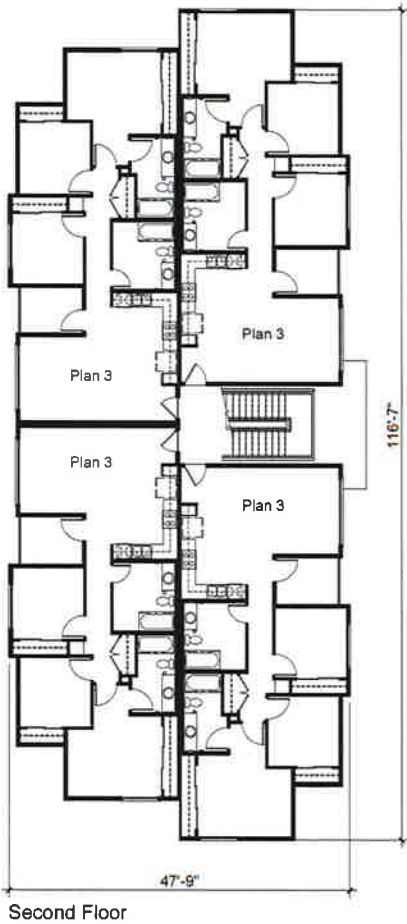
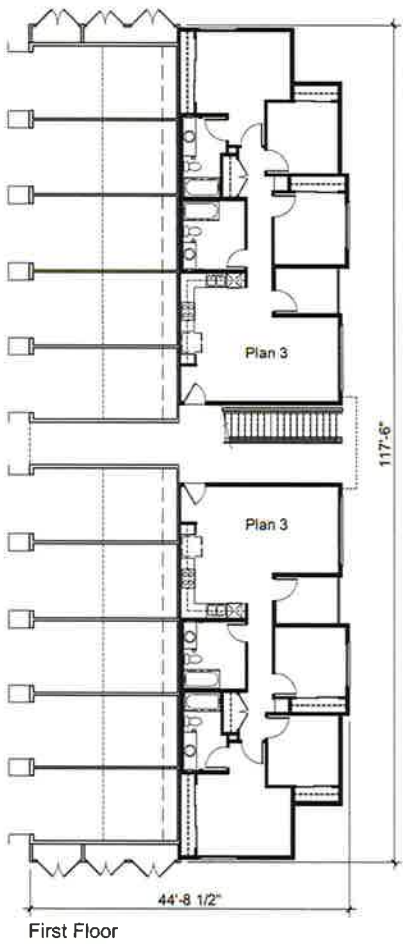
CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0809

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



BUILDING PLANS
BUILDING B

A3.1

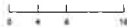


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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0608

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



BUILDING PLANS
BUILDING C

A3.2



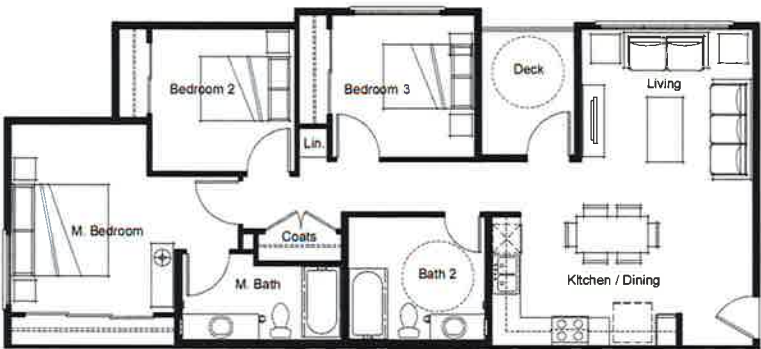
Plan 2 - Alt. Entry



Plan 3 - Alt. Entry



Plan 2
Gross Area: 907 SF
Net Area: 843 SF
Deck: 49 SF



Plan 3
Gross Area: 1,108 SF
Net Area: 1,043 SF
Deck: 56 SF



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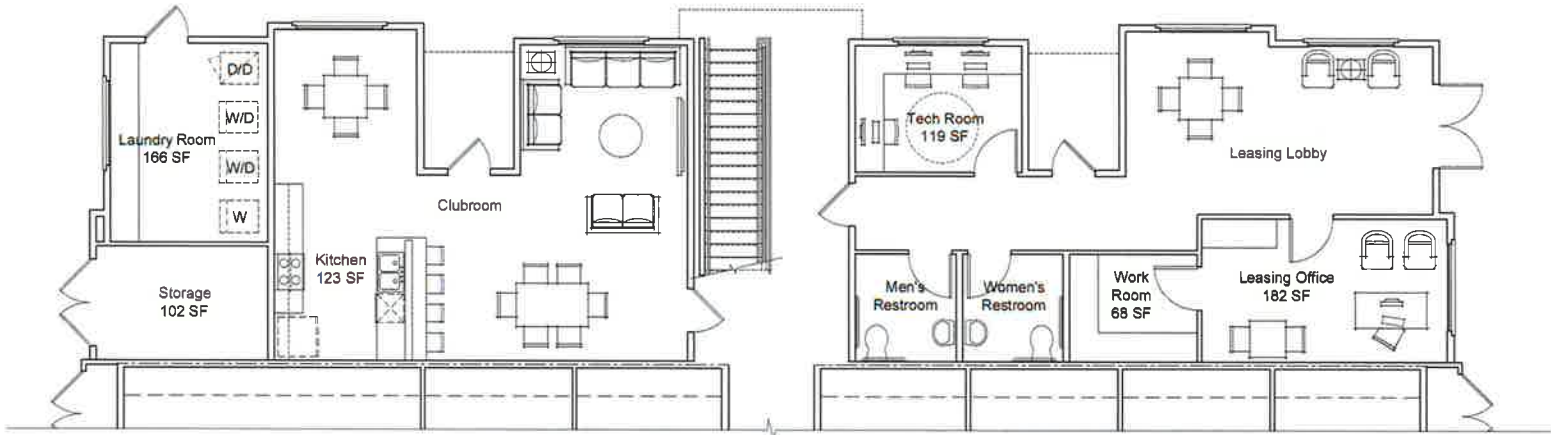
CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0609

CONCEPTUAL DESIGN
FEBRUARY 10, 2017



UNIT PLANS

A5.0



Laundry Room	166 SF
3 Washers	
4 Dryers	
Storage	102 SF
Leasing/Amenities	1,543 SF
Excluding Laundry Room	
and Storage	

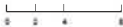


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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2018-0608

CONCEPTUAL DESIGN
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LEASING/AMENITY PLANS
BUILDING A



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0909

CONCEPTUAL DESIGN
JANUARY 31, 2017

PERSPECTIVE
SITE AERIAL

A6.0



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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0808

CONCEPTUAL DESIGN
JANUARY 31, 2017

PERSPECTIVE
VIEW FROM FOLSOM BLVD

A6.1



TYPICAL HVAC SCREENING AT ROOF WELL (OCCURS AT BUILDINGS A, B, C)



TRASH ENCLOSURE

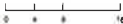


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CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-0608

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

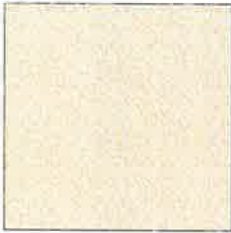


DETAIL SHEET
ROOF WELL, TRASH ENCLOSURE

A7.0



BUILDING C FRONT PERSPECTIVE SHOWN



CREAM
OCCURS AT BODY



TAN
OCCURS AT BODY



TEAL
OCCURS AT CEMENTITIOUS
SIDING



CAMEL
OCCURS AT HORIZONTAL
RAILING, METAL SECTIONAL
GARAGE DOOR, DECORATIVE
CORBELS



DARK BROWN
OCCURS AT FASCIA, WINDOW
AND/OR DOOR TRIM



DARK GREY
OCCURS AT ROOF



LIGHTING DESIGN | ELECTRICAL ENGINEERING
25833 Calle La Puente
San Juan Capistrano, CA 92675
PH 949.951.3333
candelaeengineering.com

DATE: 12/31/2017
STAMP



KEYWORDS:

CROSSINGS AT
WOODBERRY WAY
RANCHO CORDOVA, CA

CLIENT:

URBAN HOUSING
COMMUNITIES

2000 E. FOURTH STREET, SUITE 205
SANTA ANA, CA 92705

SHEET TITLE:

PHOTOMETRIC
SITE PLAN

SHEET NUMBER:

EP1.10

PROJ. #: K7-020

EXTERIOR SITE ELECTRICAL NOTES

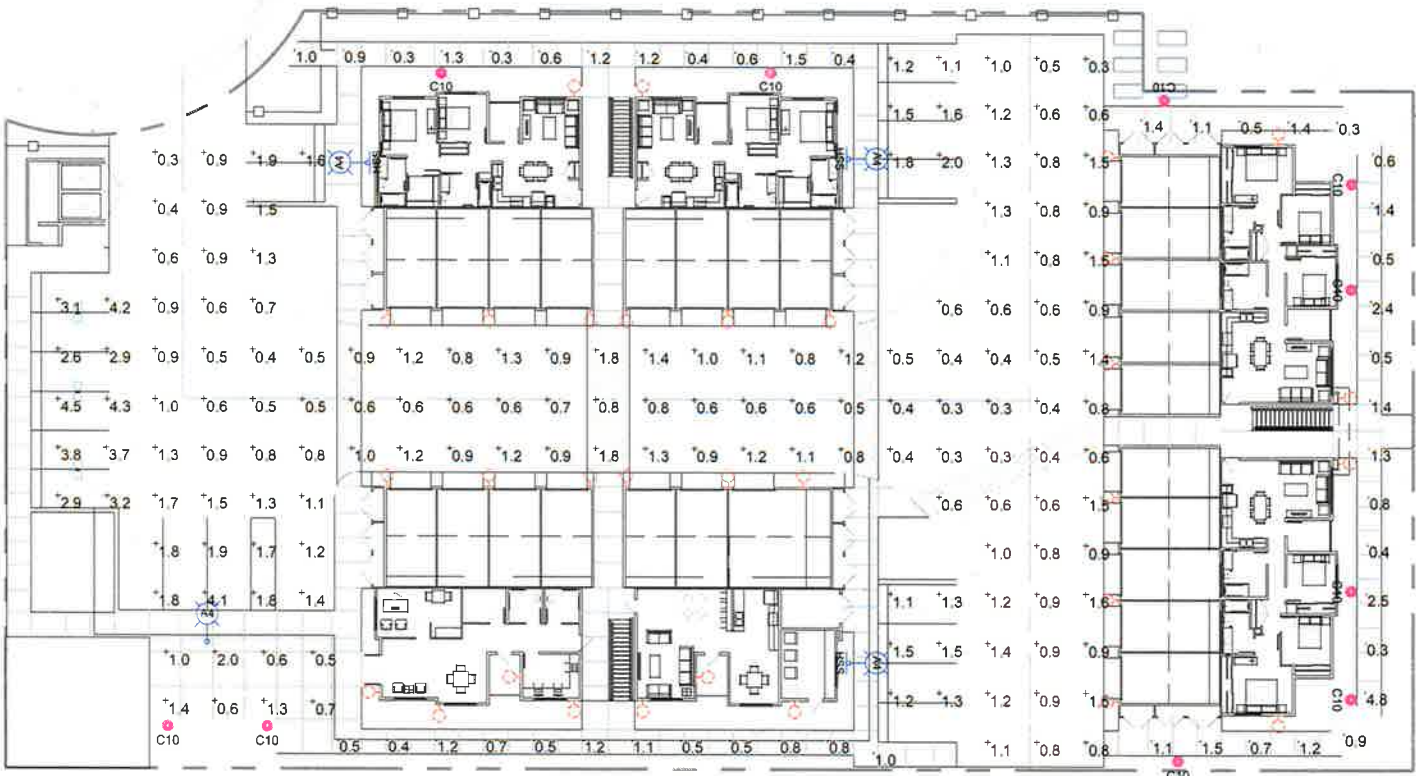
- 1. ALL UNDERGROUND SITE LIGHTING CONDUCTIONS TO BE #14 AWG COPPER THIN WALL THERMOPLASTIC POLYETHYLENE (THHN) CONDUIT UNLESS OTHERWISE NOTED IN THE PLANS. MINIMUM COVER REQUIREMENTS ARE 18" MIN. FOR 1" DIA. 30" MIN. FOR 2" DIA. 36" MIN. FOR 3" DIA. UNLESS OTHERWISE NOTED.
- 2. METAL 1/2" CONDUIT, BARRICADE FOR FUTURE USE FROM EACH HOUSE FRAME OUTSIDE OF THE BUILDING FOUNDATION.
- 3. ALL TALL BUILDINGS OF 1" CONDUIT FROM THE ELECTRICAL SERVICE EQUIPMENT TO THE FIRST STREET LIGHT.
- 4. HOUSES TO BE ATTACHED SHALL BE POWERED BY CONDUIT FROM ELECTRICAL SERVICE EQUIPMENT TO THE FIRST STREET LIGHT.
- 5. UNDERGROUND PIPES ARE TO BE 3" TO 4" CONCRETE PIPES. ADDITIONAL PIPES MAY BE ADDED TO FUTURE PLANNING OF CONDUCTIONS DURING INSTALLATION. PIPES ARE TO BE 3" TO 4" CONCRETE PIPES. ADDITIONAL PIPES MAY BE ADDED TO FUTURE PLANNING OF CONDUCTIONS DURING INSTALLATION. PIPES ARE TO BE 3" TO 4" CONCRETE PIPES. ADDITIONAL PIPES MAY BE ADDED TO FUTURE PLANNING OF CONDUCTIONS DURING INSTALLATION.
- 6. ADJUST TO SITE UTILITY PLANS BY OTHERS FOR JOINT TRENCH DESIGN.

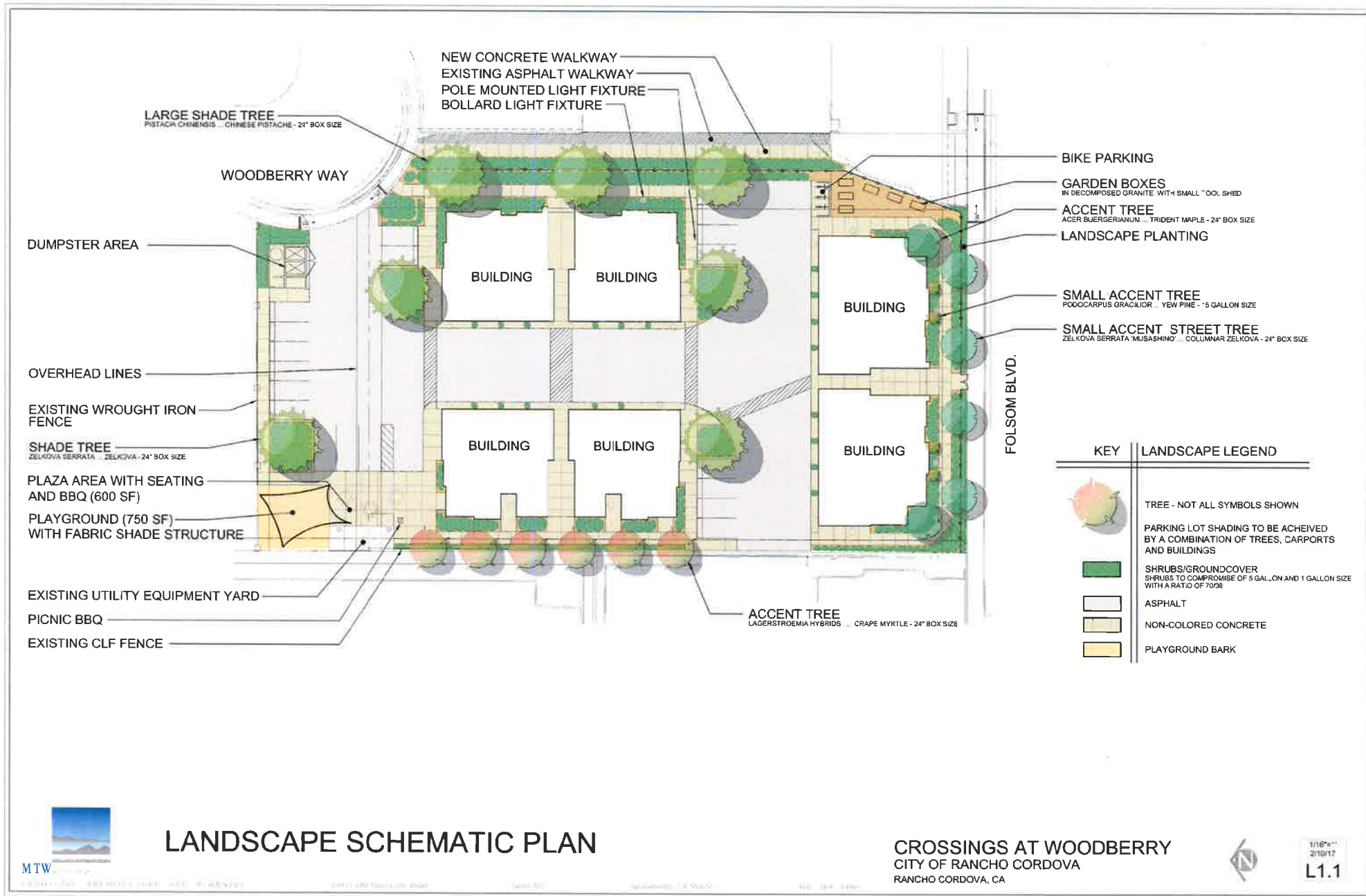
LIGHTING FIXTURE LEGEND



PHOTOMETRIC SITE PLAN SCALE 1"=10'-0" 1

WOODBERRY





Crossings at Woodberry Way Apartments

Conditions of Approval

EXHIBIT 2B

		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification</u> (date & Signature)
General Conditions					
1.	The approved entitlement is for a Rezone from CMU and HDR to RMU, Folsom Boulevard Specific Plan Amendment, parking exception, and Major Design Review to construct three 3-story Multi-family affordable apartments to include a total of 28 units, with understructure and surface parking, play area, and garden, as described in the City Council staff report dated February 21, 2017 and Project Plans (Exhibit 2A) with the conditions herein, for project number DD9683.	Project Description	On-Going	Planning	
2.	The Applicant shall hold harmless the City, its Council Members, officers, agents, employees, and representatives from liability for any award, damages, costs and fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to approval of this permit. Applicant further agrees to provide a defense for the City in any such action.	General	On-Going	Planning	
3.	Any future alteration to the buildings, change in use, intensification of the site, or modification to the parking and landscaped area must be reviewed by the City to ensure compliance with all local, state, and federal regulations. Minor modifications that are found to be in substantial conformance with the approved plans such as colors, or plant materials, may be approved administratively. Major modifications shall be approved by the applicable decision making body.	General	On-Going	Planning/ Building	
4.	Applicant/Developer shall not carry a negative account balance with the City for the processing of the project. If a negative account balance occurs, it will be the developer's responsibility to pay the balance due, in order to avoid delays in the processing of future permits or recordation of maps. Please email the Finance Department at billings@cityofranchocordova.org for the status of	General	On-Going	Finance	

Crossings at Woodberry Way Apartments Conditions of Approval

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	your account with the City.				
5.	Applicant shall be responsible for all damage to City streets associated with construction of the project and shall repair any damage as soon as possible to the satisfaction of the Public Works Director.	Construction	On-Going	Public Works	
6.	Noise sources associated with construction, repair, remodeling, demolition, paving and/or grading of any real property must adhere to the development standards outlined within the City's Noise Element and RCMC 6.68.	Construction	On-Going	Planning/ Building	
7.	In the event of the encounter of subsurface materials suspected to be of an archaeological or paleontological nature or if any human remains are found, all grading and/or excavation shall cease, the find shall be left untouched, and the City Planning Department shall be immediately notified. This requirement shall be noted on the Grading and Building Plans, prior to issuance of permits. A qualified professional archaeologist certified by the Register of Professional Archaeologists or paleontologist with a degree(s) in paleontology or geology, to evaluate and make recommendations as to disposition, mitigation and/or salvage. The recommendation shall be implemented before work may proceed.	Construction	On-Going	Planning/ Building	
8.	Should any formal complaints be submitted in regards to any unforeseen impacts of this facility, the Applicant/Developer will work with City staff to re-evaluate any operational characteristics to mitigate these impacts. This could include increase security and/or security monitoring devices, property manager contact list, or other items agreed upon by all parties.	Compliance	On-Going	Planning/ Police	
9.	All trash receptacles shall be screened and hidden and placed within the enclosure during non-trash pick-up days.	General	On-Going	Planning	
10.	Applicant shall be responsible for all damage to City streets associated with construction of the project and shall repair any damage as soon as possible	General	On-going	Public Works	

Crossings at Woodberry Way Apartments Conditions of Approval

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At Improvement Plans/Grading Permit Issuance					
11.	The applicant, planning staff, and staff from the Police Department shall design the pedestrian connection area that is along the eastern property line to include a path, low landscaping, and lighting utilizing Crime Prevention Through Environmental Design (CPTED) principals to the satisfaction of the Community Development Director.	Design	Prior to Issuance of Improvement Plan	Planning	
12.	Applicant shall photo-document the condition of adjacent streets, sidewalks and infrastructure to the satisfaction of the Public Works Department.	General	Prior to Issuance of Improvement Plan	Public Works	
13.	Number, size, and location of driveways are subject to approval by the Public Works Department.	Infrastructure	Prior to Issuance of Improvement Plan	Public Works	
14.	Enter into a frontage agreement and bond for construction of public improvements per the approved Public Works plans if applicable to the satisfaction of the Public Works Department.	Infrastructure	Prior to approval of improvement plans	Public Works	
15.	If the total area of the developed or redeveloped impervious surfaces (building rooftop, flat work, parking areas, or other disturbed areas cumulative for all phases of the work) equals or exceeds 1.0 acres, Incorporate permanent storm water quality treatment measures into the site improvement plans in conformance with applicable County ordinances & standards, and state and federal law.	Storm Water	Prior to approval of improvement plans	Public Works	
16.	Incorporate permanent storm water quality treatment measures into the site improvement plans in conformance with applicable City ordinances & standards, and state and federal law.	Storm Water	Prior to Issuance of Improvement Plan	Public Works	

Crossings at Woodberry Way Apartments Conditions of Approval

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17.	Pay applicable drainage fees.	Drainage	Prior to Issuance of Improvement Plan	Public Works	
18.	The Developer/applicant shall include additional small trees along Folsom Boulevard to the satisfaction of the Community Development Director.	Landscaping	Prior to Issuance of Improvement Plan	Planning	
19.	Developer/applicant shall submit landscaping plans demonstrating conformance with the City's water use and conservation provisions. Plans for frontage landscaping and other landscaping associated with City facilities shall be prepared to the satisfaction of the Public Works Department. A final landscape plan shall be submitted in conjunction with improvement plan and or building permit submittal and approved by the Planning and Public Works Departments prior to issuance of permits and/or any installation of landscape materials RCMC 23.716.020. The final landscape planting and irrigation plan shall be prepared by a registered licensed landscape architect and include the following items per RCMC 22.180.060: • Planting plan to scale that indicate slope • Irrigation Plan • Soils Test • Water Use Calculations • Irrigation Schedule	Landscaping	Prior to Issuance of Improvement Plan	Planning/ Public Works	
20.	SMUD conditions as follows: a) All structural setbacks shall be a minimum of 14-feet from the edge of the roadway right-of-way. Structural setbacks less than 14-feet may create clearance issues with SMUD facilities and the facilities of other utilities.	Utilities	Prior to Issuance of Improvement Plan	SMUD	

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b) The Applicant shall provide proper setbacks from existing electrical facilities. Prior to project approval, the Applicant shall prepare and submit the dimensions of the proposed North East building with respect to the existing overhead electrical lines for SMUD's review and comment. c) The Applicant shall not alter existing SMUD facilities on the subject property. If the Applicant requires the relocation or removal of existing SMUD facilities, the Applicant shall coordinate with SMUD. The Applicant shall be responsible for the cost of relocation or removal. d) SMUD reserves the right to use any portion of its easements on or adjacent to the subject property that it reasonably needs and shall not be responsible for any damages to the developed property within said easement that unreasonably interferes with those needs. e) The Applicant shall not place any building foundations within 5-feet of any SMUD trench to maintain adequate trench integrity. The Applicant shall verify specific clearance requirements for other utilities (e.g., Gas, Telephone, etc.). f) The Applicant shall dedicate and provide all-weather vehicular access for service vehicles that are up to 26,000 pounds. At a minimum: (a) the drivable surface shall be 20-feet wide; and (b) all SMUD underground equipment and appurtenances shall be within 15-feet from the drivable surface). g) Any necessary future SMUD facilities located on the Applicant's property shall require a dedicated SMUD				

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	easement. This will be determined prior to SMUD performing work on the Applicant's property.				
21.	The applicant shall contact the applicable water company that provides domestic and fire protection water service to the project. Dependent on project demands and in accordance with CPUC Rule 15, any modifications to the onsite or offsite water systems to accommodate any changes in fire protection requirements or increased water demands will be at the owner's expense.	Utilities	Prior to Issuance of Improvement Plan	Water Company	
22.	- SASD Design Standards apply to any sewer construction and/or modification. - Each parcel with a sewage source shall have a separate connection to the SASD public sewer system. If there is more than one building in any single parcel and the parcel is not proposed for split, then each building on that parcel shall have a separate connection to a private on-site sewer line or SASD public sewer line. - Applicant should contact Permit Services Unit at (916) 876-6100 for sewer impact fee information.	Utilities	Prior to Issuance of Improvement Plan	SASD	
23.	- Ensure that the hammerhead turn around meets the specific requirements for Metro Fire vehicle turnaround. - Metro Fire turning radii are 50' outside and 25' inside - Dimension lines showing that all exterior portions of the buildings are within 150' hoes reach of the fire lane. This dimension shall be shown along an approved route suitable for fire fighter access. - Any gate or barriers across fire access lanes shall require a separate plan submittal, review and approval prior to installation per the Sacramento County Gate Standard.	Safety General	Prior to Issuance of Improvement Plan	Metro Fire	
24.	Show on the plans how Fire Lanes will be marked. Fire Lane identification shall be provided along the required	Safety General	Prior to Issuance of	Metro Fire	

Crossings at Woodberry Way Apartments Conditions of Approval

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	fire access roadway. Fire Lane identification shall be in accordance with the Sacramento Metro Fire Districts Fire Prevention Standard #3 and the California Vehicle Code. Vehicle parking is prohibited on any street less than 28 feet in width. Vehicle parking is permitted on both sides of streets 36 feet or more in width. Roadway widths shall be measured between the gutter-line or edge of pavement on opposite sides of the road. Identification of fire apparatus access roadways may be required on private roads. • Provide a note on the plan that reads, "Fire access roadways shall be built to bear a minimum of 80,000 pounds and meet the Sacramento County Public Works Standards for roadways. A report, prepared by a registered geotechnical engineer, verifying the ability of the road to bear the required minimum weight, shall be submitted with any plan indicating construction of roadway. Verification of constructed roadway shall be provided by a registered geotechnical engineer prior to final of the project." Required Private streets and fire apparatus access roads shall be installed to the "first lift," (Up to the last one inch of pavement) identified, and verified by SMFD prior to <u>any</u> construction, (including foundations) or on-site storage of combustible materials. • Show the location of the required fire hydrants for this project on the improvement plans. Approved fire hydrants capable of providing the required fire flow for the protection of any and all structures shall be located along the fire apparatus access roadway. The required fire hydrants shall be installed and operational prior to <u>any</u> construction, (including foundations) or on-site storage of combustible materials. The minimum required		Improvement Plan		

Crossings at Woodberry Way Apartments Conditions of Approval

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	fire flow for the protection of commercial developments is 1,500 gallons per minute (gpm) at a pressure of 20 pounds per square inch (psi) for a two-hour duration.				
Prior to Issuance of Building Permits					
25.	Applicant shall complete improvement plans to the satisfaction of the Public Works Department. Improvement plans shall include, but shall not be limited to: • All onsite civil improvements. • Civil plan shall include an ADA access plan • All facilities, including but not limited to, sidewalk, driveways, etc. shall be upgraded to meet current ADA requirements and City Standards. Sidewalk on entire property frontage does not conform to ADA guidelines. Remove and replace all sidewalk on Folsom Boulevard and remove and replace all Sidewalk, curb and gutter on Woodberry Way per City Standard. Any obstructions to the sidewalk shall be relocated behind back of walk. • Utility laterals • Replacement of damaged pavement along property frontage to the satisfaction of the Public Works Department. • Public improvement plans shall clearly delineate all transitions to existing improvements. All improvements to be designed and constructed to the satisfaction of the Public Works Department.	Infrastructure/ Improvements	Prior to Issuance of Building Permits	Public Works	
26.	As-built reproducible grading and improvement plans (1 full size and 1 half size hard copy), as well as a compact disc containing said plans in AutoCAD and pdf format, and a GIS shape file, or equivalent to the satisfaction of the City Engineer shall be submitted and approved by the Public Works Department.	Mapping	Prior to Issuance of Building Permits	Public Works	

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27.	Property Owner/Applicant shall participate in or provide a funding mechanism for maintenance services for the project's stormwater drainage and flood protection system. This may be accomplished through annexation to the City's Stormwater Utility Fee District, or other financial mechanism as may be proposed and provided by the Property Owner for the same purpose of providing a financial mechanism to fund the operation and maintenance of the Project's stormwater drainage and flood protection system. Costs associated with the annexation shall be borne by the Property Owner/Applicant through payment of fair share costs of the SWU annexation not to exceed \$7,000 per annexation.	Maintenance	Prior to Issuance of Building Permits	Public Works	
28.	Bicycle Parking shall be installed in accordance with RCMC 23.719.115. The design and location of the bicycle parking shall be consistent with the approved plans and approved by the Community Development Director prior to construction.	Bicycle Parking	Prior to Issuance of Building Permits	Planning	
29.	Additional architecture elements shall be included on the entrance area of the buildings to the satisfaction of the Community Development Director.	Architectural	Prior to Issuance of Building Permits	Planning	
30.	Vents, gutters, downspouts, flashing, electrical conduits, etc., shall be painted to match the color of the adjacent surface, unless otherwise approved by the Planning Department.	Architectural	Prior to Issuance of Building Permits	Planning	
31.	Construction plans must include all windows and final architectural element details to be reviewed and approved by the Planning Department. This includes all building fixtures, exterior lighting, walkway lighting, parking lot lighting, and street lights on the Site, Utility, Landscape, and Building Plans, prior to the issuance of any permits. The height and style of fixtures shall be shown. Energy-saving fixtures shall be used and noted on the plans and all illumination shall be installed in a manner that is glare shielded and directed away from adjacent properties and right-of-ways.	Architectural	Prior to Issuance of Building Permits	Planning	

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32.	Rooftop equipment (HVAC, meters, refrigeration equipment, plumbing lines, ductwork and transformers), shall not extend above the building roof-line and shall be screened from view on all sides.	Architectural	Prior to Issuance of Building Permits	Planning	
33.	All lighting shall be installed in accordance with an approved Photometric Plan, showing the location of all light sources, streetlight spacing, intensity of luminance, and uniformity ratio, in accordance with the City's specifications.	Lighting	Prior to Issuance of Building Permits	Planning/ Building	
34.	Utility areas, electrical and gas meters shall be architecturally screened from view.	Architectural	Prior to Issuance of Building Permits	Planning/ Building/ Public Works	
35.	Trash Enclosures shall comply with Zoning Code and Republic Services, Inc. standards regarding enclosure design, access requirements, and the number of required individual refuse receptacles based upon waste pickup schedules. Trash enclosures design shall be consistent with the approval plans per this permit.	Architectural	Prior to Issuance of Building Permits	Planning/ Building	
36.	Ensure that no debris or construction scrap material is placed on any adjoining lot, open space area, or street, and that any such material stored on an adjoining site shall be completely removed and the site cleaned, prior to occupancy approval.	Construction	Prior to Issuance of Building Permits	Planning/ Building	
37.	The exterior of the premises, including adjacent sidewalks and all parking lots under control of the licensee(s), shall be illuminated during all hours of darkness so that persons standing in those areas at night are identifiable by law enforcement personnel. However, the required illumination shall be placed so as to minimize interference with the quiet enjoyment of nearby residents of their property.	Security	Prior to Issuance of Building Permits	Planning	

Crossings at Woodberry Way Apartments Conditions of Approval

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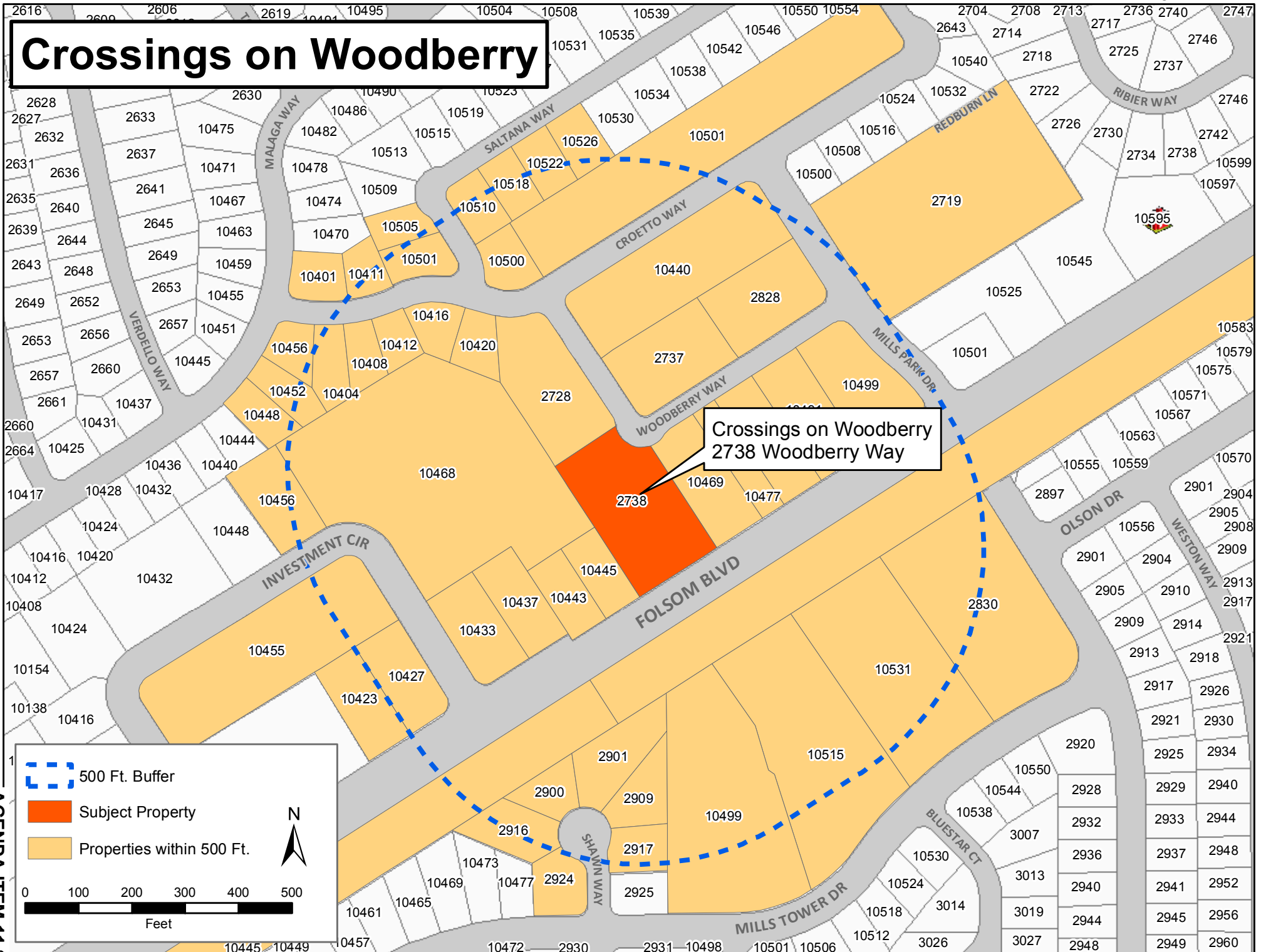
		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
38.	- Approved numbers or addresses shall be placed on all new or existing buildings in such a position as to be easily read from the street or road fronting the property. The minimum size of the numbers shall not be less than six (6) inches and shall be mounted immediately adjacent to a light source and shall also contrast with their background. - Residential roof coverings shall consist of materials having a minimum Class C rating. - Residences located within a high fire hazard severity zone are subject to more stringent requirements that may include wider access roadways, Class A roof coverings, fire sprinklers, and additional clearance from unimproved lands. - Gates shall be in accordance with Sacramento County Emergency Access Gates and Barriers Standard. Plan submittal is required prior to installation	Safety	Prior to Issuance of Building Permits	Metro Fire	
Prior to Certificate of Occupancy					
39.	As-built reproducible grading and improvement plans (1 full size and 1 half size hard copy), as well as a compact disc containing said plans in AutoCAD and pdf format, and a GIS shape file, or equivalent to the satisfaction of the City Engineer shall be submitted and approved by the Public Works Department.	Mapping	Prior to Certificate of Occupancy	Public Works	
40.	Install public improvements per the approved Public Works plans and to the satisfaction of the Public Works Department.	Infrastructure	Prior to Certificate of Occupancy	Public Works	
41.	Upon completion of the installation of the landscaping, the designer shall certify that the landscape complies with all city water conserving landscape requirements. Certification shall be accomplished by completion of a certificate of compliance on a form approved by the Director of the City Public Works Department. Failure to submit a complete and accurate certificate of compliance will delay final approval of the project and/or	Landscaping	Prior to Certificate of Occupancy	Planning/ Public Works	

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	discontinue water service per RCMC 22.180.090. Upon receipt of the certificate of compliance and site inspection from City staff, the landscaping performance bond will be released.				
42.	Applicant shall pay any outstanding staff costs associated with the review and approval of the construction plans.	Funding	Prior to Certificate of Occupancy	Planning/ Public Works	
43.	The applicant shall provide the City with its tenant rules and regulations for the property prior to occupancy. Any violations of such rules or regulations affecting the external appearance of the property or behavior of tenants on the property, is enforceable by the City as a violation of the specific planning area standards and these conditions of approval.	Enforcement	Prior to Certificate of Occupancy/On- going	Planning	

Crossings on Woodberry



Crossings on Woodberry
2738 Woodberry Way

MAYS ANDREW
10401 CROETTO WAY
RANCHO CORDOVA, CA 95670

PORTER ADAM J
10404 CROETTO WAY
RANCHO CORDOVA, CA 95670

BOWDEN ALVIN
10408 CROETTO WAY
RANCHO CORDOVA, CA 95670

CHAVEZ J ALBERTO
10412 CROETTO WAY
RANCHO CORDOVA, CA 95670

MOSS OLIVIA
10416 CROETTO WAY
RANCHO CORDOVA, CA 95670

MCCLURE JUDY M
10448 MALAGA WAY
RANCHO CORDOVA, CA 95670

NEUBAUER BARBARA
10452 MALAGA WAY
RANCHO CORDOVA, CA 95670

GORDON BLDG LLC
10499 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OLEFIR YELENA
10501 SALTANA WAY
RANCHO CORDOVA, CA 95670

EVANS ZACHARY A
10505 SALTANA WAY
RANCHO CORDOVA, CA 95670

PHILLIPS KAREN L
10510 SALTANA WAY
RANCHO CORDOVA, CA 95670

DURBIN JEFFREY STEVEN
10518 SALTANA WAY
RANCHO CORDOVA, CA 95670

SIGL LIVING TRUST
10522 SALTANA WAY
RANCHO CORDOVA, CA 95670

NALBANDYAN ALENA
10526 SALTANA WAY
RANCHO CORDOVA, CA 95670

HICKOK ARTHUR R
2900 SHAWN WAY
RANCHO CORDOVA, CA 95670

GIBBS JAMES
2901 SHAWN WAY
RANCHO CORDOVA, CA 95670

MARTINEZ MARIA D
2909 SHAWN WAY
RANCHO CORDOVA, CA 95670

JULIA CZAPLA REVOCABLE TRUST
100 SANDPIPER LN
CRESCENT CITY, CA 95531

MEHRSHAH HOOSHANG
100 VINICOLA CT
EL DORADO HILL, CA 95762

BRITTON REVOCABLE LIVING TRUST
11030 MAMMOTH RIVER CT
RANCHO CORDOVA, CA 95670

7777 GREENBACK LLC
1300 NATIONAL DR 100
SACRAMENTO, CA 95834

LONG LY/KIM TO REVOCABLE TRUST
1322 SOUZA DR
EL DORADO HLS, CA 95670

WEBER HOMES INC
1401 BIRCHWOOD LN
SACRAMENTO, CA 95822

2013 1 IH BORROWER LIMITED
PARTNERSHIP
1717 MAIN ST STE 2000
DALLAS, TX 75201

SAERON PV LLC
2 MIRA FLORES LN
BELVEDERE TIBU, CA 94920

UHC 00516 RANCHO CORDOVA LP
2000 E 4TH ST 205
SANTA ANA, CA 92705

CENTER OF PRAISE MINISTRIES INC
2150 CAPITOL AVE
SACRAMENTO, CA 95816

ANJARE LLC
24632 OLIVE TREE LN
LOS ALTOS HILL, CA 94024

COMMUNITY REDEV AGENCY CITY OF
RANCHO CORDOVA
2729 PROSPECT PARK DR
RANCHO CORDOVA, CA 95670

CONTRERAS GLORIA
3000 ATLAS AVE A
SACRAMENTO, CA 95820

MUNYER DOUGLAS CLARK
324 SPRIG CIR
FOLSOM, CA 95630

LING JING ENTERPRISES L P
3336 BORDEAUX DR
EL DORADO HILL, CA 95762

PARKWEST LIMITED PARTNERSHIP
3545 RIVERVIEW DR
REDDING, CA 96001

WANG PETER C
358 VIEW ST
MOUNTAIN VIEW, CA 94041

THE ARBORS OF RANCHO CORDOVA
LLC
39270 PASEO PADRE PKWY
FREMONT, CA 94538

SAMI BLAYDAN
4126 MYSTIC VIEW CT
HAYWARD, CA 94542

BETTY KAY LOUIE REVOCABLE TRUST
500 N ST 405
SACRAMENTO, CA 95814

CHRISTOPHER J ANTHONY REVOCABLE
LIVING TRST
5001 CRESTVIEW DR
CARMICHAEL, CA 95608

MUHAREB MICHAEL A
6831 BOA NOVA DR
ELK GROVE, CA 95757

JOO SOON H
7816 38TH AVE
SACRAMENTO, CA 95824

BACA LIVING TRUST
8082 WINDWARD KEY DR
CHESAPEAKE BEA, MD 20732

SAC-PLCRVLE TRANSPORTATION CORR
JOINT POWERS AUTHO
PO BOX 2110
SACRAMENTO, CA 95812

FERNANDEZ A FAMILY TRUST
PO BOX 347455
SAN FRANCISCO, CA 94134

MOSES F JARDIN JR REVOCABLE TRUST
PO BOX 905
FAIR OAKS, CA 95628

OCCUPANT
2916 SHAWN WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10500 SALTANA WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10456 MALAGA WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
2737 WOODBERRY WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10477 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10469 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10485 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10423 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10411 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10501 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10420 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
2728 WOODBERRY WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10455 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
10440 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10447 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10443 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10437 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2828 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10515 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10531 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OCCUPANT
2830 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10468 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
2719 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10499 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10491 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10456 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
10433 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10445 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2917 SHAWN WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10427 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2924 SHAWN WAY
RANCHO CORDOVA, CA 95670

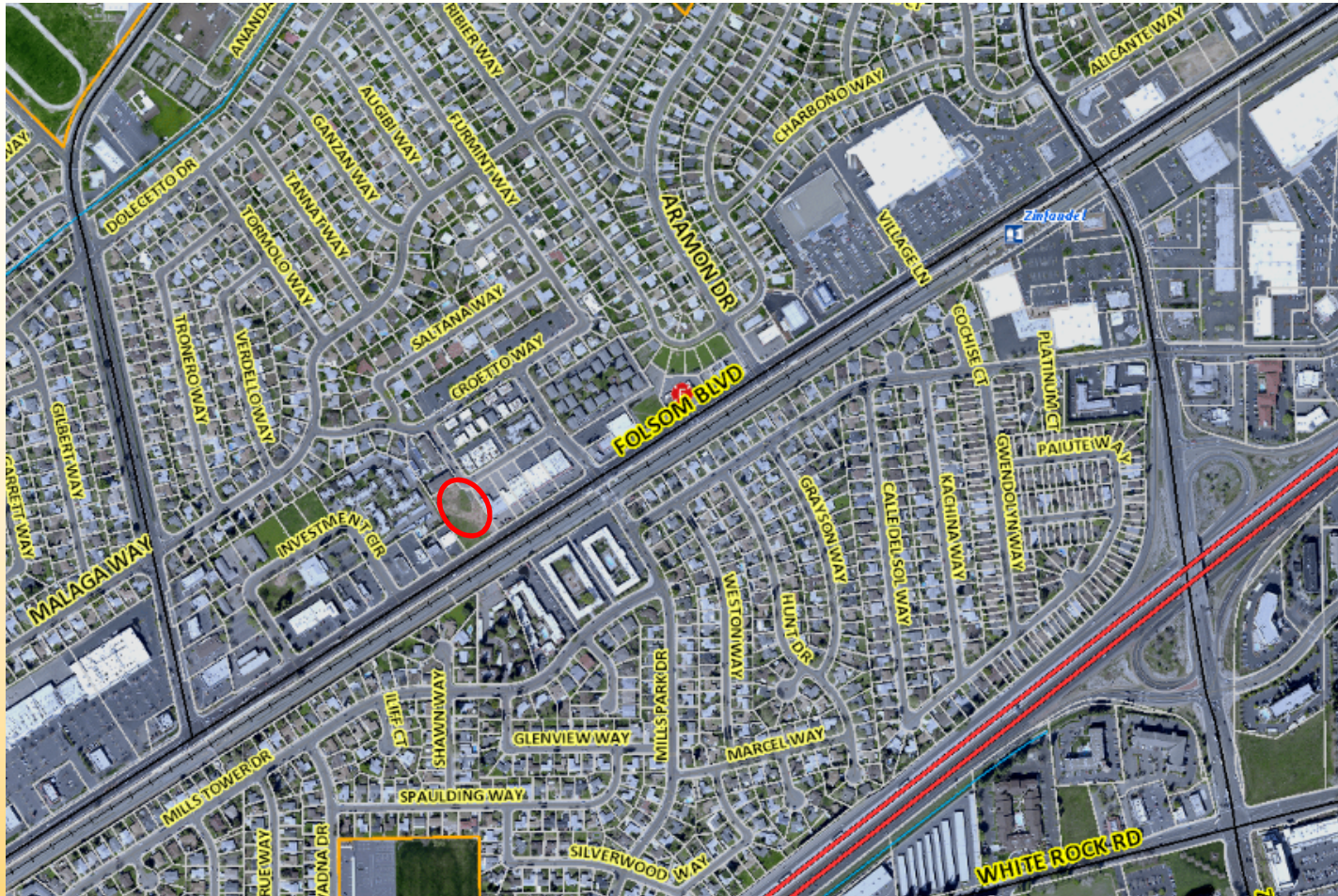
Crossings at Woodberry Way

DD9683

Rancho Cordova City
Council

June Cowles, Senior
Planner

Location



Current Zoning



Site Location



Project Request

1. Folsom Boulevard Specific Plan Amendment to include the following:

- a) Rezone the project site from Commercial Mixed Use (FB-CMU) and High Density Residential (FB-HDR) to Residential Mixed Use (FB-RMU) and revise the appropriate FBSP Land Use Map from "FB-CMU" and "FB-HDR" to "FB-RMU"

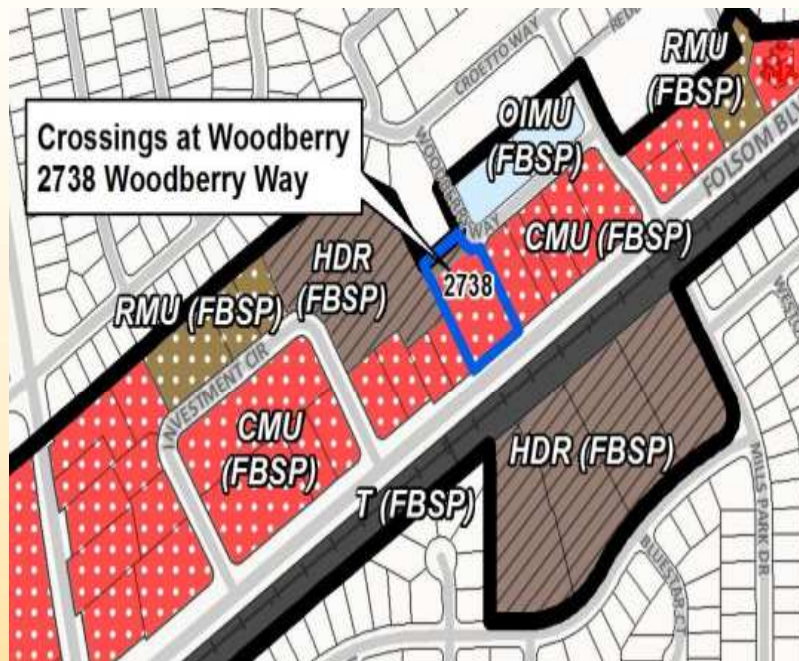
2. Parking Exception

- b) Allow for 1.6 spaces per unit. (Total of 45 parking spaces)

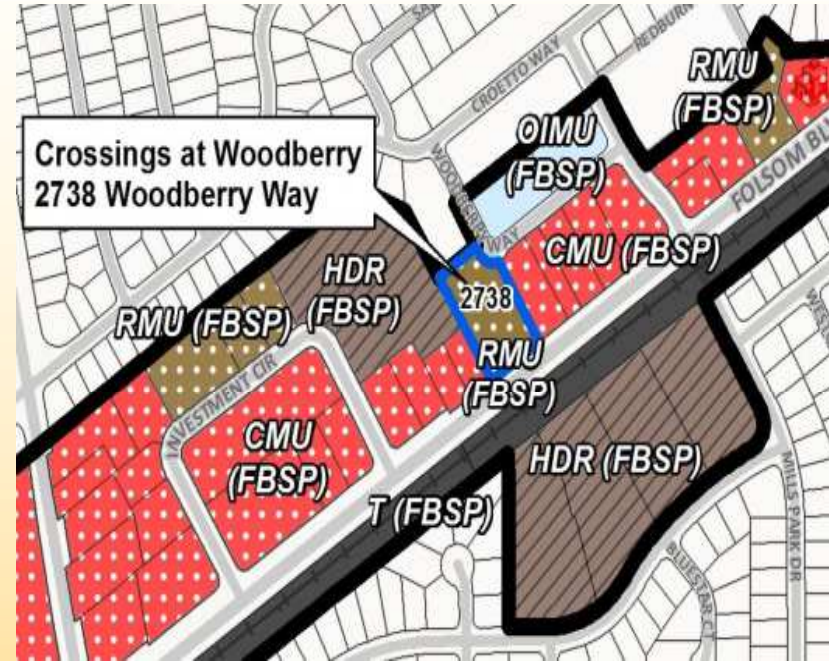
3. Major Design Review

- c) Three, three-story multi-family buildings with surface and under structure parking, a garden, a play area, and a pedestrian connection.

Folsom Boulevard Specific Plan Land Use Map for Project Site



Existing Land Use Map

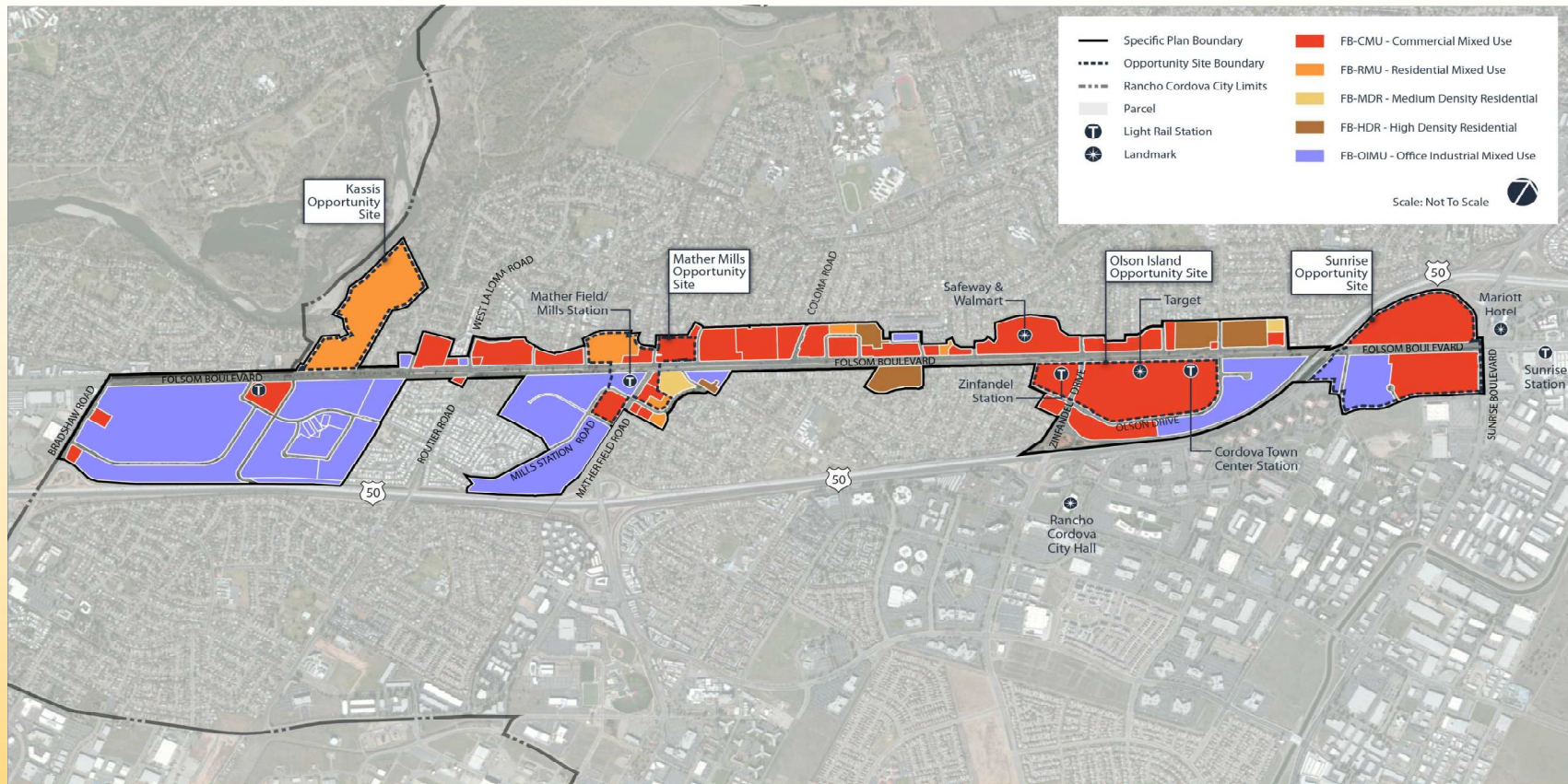


Proposed Land Use Map

FBSP Zone Descriptions

Zone	Description
CMU	Primarily for commercial development. However properties with this designation may also include office and/or residential uses. In multiple-story buildings, commercial uses are the predominant use on the ground floor, occupying at least 50 percent of the ground-floor area. Commercial retail and service uses are permitted by right, and more intense commercial and service uses are conditionally permitted. Business and professional office uses, as well as residential uses with a density between 10 and 18 units per acre, are also permitted by right when integrated vertically or horizontally with commercial uses.
HDR	Development of residential uses with a density between 18.1 and 40 units per acre. The HDR district is intended for higher-density residential development, such as apartments, condominiums, lofts, and other multi-story residential uses.
RMU	Designate property primarily for the development of medium and high density housing, between 6.1 and 40.0 dwelling units per acre. However, properties with this designation may also include office and/or commercial services. Residential and nonresidential uses may be integrated vertically and/or horizontally and may be developed separately in phases consistent with the allowed use and development standards.

FBSP Land Use Plan



FBSP Exception:

"The City Council recognizes the real-world challenges that the vision and development standards present in a depressed economy and as such, desires to provide additional flexibility for projects that will benefit the community in specific, identified ways. An applicant may request that the City Council approve an exception to allow a development project that does not strictly adhere to the Specific Plan or to other City development standards."

Zoning Ordinance Section 23.710.050:

Number and types of incentives and bonuses allowed - A reduction in the site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Part 2.5, Section 18907 of Division 13 of the Health and Safety Code, including but not limited to a reduction in setback and square footage requirements and in ratio of vehicle parking spaces that would otherwise be required and that results in identifiable, financially sufficient, and actual cost reductions.

Major Design Review

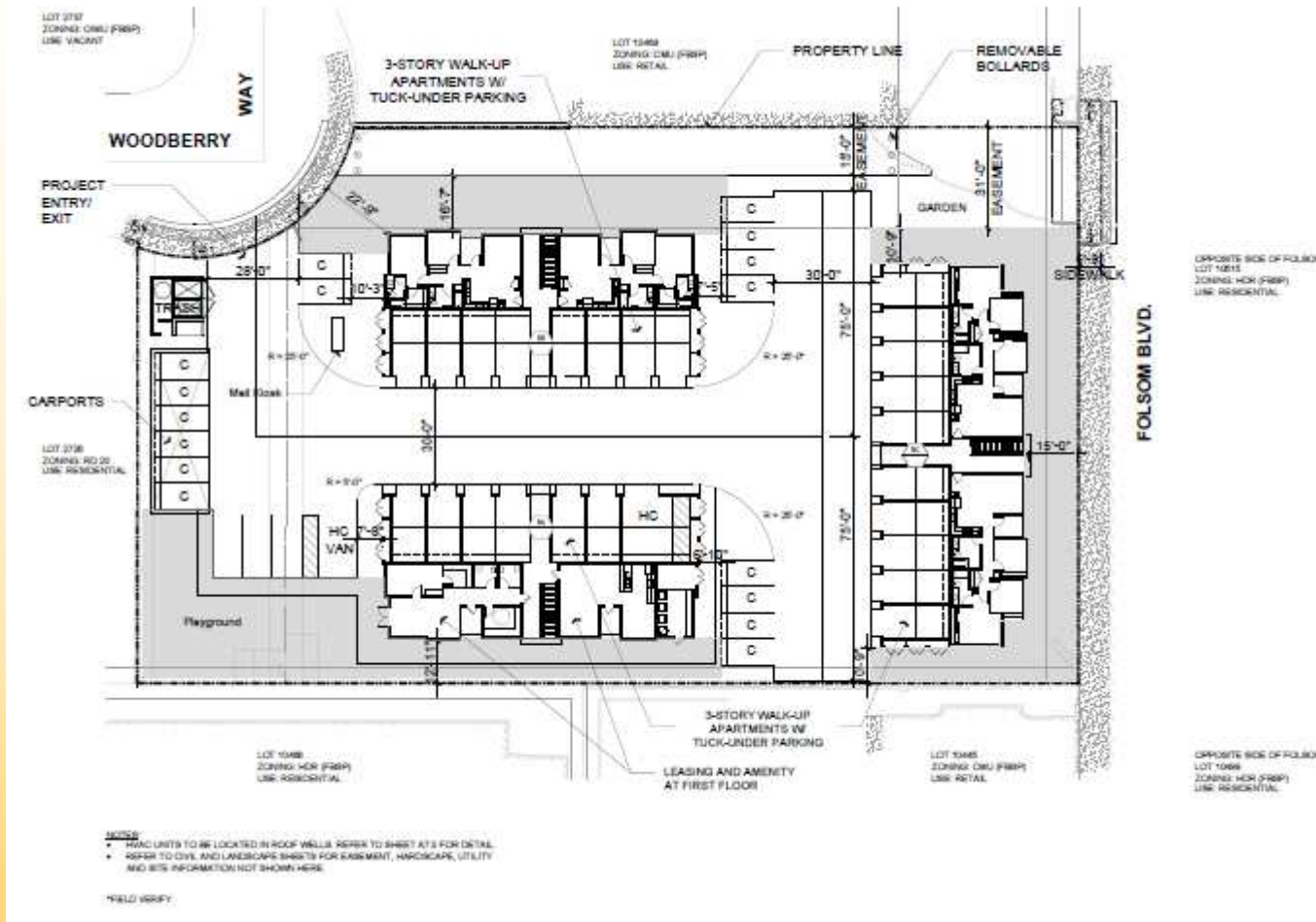


Illustration of Pedestrian Connection between Woodberry way and Folsom Blvd



Elevations



Elevations



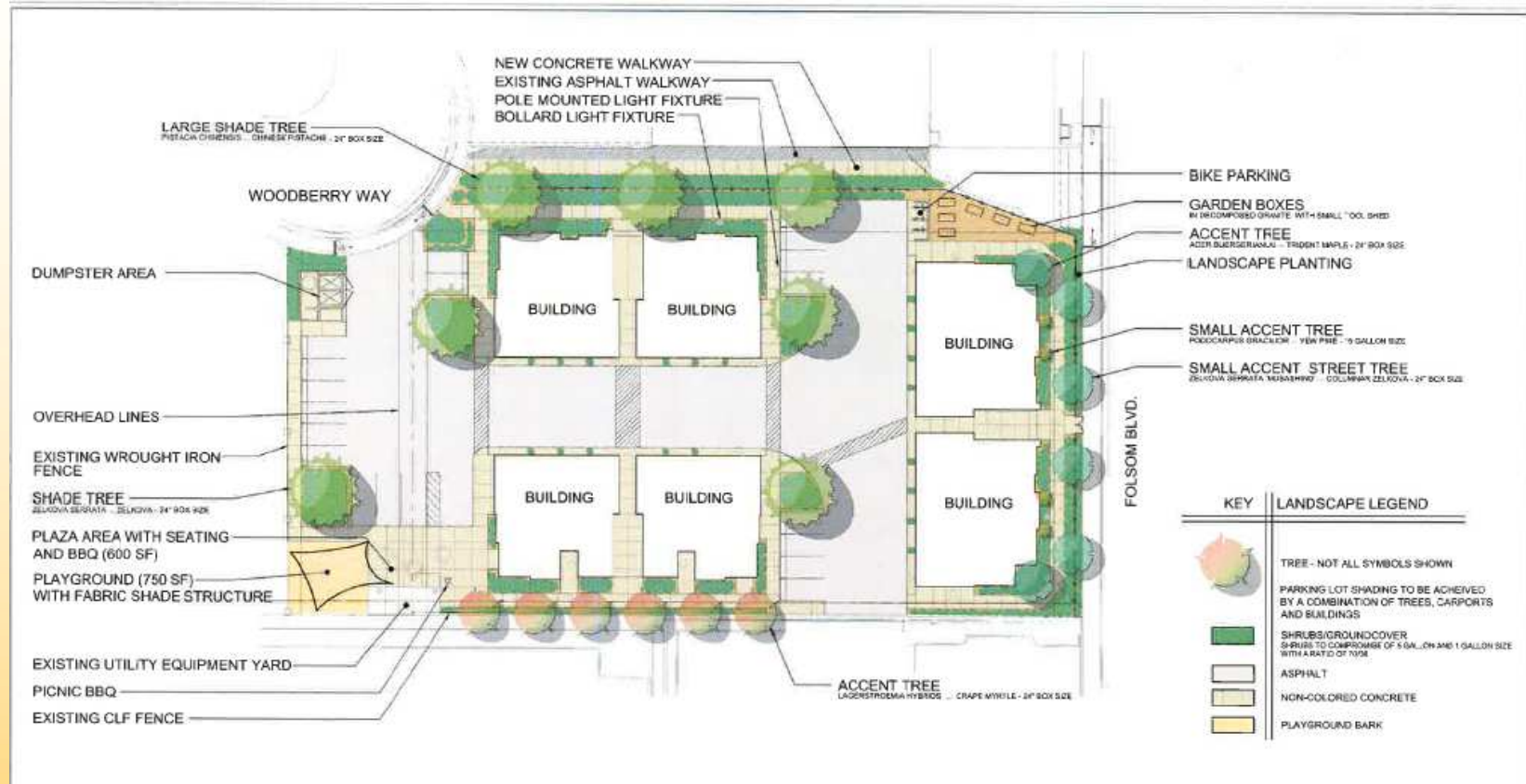
Rear Elevation



Right Elevation



Landscape Plan



Aerial Perspective of Project



CEQA

Rezone

- None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.

Major Design Review

- The multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.
- A re-evaluation of the original Environmental Assessment has been conducted and updated to fulfill the NEPA requirements for this project and it has been approved by both the Federal Department of Housing and Urban Development and the California Department of Housing and Community Development.

Recommended Motions

- "I move that City Council introduce and waive the first reading of Ordinance 2-2017 (Exhibit 1A), rezoning the site from FB-CMU and FB-HDR to FB-RMU and finding the rezone exempt from further CEQA review.
- Adopt Resolution 35-2017 approving the Major Design Review and parking exception for Crossings at Woodberry Way multi-family buildings located at 2738 Woodberry Way subject to the findings and Conditions of Approval (Exhibit 2A and Exhibit 2B) and finding the project exempt further CEQA review."
- Resolution 35-2017, if approved, would go into effect on the effective date of Ordinance 2-1017 (30 days after second reading and adoption), as it is contingent upon the property being rezoned.

MEMORANDUM

DATE: February 21, 2017

TO: Honorable Mayor and Council Members

FROM: Reed Flory, Reinvestment and Housing
Opportunities Manager
Stefan Heisler, Reinvestment Analyst



SUBJECT: EXECUTION OF A NEW DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT WITH UHC 00575 RANCHO CORDOVA, L.P. FOR THE DEVELOPMENT OF THE CROSSINGS AT WOODBERRY WAY AFFORDABLE FAMILIES PROJECT

RECOMMENDATION

Approve Resolution 16-2017.

RESULT OF RECOMMENDED ACTION

Adoption of this resolution will authorize the City Manager to execute the Development, Disposition and Loan Agreement (DDLA) with Urban Housing Communities (UHC), the Developer for the Crossings at Woodberry Way affordable families housing development, thereby permitting the submittal of an application for required additional project funding through the first competitive round of 2017 Low Income Housing Tax Credits.

BACKGROUND

PROJECT HISTORY

In 2008 the City of Rancho Cordova and its Redevelopment Agency (active at the time) commenced a comprehensive effort to redevelop the Stagger Inn Redevelopment Project area on Folsom Boulevard. The City solicited Developer interest and found only one interested developer. In 2008, a Memorandum of Understanding (MOU) was signed with UHC to prepare projects for the redevelopment of two parcels. The northerly most site was successfully developed as the Crossings at New Rancho. The phase two effort, Crossings at Woodberry Way, is the site of the former "Stagger Inn." The redevelopment of this 1.06-acre parcel will complete the proposed redevelopment effort.

Since 2013, the second parcel has been proposed to be developed as a 48-unit senior, affordable housing project named the Horizons at New Rancho. The Parties executed a DDLA for that project but efforts to accumulate the funding required for this phase have been unsuccessful. After many unsuccessful applications for funding and project review by two other developers, UHC and City Staff recognize that there are systemic considerations which preclude successful smaller, senior applications in areas of modest income and rents unless

those applications are accompanied by extremely large amounts of “soft money” loans and grants.

With this determination, City Staff and UHC began to look at using the site and existing funding for an affordable families project in order to develop a maximally competitive project that would not require additional City funds. On January 17, 2017 the City Council expressed a “sense of the council” giving support to this effort, particularly to the pursuit of final funding for a 28 unit (18, 2-bedroom, 10, 3-bedroom) affordable families project now named the Crossings at Woodberry Way (the “Project”).

As a new Project, Crossings at Woodberry Way was granted Design Review approval earlier in this Council meeting (2/21/2017). Additionally, a Specific Plan Amendment Zone Change was considered and approved. This action will allow densities up to 40 units/acre and is necessary for the Project to be feasible. The original zoning designation for the previous Horizons at New Rancho project was Urban Reserve, and allowed densities up to 40 units/acre. Between 2013 and this writing the zoning was changed to Commercial Mixed Use, which only allows up to 18 units/acre. However, because the site is designated as a RHNA high density housing site and because the Federal funding used to acquire and demolish the Stagger Inn required the reuse of the site to be low income housing, staff requested the zone change.

PROJECT STATUS

The Crossings at Woodberry Way is nearly a shovel-ready project. With Design Review approval, the Project will be ready to apply on March 1, 2017 for the final funding required, the Low Income Housing Tax Credits. Pending an award of tax credits in June, 2017, the project will be required to begin construction within 180 days. City staff and UHC fully expect the project to be completely ready to meet this deadline and begin construction by December, 2017.

Similar to the existing and successfully operated Crossings at New Rancho project, the Crossings at Woodberry Way affordable families Project would be owned by UHC, and would be governed by a Regulatory Agreement with the City of Rancho Cordova committing the units to remain affordable to households at or below 60% of the area median income. The Project would be managed by a professional management company, and the proximity to the Crossings at New Rancho project will allow the developer and the management company to leverage services – ensuring an overall higher quality residential product.

FUNDING

The Crossings at Woodberry Way will be funded through a variety of funds. As mentioned above, this DDLA will allow UHC to apply for 2017 First Round Low Income Housing Tax Credits. The Low Income Housing Tax Credits will constitute the majority of the Project funding. Other Project funding sources include the State’s Local Housing Trust Fund, State Tax Credits, and the State’s Infrastructure Infill Grant Program. City funding sources for this project include a loan from the City’s Local Housing Trust Fund (which will operate as a Matching source to the State’s Local Housing Trust Fund), a land contribution of a portion of the site’s value, and a grant to the project which includes all of the costs that went into acquiring the property, demolishing old buildings, relocating existing tenants, assembling the parcels, and grading the site. As a final source of funding, UHC is deferring a portion of its developer fee, which will add to the Project’s Tax Credit competitiveness.

Low Income Housing Tax Credits

Low Income Housing Tax Credits are the most prominent source of funding for the Project but there are programmatic risks that could affect this Project’s full funding from this source. If

awarded, credits will be syndicated through a private investor at the market price for tax credits. This environment is complex and with a change in Federal tax policy has the potential to radically change. Therefore, it is possible that the price of credits could drop and a tax credit award might not fill the Project's final funding gap. However as Low Income Housing Tax Credits are the largest source of funding, and have been fairly reliable historically, Staff recommends the Project as proposed to move forward with a Low Income Housing Tax Credit application.

City Loan

The City's Local Housing Trust Fund loan to UHC for the Project will total \$1,666,200. That amount is made up of two separate City actions that will be combined into one Project loan. The first \$1 million was dedicated via Resolution 36-2012 approved on May 7th, 2012, as match to the State's Local Housing Trust Fund \$1 million. The remaining \$666,200 of the City's Local Housing Trust Fund was approved by the City Council in Resolution 15-2015 dated February 17th 2015. Resolution 15-2015 approved \$1 million of additional funding to the project, however due to the increased length of time spent trying to fund the Horizons at New Rancho, and the significant change to the overall development program only \$666,200 remains for the revised Project. While this decrease in "soft" funding does impact the Project's competitiveness, it maintains the City's funding at its current level and requires no increase. City Staff and UHC are confident in the Project's competitiveness at the current funding levels.

The above described loan funds will be drawn from the City's Local Housing Trust Fund, which is sourced by the non-residential impact fee that the City charges on non-residential building permits. The City's Local Housing Trust fund has not collected the expected fees over the last few years (particularly during the recession), and with the above loan to the Project will have a negative balance. To explain and offset that negative balance, the City has provided those funds through an Interfund Loan Agreement, from the City's General Fund to the City's Local Housing Trust Fund, which was approved by City Council on April 6th, 2015 in Resolution 46-2015. That Interfund Loan Agreement provides for the use and full repayment of any funds fronted to the City's Local Housing Trust Fund for the development of the Horizon's at New Rancho project, now the Crossings at Woodberry Way. The total amount of the Interfund Loan Agreement proceeds going to the Project via the City Loan will be \$1,666,200; however the City's Local Housing Trust Fund will be liable to the Interfund Loan Agreement for the full \$2,162,200 approved for the Horizons at New Rancho project, now the Crossings at Woodberry Way.

The City's Loan to UHC will be a 0% interest loan, with a 55 year term, and payments deferred for the length of the term, as permitted by the Low Income Housing Tax Credit Program.

City Grant

The City will also be providing a Project Grant to UHC of up to \$1.827 million made up of costs from the acquisition and predevelopment of the Project and a land contribution valued at \$289,000. During the initial eminent domain, relocation, and demolition of the Stagger Inn and Woodberry Gardens sites, the City incurred about \$1.827 million in costs. These costs were paid out of the Redevelopment 20% set aside funds, the City's Very Low Income Housing Fund, and Community Development Block Grant funds. Some of these costs can be included as basis in the Tax Credit application and will improve the competitiveness of the project. All of the Project Grant funds were used to pay for acquisition and predevelopment costs incurred before July 20th, 2012. No new grant funding is being requested in this action.

State Funding

The State's Local Housing Trust Fund will add an additional \$1 million to the project via an escrow that will be set up during the Construction Loan closing process. While the City is the official recipient of the State's Local Housing Trust Fund Grant, the Grant is designed to be used as a pass-through to the Project developer, UHC. The City will not be required to front funds to the State's Local Housing Trust Fund Grant, nor will it be obligated in any way to pay the \$1 million dedicated to the project from the State. The State funds will be directly deposited into the Project's Construction Loan Closing Escrow account. The City is including the State Local Housing Trust Fund money into the overall Project Loan because the City is the official recipient of the Local Housing Trust Fund Grant, and because the additional loan amount provides performance leverage for the City with UHC, to ensure that the project meets its agreed affordability and maintenance standards. The resultant City loan reflecting both City and State funds is therefore shown as \$2,666,200.

The IIG is another grant from the State that will go directly to UHC and will add approximately \$500,000 to the project to pay for off-site improvement and infrastructure upgrades. The City is in no way responsible for these funds.

Below is a Funding Summary that identifies the City funds dedicated to the Crossings at Woodberry Way Project.

City Funding Summary

City Funding going to the Crossings at Woodberry Way Project

Project Grant Total (MONEY ALREADY SPENT)	Up To \$1,827,000
City Local Housing Trust Fund Match (RESOLUTION 36-2012) (MONEY NOT YET SPENT)	\$1,000,000
General Fund Allocation (RESOLUTION 15-2015) (MONEY NOT YET SPENT)	\$666,200
State Housing Trust Fund Grant (CITY PASS-THROUGH) (MONEY NOT YET SPENT)	\$1,000,000
TOTAL	\$4,493,200

The DDLA also provides for a recapture of some of the City's Project costs through the terms of a land sale price. Under the terms of the proposed DDLA, UHC will pay the City \$341,000 for the property located at 2738 Woodberry Way. These funds will be used to offset the Inter-Fund Loan from the City's General Fund to the City's Housing Trust Fund, as identified in the staff report and Resolution No. 15-2015. As proposed, this funding will cover all City Staff time spent on this Project since the Project's beginning in 2013 including legal costs and staff consultants.

ATTACHMENT(S)

Resolution No. 16-2017
Disposition, Development and Loan Agreement with UHC

CITY OF RANCHO CORDOVA

RESOLUTION NO. 16-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AUTHORIZING EXECUTION OF A DISPOSITION AND DEVELOPMENT AGREEMENT WITH UHC 00575 RANCHO CORDOVA, L.P. WITH REGARD TO CITY PROPERTY AT APN: 057-0221-022 AS DESCRIBED IN EXHIBIT "A" TO THIS RESOLUTION

WHEREAS, the City Council of the City of Rancho Cordova ("City") approved and adopted a Redevelopment Plan for the Community Redevelopment Agency of the City of Rancho Cordova ("Redevelopment Plan") covering certain properties within the City ("Project Area"), pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (the "CRL"); and

WHEREAS, the Community Redevelopment Agency of Rancho Cordova ("Agency") was a redevelopment agency engaged in activities to execute and implement the Redevelopment Plan pursuant to the CRL; and

WHEREAS, pursuant to California Health and Safety Code Section 34176(a)(1), on January 17, 2012, the City Council of the City of Rancho Cordova ("City Council") adopted Resolution No. 7-2012, whereby the City elected to retain the housing assets and functions of the Community Redevelopment Agency of the City of Rancho Cordova ("Agency") upon the dissolution of the Agency, effective February 1, 2012, pursuant to Assembly Bill x1 26 enacted by the California Legislature and upheld by the California Supreme Court in California Redevelopment Association, et al. v. Ana Matosantos, et al. The City thereby became the designated Housing Successor to the former Agency; and

WHEREAS, the Oversight Board to the Successor Agency of the Community Redevelopment Agency of the City of Rancho Cordova on April 17, 2012 affirmed the transfer of housing functions, assets, and responsibilities to the City in Oversight Board Resolution OB 2-2012. This included the Property which was originally purchased in part with funds from the Agency's Low-Mod Housing Fund; and

WHEREAS, on October 14, 2012, pursuant to Health and Safety Code Section 34176(a)(2), the City submitted to the California Department of Finance ("DOF") a list of housing assets, including that certain real property consisting of approximately 1.07 acres located in the City of Rancho Cordova, identified as Sacramento Assessor's Parcel 057-0221-022, and more particularly described in Exhibit A attached hereto (the "Property"). On November 7, 2012, the DOF responded with an analysis of the housing assets, and did not dispute the City's claim that the real property listed was a housing asset; however the DOF required the remittance of unencumbered Low and Moderate Housing funds, and all requested unencumbered Low and Moderate Housing funds were remitted to the County of Sacramento as per DOF's findings on November 14, 2012.

WHEREAS, the City, as the holder of title to the Property, has identified UHC 00575 Rancho Cordova, L.P., a California limited partnership (the "Developer") as a potential developer of the Property for development of up to 28 units of affordable families rental housing (the "Project") on the Property; and

WHEREAS, the Developer intends to seek a Tax Credit award from the California Tax Credit Allocation Committee (CTCAC); and

WHEREAS, CTCAC requirements for a Tax Credits award include acceptable evidence of site control and funding commitments; and

WHEREAS, in 2013 by Resolution No. 27-2013 the City Council authorized the City Manager to execute a Development, Disposition and Loan Agreement (DDLA) with the Developer for a Senior Housing project on the Property, which DDLA was amended over time. That project has proven to be undevelopable, and so the Parties have agreed to terminate the prior DDLA for the Property and to replace it with a new one for an affordable families project.

WHEREAS, the City desires to enter into a Disposition, Development and Loan Agreement ("DDLA") with the Developer for development of the Project on the Property; and

WHEREAS, environmental review for the Project has been undertaken, and the City published a Finding of No Significant Impact on December 2, 2009 which finding was re-evaluated and deemed accurate and consistent in a memo dated January 27, 2017; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AS FOLLOWS:

Section 1 The City Council hereby finds that the DDLA is exempt from CEQA review pursuant to CEQA Guidelines Section 15061(b)(3) in that it is a preliminary agreement and it can be seen with certainty that there is no possibility that the DDLA may have a significant impact on the environment. The City has completed an environmental review of the project and has determined that the project is in accordance with CEQA Guidelines; it has been identified as Categorically Exempt under Section 15332, In-Fill Development.

Section 2 The City Council authorizes the City Manager, on behalf of the City, to execute a DDLA with the Developer, substantially in the form on file with the City Clerk, and to execute such other instruments and to take such other actions as necessary to carry out the intent of this Resolution.

Section 3 The City Council also authorizes the City Manager, on behalf of the City, to approve expenditure of grant funds and the conversion of appropriate predevelopment funding already spent on the Project for the purpose of providing a deferred, permanent loan for the Project, provided that the City and Developer execute loan documents in form and content acceptable to the City Attorney.

Section 4 If any provision, sentence, clause, section or part of this Resolution is found to be unconstitutional, illegal or invalid, such finding shall affect only such provision, sentence, clause, section or part, and shall not affect or impair any of the remaining parts.

Section 5 The above recitals are true and correct. The City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the above City Council action.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this ____ day of ____, 2017, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

ATTEST:

Mindy Cuppy, MMC, City Clerk

DISPOSITION AND DEVELOPMENT AND LOAN AGREEMENT

by and between

THE CITY OF RANCHO CORDOVA

and

UHC 00575 Rancho Cordova L.P.,

A California limited partnership

Crossings at Woodberry

February____, 2017

Exhibits

- A Legal Description of Property
- B Form of Memorandum of Disposition and Development and Loan Agreement (DDLA)
- C Form of City Certificate of Completion
- D Financing Plan
- E Development and Performance Schedule
- F Form of the Regulatory Agreement
- G Approved Design Review
- H Form of the Secured Promissory Note
- I Form of the Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing
- J Form of the Assignment of Agreements, Plans and Specifications
- K Option

THIS DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT (this "Agreement" or this "DDLA") is entered as of _____, 2017 ("Effective Date") by and between the City of Rancho Cordova, a California municipal corporation ("City"), and UHC 00575 Rancho Cordova L.P., A California limited partnership ("Developer"). City and Developer are herein individually referred to as "Party" and collectively referred to as the "Parties."

RECITALS

A. The Parties desire to create a new Disposition Development and Loan Agreement (DDLA) for an affordable family rental project on the site previously proposed for development as an affordable senior rental project. This Agreement replaces all previous Agreements and upon execution of this Agreement, all other DDA's, DDLA's and all associated amendments thereto shall have no legal force or effect.

B. Pursuant to California Health and Safety Code Section 34176(a)(1), on January 17, 2012, the City Council of the City of Rancho Cordova ("**City Council**") adopted Resolution No. 7-2012, whereby the City elected to retain the housing assets and functions of the Community Redevelopment Agency of the City of Rancho Cordova ("**Agency**") upon the dissolution of the Agency, effective February 1, 2012. The City thereby became the designated Housing Successor to the former Agency.

C. On April 17, 2012, the Oversight Board of the Rancho Cordova Successor Agency to the Community Redevelopment Agency of the City of Rancho Cordova adopted Resolution No. OB 2-2012, whereby the Oversight Board acknowledged and approved of the transfer of housing assets, obligations and functions from the former Agency to the City as Housing Successor.

D. On October 14, 2012, pursuant to Health and Safety Code Section 34176(a)(2), the City submitted to the California Department of Finance ("**DOF**") a list of housing assets, including that certain real property consisting of approximately 1.07 acres located in the City of Rancho Cordova, identified as Sacramento Assessor's Parcel 057-0221-022 (previously known as Assessor's Parcel Nos. 057-0221-010, 057-0221-009, and 057-0221-020), and more particularly described in Exhibit A attached hereto (the "Property"). On November 7, 2012, the DOF responded with an analysis of the housing assets, and did not dispute the City's claim that the real property listed was a housing asset, however the DOF did require the remittance of un-encumbered Low and Moderate Housing funds. All requested un-encumbered Low and Moderate Housing funds were remitted to the County of Sacramento as per DOF's findings on November 14, 2012.

E. City owns fee simple title to the Property.

F. City desires to cause the development of the Property with up to twenty-eight (28) units of multi-family family rental housing affordable at very-low income (not to exceed sixty percent (60%) of Area Median Income). Developer has proposed developing same on the Property, to include Developer's best efforts to develop the housing building as a net zero energy building with the amenities set forth herein (the "**Project**"). The Project is more particularly described in Section 5.2 herein and in an Affordable Housing Regulatory

Agreement and Declaration of Restrictive Covenants (“**Regulatory Agreement**”), attached hereto as **Exhibit F**, that shall be executed substantially concurrently herewith and recorded against the Property and the Project.

G. On January 6, 2013 the City adopted Ordinance 44-2013, substantially amending the Folsom Boulevard Specific Plan ("FBSP"), amending the Zoning Code, and amending the Zoning Code map designations for the properties within the Sunrise Boulevard South Planning Area. It was determined that the certified Environmental Impact Report prepared for the adopted General Plan was found to adequately address all significant environmental impacts associated with the adoption of the FBSP, the Zoning Code amendment, and Zoning Code map amendment, and therefore no additional environmental review was necessary pursuant to California Environmental Quality Act ("CEQA") Guidelines 15183(a) and California Public Resources Code Section 21083.3. The amendment to the FBSP was analyzed and an Addendum to the Mitigated Negative Declaration (MND) was approved. A Notice of Determination was filed. The City completed an environmental review of the project and determined that the project is consistent with previously prepared environmental review and is also Categorical Exempt under Section 15332, In-Fill Development.

H. On January 17, 2017 the City Council received a report and directed staff to proceed with a requested change from an affordable housing project for seniors to one for families on the subject site. With this direction staff will pursue a Design Review Amendment, Zoning Amendment, actions required to accommodate amended parking requirements (if any) and the creation and approval of a new Disposition, Development and Loan Agreement (DDLA) with Developer Partner UHC 00575 Rancho Cordova L.P. These actions will permit the submittal of an application for Low Income Housing Tax Credits in March of this year, which, if successful, will satisfy funding requirements for the project and allow for construction to start this calendar year.

I. It is the Parties' intention that this DDLA will be amended by City Council action or by letter agreement prior to the Closing Date to reflect requirements of any newly awarded grant funds, Finance Plan amendments and amendments to the development program. The Memorandum of the DDLA (**Exhibit B**) will be recorded on the Closing Date of the Construction Financing ("Closing Date"). Also at that time, all exhibits to this Agreement, including the Financing Plan and the Development Schedule, will be updated and reviewed and approved by the City.

J. Financing for the Project is addressed in Article VI herein.

K. The purpose of this Agreement is to effectuate the Redevelopment Plan for the Rancho Cordova Project Area, the Rancho Cordova General Plan and the Folsom Boulevard Specific Plan. The City has determined that development of the Property with the Project will be of benefit to the Rancho Cordova Project Area and the City as a whole, and will increase the City's supply of affordable housing stock and assist in the elimination of blight.

L. A material inducement to the City to enter into this Agreement is the agreement by Developer to develop the Project within the time periods specified herein and in accordance with the provisions hereof, and the City would be unwilling to enter into this Agreement in the

absence of an enforceable commitment by Developer to complete the Project in accordance with such provisions and within such time periods, subject to the terms and conditions set forth herein.

M. It is the intent of the Parties that this DDLA, contingent upon satisfaction of all conditions, will serve to describe the sale of the Property as described in **Exhibit A**, attached hereto to the DDLA.

N. In connection with this Agreement, Developer shall execute such documentation as City shall reasonably require in connection with Project financing, and the Regulatory Agreement, which shall require Project rents to be affordable to households whose incomes do not exceed those established by lenders and those other agencies providing funding to the Project, but in no case shall exceed sixty percent (60%) of Area Median Income for a term of not less than fifty-five (55) years. This Agreement, the Memorandum of DDLA attached hereto as **Exhibit B**, all City Project financing documents and the Regulatory Agreement are collectively hereinafter referred to as the “**City Documents**.”

NOW, THEREFORE, in consideration of the mutual covenants contained herein and good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

ARTICLE I RECITALS AND DEFINITIONS

- 1.1 **Recitals.** The foregoing recitals are incorporated in and made a part of this Agreement.
- 1.2 **Definitions.** The following terms shall have the meanings set forth in the Sections referenced below whenever used in this Agreement and the Exhibits attached hereto. Additional terms are defined in the Recitals and text of this Agreement.
- 1.3 “**Certificate of Completion**” is defined in Section 5.15.
- 1.4 “**City**” is defined in the Preamble.
- 1.5 “**City Council**” is defined in Recital B.
- 1.6 “**City Documents**” is defined in Recital N.
- 1.7 “**Claims**” is defined in Section 5.17.
- 1.8 “**Conditions of Approval**” is defined in Section 5.2.
- 1.9 “**Construction Financing**” means one or more loans made to, and/or tax credit equity received by, Developer sufficient to complete construction of the Project other than any loan from the City, approved by City in the Financing Plan.

- 1.10 “**Construction Plans**” is defined in Section 5.11.
- 1.11 “**Environmental Laws**” is defined in Section 10.4.
- 1.12 “**Financing Plan**” is defined in Section 3.3.
- 1.13 “**Hazardous Materials**” is defined in Section 10.3.
- 1.14 “**Improvements**” is defined in Section 5.2.
- 1.15 “**Indemnitees**” is defined in Section 5.17.
- 1.16 “**Official Records**” means the Official Records of Sacramento County.
- 1.17 “**Project**” is defined in Recital B and further described in Section 5.2.
- 1.18 “**Project Grant**” is defined in Section 6.1.
- 1.19 “**Regulatory Agreement**” is defined in Recital F.
- 1.20 “**Transfer**” is defined in Section 8.2.

ARTICLE II REPRESENTATIONS; EFFECTIVE DATE; MEMORANDUM

2.1 Developer’s Representations. Developer represents and warrants to City as follows, and Developer covenants that until the expiration or earlier termination of this Agreement, upon learning of any fact or condition which would cause any of the warranties and representations in this Section 2.1 not to be true, Developer shall immediately give written notice of such fact or condition to City. Developer acknowledges that City shall rely upon Developer’s representations made herein notwithstanding any investigation made by or on behalf of City.

(i) Authority. Developer is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of California. Developer has the full right, power and authority to undertake all obligations of Developer as provided herein, including, without limitation, the power and authority to own, develop, construct, operate and maintain the Property and the Project and the execution, performance and delivery of this Agreement by Developer has been duly authorized by all requisite actions. The persons executing this Agreement on behalf of Developer have been duly authorized to do so. All actions required under Developer’s organizational documents and applicable governing law for the authorization, execution, delivery and performance of this Agreement, and the other City Documents and all documents executed and delivered, or to be executed and delivered pursuant to this Agreement, have been duly taken. This Agreement and the other City Documents constitute valid and binding obligations of Developer, enforceable in accordance with their respective terms.

(ii) No Conflict. Developer's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any statute, rule, regulation, judgment, contract, agreement or order to which Developer is a party or by which it is bound.

(iii) No Litigation or Other Proceeding. No litigation or other proceeding (whether administrative or otherwise) is outstanding or has been threatened which would prevent, hinder or delay the ability of Developer to perform its obligations under this Agreement.

(iv) No Developer Bankruptcy. Developer is not the subject of a bankruptcy or insolvency proceeding.

2.2 Effective Date; Memorandum. The obligations of Developer and City hereunder shall be effective as of the Effective Date. The Parties shall execute a Memorandum of this Agreement substantially in the form attached hereto as Exhibit B, which shall be recorded in the Official Records on the Closing Date. The City will not withhold consent to reasonable requests for subordination of the Memorandum to deeds of trust, regulatory agreements and related documents provided for the benefit of Project lenders approved pursuant to the Financing Plan, provided that the instruments effecting such subordination include reasonable protections to the City in the event of default.

ARTICLE III CONDITIONS PRECEDENT TO CONVEYANCE OF LAND

3.1 Conditions Precedent. City shall convey the Property to Developer in accordance with Article IV following Developer's satisfaction of the conditions set forth in this Agreement and within the time limits specified in the Development and Performance Schedule attached hereto as Exhibit E, unless such time is extended by the City at the discretion of the City Manager.

3.2 Scope of Development. Developer's proposed Scope of Development includes the Improvements and amenities set forth in Section 5.2. Pursuant to Resolution No. 75-2012, the City Council has approved the Design Review for the Project, attached hereto as Exhibit G. By execution of this Agreement, City hereby approves the Scope of Development.

3.3 Financing Plan. As set forth in the attached Exhibit D and more particularly described in Section 5.7, Developer has provided City with a Financing Plan for the Project ("**Financing Plan**").

ARTICLE IV DISPOSITION OF THE PROPERTY

4.1 Purchase and Sale. Provided that all conditions precedent set forth in this Agreement have been satisfied, City shall convey to Developer the fee interest in the Property

in accordance with and subject to the terms and conditions of this Agreement, free and clear of all title defects, liens and encumbrances except: (a) the provisions and effect of the Rancho Cordova Redevelopment Plan; (b) the provisions and effect of this Agreement; (c) liens for nondelinquent taxes, assessments, and/or bonds; (d) title exceptions set forth in the Preliminary Title Report for the Property issued by Fidelity National Title Company and dated as of _____, 2017; and (e) such other conditions, liens, encumbrances, restrictions, easements and exceptions as Developer may approve in writing (all of the foregoing collectively referred to as the “**Permitted Exceptions**”). Following the Effective Date, absent the consent of Developer, and except as such may be required by the provisions of this Agreement, City shall not cause or voluntarily agree to allow a lien or other encumbrance which would remain effective following conveyance of the Property to attach to the Property.

4.2 **Purchase Price.** The purchase price for the Property shall be a not to exceed of *Six Hundred Thirty Thousand* (\$630,000). The Developer shall pay *Three Hundred Forty One Thousand Dollars (\$341,000)* to the City as a payment for the Property on the “Closing Date” or such other date to which the parties agree. The City shall contribute the balance of the Purchase Price. The Purchase Price shall be reflected on the “**Grant Deed**” that the City will deposit into Escrow as set forth herein.

4.3. **Escrow.** Escrow shall be open at the office of Fidelity National Title Company, 1375 Exposition Blvd, Suite 240 Sacramento, Ca 95815, attention Kristi Adan (“**Title Company**” or “**Escrow Agent**”) in order to consummate the conveyance of the Property to Developer and the closing of escrow (“**Closing**”) for the transactions contemplated hereby.

4.4 **Costs of Closing and Escrow.** City shall pay all costs associated with removing any debt encumbering the Property and for all title insurance premiums for policies City may elect to acquire for the Property. All other Closing and Escrow costs, including without limitation all title insurance premiums for policies Developer elects to acquire, shall be paid by Developer. All costs of Closing and Escrow shall be considered Project costs and shall be included in the Financing Plan.

4.5 **Escrow Instructions; Recordation of Documents.** City and Developer shall furnish Escrow Agent a copy of this Agreement, which together with such supplemental instructions as City or Developer may agree upon in writing, shall serve as Escrow instructions for the conveyance of the Property. Not later than the Closing Date, Developer shall deposit into Escrow the Developer’s portion of the Purchase Price, together with the balance of any other funds Developer is obligated to pay hereunder. Such deposit may be delayed as mutually agreed to in writing. Not later than one (1) day prior to the Closing Date, provided that all conditions precedent to conveyance have been satisfied, City shall deposit into Escrow an executed grant deed (“**Grant Deed**”) conveying the Property to Developer. On the Closing Date, Escrow Agent shall cause the following documents to be recorded in the Official Records of Sacramento County in the following order: (i) the Regulatory Agreement, (ii) the Memorandum of DDLA, (iii) the Grant Deed and (iv) the Deed of Trust, attached hereto as **Exhibit I**, together this

recording comprises the Property Closing.

4.6. City's Conditions to Closing. City's obligation to proceed with the Closing is subject to satisfaction or waiver by the City of all of the following conditions:

a. No Default. Developer shall not be in Default under the terms of this Agreement, and all representations and warranties of Developer shall be true and correct in all material respects.

b. Execution of Documents. Developer shall have executed and acknowledged the Regulatory Agreement, the Memorandum of DDLA, and all other documents required hereunder, and shall have delivered all such documents to City or into Escrow.

c. City's Title Policy. The Title Company shall, upon payment of the premium therefor by City, be ready to issue such title policies for the benefit of City as City shall order, showing title to the Property vested in Developer, subject only to the Permitted Exceptions and including such endorsements as City may reasonably request.

d. Satisfaction of Conditions Precedent. Developer shall have satisfied the conditions set forth in Article III.

4.7 Developer's Conditions to Closing. Developer's obligation to proceed with the Closing is subject to satisfaction or waiver by Developer of the following conditions:

a. No Default. City shall not be in Default under the terms of this Agreement, and all representations and warranties of City contained herein shall be true and correct in all material respects.

b. Execution of Documents. City shall have executed and acknowledged the Grant Deed, the Regulatory Agreement and the Memorandum of DDLA, and all other documents required hereunder, and shall have delivered such documents into Escrow.

c. Developer's Title Policy. The developer shall obtain an Owner's ALTA title policy at owner's expense. The Title Company shall, upon payment of the premium therefor by Developer, be ready to issue an Owner's ALTA title policy for the benefit of Developer, showing title to the Property vested in Developer, subject only to the Permitted Exceptions and including such endorsements as Developer may reasonably request.

d. Consent to Disbursement of Funds. The Developer's receipt of written approval from the City that the Conditions to Disbursement of Funds set forth in Sections 6.5(a)(i) through 6.5(a)(vii) have been met by the Developer.

ARTICLE V DEVELOPMENT OF THE PROJECT

5.1 The Property. City represents and warrants that as of the Effective Date: (i) City owns a fee simple interest in the Property, and (ii) the Property is subject to no covenant, condition, restriction or agreement that would prevent the development of the Project in accordance with this Agreement. If at any time the foregoing statements become untrue, the City shall have the right to terminate this Agreement upon written notice to Developer.

5.2 Scope of Development. Developer shall develop the Project in accordance with the terms and conditions of this Agreement and in compliance with the terms and conditions of all approvals, entitlements and permits that the City or any other governmental body or entity with jurisdiction over the Project or the Property has granted or issued as of the date hereof or may hereafter grant or issue in connection with development of the Project, including without limitation, all mitigation measures imposed in connection with environmental review of the Project and all conditions of approval imposed in connection with any entitlements, approvals or permits (all of the foregoing approvals, entitlements, permits, mitigation measures and conditions of approval are hereafter collectively referred to as the “**Conditions of Approval**”).

The Project will be a 28 unit family project that will consist of three (3), three story walk-up buildings with slab on grade foundations. The unit mix will be 18 two bedroom, two bathroom units, and 10 three bedroom, two bathroom units. On the ground floor of each building will be two units and tuck under parking. Developer will use best efforts to achieve a net-zero energy building through; extensive use of solar panels on building roof; energy recapture technology; energy efficient fixtures and appliances; maximum utilization of LED lighting technology; gardening space; open outdoor area, and a community room space of approximately 2,500 square feet will be available for residents with access to a range of activities. All of the foregoing is collectively hereinafter referred to as the “**Improvements**”.

Notwithstanding anything to the contrary contained herein, the construction of the Project is expressly conditioned upon compliance with the California Environmental Quality Act, California Public Resources Code Section 21000 *et seq.*, CEQA guidelines, and implementing regulations, all as amended from time to time (“**CEQA**”) and/or the National Environmental Protection Act of 1969, 42 U.S.C. Section 4321 *et seq.*, NEPA guidelines, and implementing regulations, all as amended from time to time (“**NEPA**”), as the same may be applicable to the Project. Necessary CEQA and NEPA studies and reports have been completed, all necessary NEPA approvals have been obtained, necessary notices have been filed and statutes of limitations have expired. No physical activity, not otherwise exempt from CEQA or NEPA, as applicable, shall commence on the Property without such compliance.

5.3 Affordable Housing for Families Developer covenants and agrees for itself, its successors and assigns that Developer’s interest in the Property will be subjected to recorded covenants that will restrict use of the Property to development of an affordable multi-family rental housing project and that for a term of not less than fifty-five (55) years commencing upon the issuance of a final certificate of occupancy for the Project, not less than one hundred percent (100%) (not including the Manager’s unit) of the residential units in the Project shall be rented at an affordable cost to households who qualify at or below sixty percent (60%) of Area

Median Income (as defined in the Regulatory Agreement), in accordance with the terms hereof and the Regulatory Agreement.

5.4 Project Approvals. Developer acknowledges and agrees that execution of this Agreement by City does not constitute approval for the purpose of the issuance of building permits for the construction of the Project, does not limit in any manner the discretion of City in such approval process, and does not relieve Developer from the obligation to apply for and obtain all necessary entitlements, approvals, and permits for the construction of the Project, including without limitation, the approval of architectural plans, the issuance of any certificates regarding historic resources required in connection with the Project (if any), and the completion of any required environmental review.

Developer covenants that it shall: (i) obtain all necessary permits and approvals which may be required by City, or any other governmental City having jurisdiction over the construction of the Project or the development of the Property, (ii) comply with all Conditions of Approval, (iii) comply with all mitigation measures imposed in connection with any environmental review of the Project, and (iv) not commence construction work on the Project prior to issuance of building permits required for such work.

City staff shall work cooperatively with Developer to assist in coordinating the expeditious processing and consideration of all permits, entitlements and approvals necessary for development of the Project.

5.5 Fees. Subject to the approval of the financing subsidies identified in the Financing Plan, Developer shall be solely responsible for, and shall promptly pay when due, all customary and usual fees and charges of City in connection with obtaining building permits and other approvals for the Project, including without limitation, those related to the processing and consideration of amendments, if any, to the current entitlements, any related approvals and permits, environmental review, design review, architectural review, and any subsequent approvals for the Project or the development of the Property.

5.6 Cost of Construction. Except as expressly set forth herein, after the Effective Date, Developer shall be solely responsible for all direct and indirect costs and expenses incurred in connection with the design, development and construction of the Project and compliance with the Conditions of Approval, including without limitation the installation and construction of all off-site or on-site improvements required by City in connection therewith, except costs and expenses related to initial ALTA survey, land assemblage, relocation, lot-line adjustment, initial market study and environmental clearance including additional environmental studies that may be required.

5.7. Financing Plan. As set forth in the attached **Exhibit D**, Developer has provided City with a preliminary Financing Plan which describes (i) the estimated costs of Project development, including acquisition costs, and hard and soft construction costs, (ii) an operating pro forma which describes projected revenue and expenses for the Project, and (iii) identification of sources of construction and permanent financing. The Financing Plan must be in a form and content to provide sufficient detail to satisfy the requirements of potential lenders and grant sources. Developer shall update the Financing Plan throughout the term of this

Agreement to reflect any changes in the pro forma. Developer shall provide prior written notice to the City of any material proposed modifications. If the City fails to approve of any such modification within fifteen (15) calendar days following City's receipt of the proposed modifications, then the Financing Plan and the encumbrances which may be recorded against the Property in connection with the financing contemplated by the Financing Plan shall be deemed approved by the City. The City agrees not to unreasonably withhold consent to proposed modifications to the Financing Plan.

The financial statements of Developer and any general partner of Developer and other financial data and information furnished by Developer to City fairly present the information contained therein. As of the date of this Agreement, there has not been any adverse, material change in the financial condition of Developer or any general partner of Developer from that shown by such financial statements and other data and information.

Consistent with the Financing Plan, City and Developer shall apply for such grants and loans as are required to achieve a complete financing program for the Project. Such application(s) shall reflect the current City-approved Financing Plan including a current schedule of sources and uses and updated development and operating pro-formas. Prior to commencement of construction evidence satisfactory to the City must be provided to the City which demonstrates that all Project financing has been committed to the Project subject only to commercially reasonable conditions. Additionally, Developer shall provide City with copies of draft and final copies of its Tax Credit Investor Agreement and it will obtain written approval from the City of the pay-in schedule of all tax credit equity proceeds.

The Financing Plan shall reflect the funding and underwriting requirements of all lenders and grant programs funding the costs of the Construction Phase of the Project. All funds shall be used and secured in the manner specified in the updated Financing Plan. Developer agrees to comply with and satisfy all terms and conditions imposed on it in connection with the sources of funding identified in the updated **Exhibit D**. The amended Financing Plan shall provide evidence for an orderly transition to the permanent loan phase of the Project.

Developer agrees to use best efforts to operate and manage the Project so as to maximize residual receipts therefrom, including without limitation using residual receipts to fund a social services program for Project residents.

5.7.1 Failure to Win Financing Award(s).. If an attempt to receive a TCAC award consistent with the approved Financing Plan is unsuccessful, Developer and City shall meet to discuss alternative financing options. However, should the Closing Date fail to occur on or before December 31, 2017, either Party may terminate this Agreement and the City will retain all rights to the Property. Further, the City will take assignment of all work products derived and paid for from the City's Predevelopment Funding, pursuant to an Assignment of Agreements, Plans and Specifications in a form substantially similar to Exhibit J attached hereto and incorporated herein by reference

5.8 Development Schedule. Developer shall commence and complete plan development and construction of the Project and shall satisfy all other obligations of Developer under this Agreement within the time periods set forth herein and as described in the attached

Development and Performance Schedule attached as **Exhibit E** hereto, as such time periods may be extended upon the mutual written consent of the Parties. Subject to force majeure, the availability of financing, and the City's issuance of permits and approvals, Developer shall commence construction of the Project within thirty (30) days of issuance of building permits, but in any event no later than **March 31, 2018**. Developer shall diligently prosecute to completion the construction of the Project in order to allow City to issue a final certificate of occupancy in no event later than eighteen (18) months from the commencement of construction. Subject to force majeure, the availability of financing, and the City's issuance of permits and approvals, Developer's failure to commence or complete construction of the Project in accordance with the time periods specified in this Section 5.8 and **Exhibit E** shall be an Event of Developer Default hereunder.

5.9 **Rights of Access.** For the purpose of ensuring that the Project is developed in compliance with this Agreement, Developer shall permit representatives of the City to enter upon the Property to inspect the Project following forty-eight (48) hours written notice, including without limitation inspection for labor standards compliance monitoring as described in **Section 5.17** (except in the case of emergency in which case such notice as may be practical under the circumstances shall be provided). Developer shall have the right to accompany any City representative performing an inspection of the Project.

5.10 **City Disclaimer.** Developer acknowledges that City shall have the right to monitor, review, supervise, or inspect the progress of construction or the operation of the Project. Notwithstanding such right, Developer and all third parties shall rely on its or their own supervision and inspection in determining the quality and suitability of the materials and work, the performance of architects, subcontractors, and material suppliers, and all other matters relating to the construction and operation of the Project. Any review or inspection undertaken by the City is solely for the purpose of determining whether Developer is properly discharging its obligations under this Agreement, and shall not be relied upon by Developer or any third party as a warranty or representation by the City as to the quality of the design or construction of the Improvements or otherwise.

5.11 **Construction Plans.** Prior to commencement of Project construction, Developer shall submit to City's Building Department detailed construction plans for the development of the Project (the "**Construction Plans**"). As used herein "**Construction Plans**" means all construction documents upon which Developer and Developer's contractors shall rely in constructing the Project (including the landscaping, parking, and common areas) and shall include, without limitation, the site development plan, final architectural drawings, landscaping, exterior lighting and signage plans and specifications, materials specifications, final elevations, and building plans and specifications. The Construction Plans shall be based upon the scope of development set forth herein and upon the approvals issued by the City for the Project, and shall not materially deviate therefrom without the express written consent of City. Provided that the Construction Plans are consistent with the requirements of this Agreement, approval of the Construction Plans by City staff shall be deemed approval thereof by City.

5.12 **Construction Pursuant to Plans.** Developer shall develop the Project in accordance with the approved Construction Plans, the Conditions of Approval, and all other

permits and approvals granted by the City pertaining to construction of the Project. Developer shall comply with all directions, rules and regulations of any fire marshal, health officer, building inspector or other officer of every governmental entity having jurisdiction over the Property or the Project. Each element of the work shall proceed only after procurement of each permit, license or other authorization that may be required for such element by any governmental entity having jurisdiction. All design and construction work on the Project shall be performed by licensed contractors, engineers or architects, as applicable.

5.13 Changes in Construction Plans. If Developer desires to make any material change in the approved Construction Plans, Developer shall submit the proposed change in writing to City in accordance with its standard review process. Approval of changes to the Construction Plans by City shall be deemed approval thereof by City. Nothing in this Section is intended to or shall be deemed to modify the City's standard plan review procedures.

5.14 Defects in Plans. City shall not be responsible to Developer or to any third party for any defect in the Construction Plans or for any structural or other defect in any work done pursuant to the Construction Plans. Subject to the last sentence of this Section 5.14, Developer shall indemnify, defend (with counsel approved by City) and hold harmless the Indemnitees from and against all Claims arising out of, or relating to, or alleged to arise from or relate to defects in the Construction Plans or defects in any work done pursuant to the Construction Plans whether or not any insurance policies shall have been determined to be applicable to any such Claims. Developer's indemnification obligations set forth in this Section shall survive the expiration or earlier termination of this Agreement and the recordation of a Certificate of Completion and shall be assumed by any successor to Developer's interest in this Agreement. It is further agreed that City shall not, waive any rights against Developer which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City of any of the insurance policies described in this Agreement. Developer's indemnification obligations pursuant to this Section shall not extend to Claims to the extent arising due to the gross negligence or willful misconduct of the Indemnitees. Developer's indemnification obligations set forth in this Section shall not apply to any Construction Plans that are not used by or on behalf of Developer or any entity affiliated with Developer, including without limitation, a Controlled Affiliate or an entity controlled by or under common control with Developer. In addition, if City uses any of the Construction Plans (or permits a third party to use such Construction Plans), City agrees to release Developer from liability for Claims arising in connection with such use except to the extent any such Claim arises from the gross negligence or willful misconduct of Developer or Developer's employees, agents or representatives.

5.15 Certificate of Completion for Project. Promptly after completion of construction of the Project, issuance of a final Certificate of Occupancy by the City and the written request of Developer, the City will provide an instrument ("**Certificate of Completion**") so certifying, provided that at the time such certificate is requested all applicable components of the Project have been completed. The Certificate of Completion shall be conclusive evidence that Developer has satisfied its obligations regarding the development of the Property.

The Certificate of Completion shall be issued substantially in the form attached hereto

as **Exhibit C**, and at Developer's option, shall be recorded in the Official Records. The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a deed of trust or mortgage securing money loaned to finance the Project or any part thereof and shall not be deemed a notice of completion under the California Civil Code, nor shall such Certificate provide evidence that Developer has satisfied any obligation that survives the expiration of this Agreement, including without limitation, Developer's obligations pursuant to the Regulatory Agreement.

5.16 Equal Opportunity. During the construction of the Project, there shall be no discrimination on the basis of race, color, religion, creed, sex, sexual orientation, marital status, ancestry or national origin in the hiring, firing, promoting or demoting of any person engaged in construction of the Project, and Developer shall direct its contractors and subcontractors to refrain from discrimination on such basis.

5.17 Prevailing Wage Requirements. To the full extent required by all applicable State and Federal laws, rules and regulations, if any, Developer and its contractors and agents shall comply with California Labor Code Section 1720 *et seq.*, the Davis-Bacon Act, and the regulations adopted pursuant to each of them, as the same may be applicable to the Project ("**Prevailing Wage Laws**"), and shall be responsible for carrying out the requirements of such provisions. Developer, at its own expense, shall prepare and obtain approval from the City of a plan for monitoring, enforcing and reporting on the payment of prevailing wages. This plan shall describe penalties, approved by the City, for the Contractor if it fails to implement said plan and to satisfy on a timely basis the reporting requirements included in said plan.

Subject to the last sentence of this paragraph, Developer shall indemnify, defend (with counsel approved by City) and hold the City, and its respective elected and appointed officers, officials, employees, agents, consultants, and contractors (collectively, the "**Indemnitees**") harmless from and against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (all of the foregoing collectively "**Claims**") which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages (including without limitation, all claims that may be made by contractors, subcontractors or other third party claimants pursuant to Labor Code Sections 1726 and 1781), the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including but not limited to the Prevailing Wage Laws, or any act or omission of Developer related to this Agreement with respect to the payment or requirement of payment of prevailing wages, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that City does not and shall not waive any rights against Developer which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City of any of the insurance policies described in this Agreement. The provisions of this Section 5.17 shall survive the expiration or earlier termination of this Agreement and the issuance of a Certificate of Completion for the Project and shall be assumed by any successor to Developer's interest in this Agreement. Developer's indemnification obligations set forth in this Section shall not apply to Claims to the extent arising from the gross negligence or willful misconduct of one

or more of the Indemnitees. Developer's indemnification obligations set forth in this Section shall only apply to work performed by or on behalf of Developer or any entity affiliated with Developer, including without limitation, a Controlled Affiliate or an entity controlled by or under common control with Developer.

5.18 Compliance with Laws. In connection with development and construction of the Project, Developer shall comply, and shall cause its contractors to comply with all applicable federal, state and local laws, rules, ordinances and regulations, including without limitation, all applicable federal and state labor laws and standards, applicable provisions of the California Public Contracts Code (if any), the City zoning and development standards, building, plumbing, mechanical and electrical codes, all other provisions of the City's Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation, applicable provisions of the Americans with Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.* Developer shall indemnify, defend (with counsel approved by City) and hold harmless the Indemnitees from and against any and all Claims arising in connection with the breach of Developer's obligations set forth in this Section whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that City shall not waive any rights against Developer which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or Developer's deposit with City of any of the insurance policies described in this Agreement. Developer's indemnification obligations set forth in this Section shall not apply to Claims to the extent arising from the gross negligence or willful misconduct of the Indemnitees. Developer's defense and indemnification obligations set forth in this Section 5.18 shall survive the expiration or earlier termination of this Agreement and the issuance of a Certificate of Completion for the Project.

5.19 Liens and Stop Notices. Until the expiration of the term of the Regulatory Agreement, if a claim of a lien or stop notice is given or recorded affecting the Project or the Property, Developer shall within thirty (30) days of such recording or service: (a) pay and discharge (or cause to be paid and discharged) the same; or (b) effect the release thereof by recording and delivering (or causing to be recorded and delivered) to the party entitled thereto a surety bond in sufficient form and amount; or (c) provide other assurance satisfactory to City that the claim of lien or stop notice will be paid or discharged. The provisions of this Section 5.19 shall apply from and after Developer's acquisition of a fee simple interest in the Property.

5.20 Right of City to Satisfy Liens on the Property. If Developer fails to satisfy or discharge any lien or stop notice on the Property pursuant to and within the time period set forth in Section 5.19 above, the City shall have the right, but not the obligation, to satisfy any such liens or stop notices at Developer's expense with prior written notice to Developer. In such event Developer shall be liable for and shall immediately reimburse City for such paid lien or stop notice. Alternatively, the City may require Developer to immediately deposit with City the amount necessary to satisfy such lien or claim pending resolution thereof. The City may use such deposit to satisfy any claim or lien that is adversely determined against Developer. Developer shall file a valid notice of cessation or notice of completion upon cessation of construction of the Improvements for a continuous period of thirty (30) days or

more, and shall take all other reasonable steps to forestall the assertion of claims or liens against the Property or the Improvements. The City may (but has no obligation to), with prior written notice to Developer, record any notices of completion or cessation of labor, or any other notice that the City deems necessary or desirable to protect its interest in the Property and the Improvements.

5.21 Performance and Payment Bonds. Prior to commencement of construction work on the Project, Developer shall cause its general contractor to deliver to the City copies of payment bond(s) and performance bond(s) issued by a reputable insurance company licensed to do business in California, each in a penal sum of not less than one hundred percent (100%) of the scheduled cost of construction of the Project. The bonds shall name the Developer and the City as co-obligees. In lieu of such performance and payment bonds, subject to City's approval of the form and substance thereof, Developer may submit evidence satisfactory to the City of the contractor's ability to commence and complete construction of the Project in the form of an irrevocable letter of credit, pledge of cash deposit, certificate of deposit, or other marketable securities held by a broker or other financial institution, with signature authority of the City required for any withdrawal, or a completion guaranty in a form and from a guarantor acceptable to City. Such evidence must be submitted to City in approvable form in sufficient time to allow for City's review and approval prior to the scheduled construction start date.

5.22 Insurance Requirements. Developer shall maintain and shall cause its contractors to maintain all applicable insurance coverage specified in Article XII.

5.23 Shared Operations. Developer has developed contemporaneously a nearby but separate eighteen (18)-unit low-income housing project (the "**Crossings at New Rancho**") pursuant to that certain Loan Agreement dated December 2, 2010 between City and UHC 00516 Rancho Cordova, L.P. If the Project is completed, Developer agrees to use best efforts to create economies by utilizing shared operations contracts for maintenance, security, property management and related functions for the Project and Crossings at New Rancho.

ARTICLE VI CITY FINANCIAL ASSISTANCE

6.1 City Project Grant. City agrees to provide a Project Grant to Developer to facilitate financing and construction of the project. The Project Grant shall be a total not to exceed the total predevelopment costs spent prior to the award of the State of California's Local Housing Trust Fund Grant on July 20th, 2012. The predevelopment costs to be included in the **Project Grant** total up to ***One Million and Eight Hundred and Fifty Thousand and No Cents (\$1,850,000)***.

6.2 City Permanent Loan. The project financing assistance from the City shall also include a loan for "Gap" funding in an amount not to exceed ***Two Million Six Hundred Sixty-Six Thousand Two Hundred Dollars and No Cents (\$2,666,200)*** for the amount of predevelopment cost not included in the City's Project Grant and construction costs not funded from other sources ("**Permanent Loan**"). The approximately \$2,666,200 is derived from multiple sources.

These sources include the following; ***Six Hundred Sixty-Six Thousand Two Hundred Dollars and No Cents (\$666,200)*** from the City of Rancho Cordova's Local Housing Trust Fund, as approved in Resolution 15-2015 on February 17, 2015. (This amount has been reduced from the original \$1,000,000 approved for the senior project due to costs incurred on the prior concept which are not applicable to the current family concept), ***One Million Dollars and No Cents (\$1,000,000)*** from the State of California's Local Housing Trust Fund Grant which was awarded from the City of Rancho Cordova in July of 2012, and ***One Million Dollars and No Cents (\$1,000,000)*** from the City's Local Housing Trust Fund which was designated as match for the State's Trust Fund and was approved by Resolution No. 36-2012 on May 7th, 2012. All funds identified herewith will comprise the permanent financing and shall have such terms and conditions as are described in the Regulatory Agreement attached hereto as **Exhibit F**. The **Permanent Loan** shall be evidenced by a Secured Promissory Note the form of which is seen as **Exhibit H** not to exceed ***Two Million Six Hundred Sixty-Six Thousand Two Hundred Dollars and No Cents (\$2,666,200)*** ("Permanent Note"), dated prior to the Closing date for the Permanent Loan and executed by Developer in a form satisfactory to City. The Permanent Note shall be secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**") the form of which is attached hereto as **Exhibit I** executed by Developer as Trustor for the benefit of City in a form satisfactory to City and recorded against the Property on the Closing Date. Provided that Developer has complied with all conditions precedent to disbursement of the Permanent Loan, the proceeds of the Permanent Loan ("**Permanent Loan Proceeds**") shall be disbursed pursuant to this Agreement. The outstanding principal balance of the Permanent Loan shall be due and payable in full in fifty-five (55) years from issuance of the Project Certificate of Completion for the Project, at zero percent (0%) interest. Annual payments shall be due and payable on a residual receipts basis. The entire outstanding principal balance of the City's Permanent Loan Funds shall be payable in full on fifty-fifth (55th) anniversary of the date of issuance of the final certificate of occupancy for the Project. The Note and the Deed of Trust are referred to collectively as the "**Permanent Loan Documents**."

6.3 **City Funds**. All funds provided by City to Developer for the Project, whether denominated as Predevelopment Funds, Permanent Financing, or otherwise, are collectively referred to herein as "**City Funds**".

6.4 **Use and Disbursement of City Deferred Permanent Loan, Conventional Debt-serviced Permanent Loan, and other Funds (collectively, the "Project Funding")**. Project Funding shall be used solely to fund specific development activities associated with the Project (in an amount and for only such development activities as are approved for funding by the City and granting agencies) and to fund construction of the Project consistent with the approved Financing Plan, as it may be updated By Developer with City's approval.. All uses of Project Funding shall follow federal and State procurement rules as required by the City and granting agencies. Developer shall also inform City and other lenders or grantors, as applicable, of proposed withdrawals from Project operation accounts thirty (30) days prior to making withdrawals.

6.5 **Conditions to Disbursement of Funds**. City's obligation to disburse remaining City Permanent Loan Funds (Gap funding) is conditioned upon the satisfaction of all of the following conditions:

6.6

(a) For funding prior to commencement of construction (“**Predevelopment Phase**”):

(i) Developer’s execution and delivery to City of this Agreement, the Memorandum of DDLA, the Regulatory Agreement, and the Predevelopment Loan Documents, including without limitation the Assignment of Agreements, Plans and Specifications, and recordation of the Memorandum of DDLA and Regulatory Agreement in the Official Records.

(ii) Developer’s delivery to the City of evidence of property and liability insurance coverage in accordance with the requirements set forth herein.

(iii) Developer’s delivery to City of each of the following: (i) certificate of good standing, certified by the Secretary of State indicating that Developer is properly organized and authorized to do business in the State of California, (ii) a certified resolution indicating that Developer has authorized the transactions contemplated by this Agreement and that the persons executing the City Documents on behalf of Developer have been duly authorized to do so.

(iv) No material adverse change as determined by City in its reasonable judgment shall have occurred in the condition of the Property or in the financial or other condition of Developer since the date of this Agreement.

(v) City’s written agreement to the costs and schedule of products represented in the Predevelopment phase of the Financing Plan attached as **Exhibit D**. Such costs shall be consistent with and support the initial draft of the total Project Financing Plan.

(vi) City’s receipt of a written requisition from Developer specifying the amount and use of the requested funds, accompanied by copies of third-party invoices for services rendered or to be rendered in connection with the Project (accompanied by or to be followed by evidence of payment of such invoices, as applicable), and such other documentation as City shall reasonably require, including without limitation, cost certification as to the expenses incurred. All such requisitions shall be preceded by written request from Developer to City for consideration of the specific Predevelopment cost. For those costs and expenses not included in Predevelopment budget approved by the City, the City must provide written approval before Developer may incur such cost or expense.

(vii) Prior to the Closing Date, City’s written agreement or action by the City Council, accepting amendments to the DDLA including amendments to the updated Financing Plan the plan to be attached as an amendment to **Exhibit D** reflecting all Project costs, all sources and uses of Project funding, the operating budget and any other schedules, narratives or products required by the City.

(viii) Developer’s delivery to City of an Assignment of Agreements, Plans and Specifications, the form of which is attached hereto as **Exhibit J** executed by Developer and others as required and delivery to City of an Option Agreement, the form of which is

attached hereto as **Exhibit K** executed by Developer.

(b) For funding during the construction period (“**Construction Phase**”), in addition to continuing the aforementioned conditions of disbursement, the following are additional requirements for funding requests after the Closing Date:

(i) City’s written acknowledgement that Developer has maintained the performance as anticipated in the Development and Performance schedule described in the attached **Exhibit E**.

(ii) Developer’s delivery to City of evidence reasonably satisfactory to City that Developer has obtained all necessary entitlements, permits (including without limitation building permits), licenses, and approvals required to develop the Project, or that the receipt of such permits is subject only to such conditions as City shall reasonably approve; City’s approval of the final plans and specifications for the Project; Developer’s delivery to City evidence reasonably satisfactory to City that Developer has secured sufficient other binding commitments for funding, subject only to commercially reasonable conditions, for all required Project construction and permanent financing; and in addition to items described in (i) and (ii) above, Developer’s delivery to City and City approval of all of the following: (1) performance bonds or other assurance of completion reasonably acceptable to City pursuant to the requirements set forth in Section 5.21; (2) any modification to the construction schedule; and (3) copies of such other documents related to the financing of the Project as City may reasonably request, including cost certification as to the expenses incurred.

6.7 **No Obligation to Disburse Proceeds Upon Default.** Notwithstanding any other provision of this Agreement, the City shall have no obligation to disburse or authorize the disbursement of any portion of City Funds following:

(i) the failure of any of Developer’s representations and warranties made in this Agreement or in connection with the awarded nine percent tax credits to be true and correct in all material respects;

(ii) the termination of this Agreement by mutual agreement of the Parties;

(iii) the occurrence of an Event of Developer Default under any City Document which remains uncured beyond any applicable cure period, or the existence of any condition, event or act which upon the giving of notice or the passage of time or both would constitute an Event of Developer Default under any City Document.

6.8 **Records Maintenance and Retention.** Developer shall maintain records that accurately and fully show the date, amount, purpose, and payee of all expenditures incurred in the construction of the Project for a period of no fewer than three (3) years after completion of the work.

ARTICLE VII USE OF THE PROPERTY

7.1 Use; Affordable Housing. Developer covenants and agrees for itself and its successors and assigns that the Property shall be used for the development and operation of an affordable, family multi-family residential project, in accordance with the terms and conditions of this Agreement and the Regulatory Agreement.

7.2 Maintenance. Developer, at its own expense, shall maintain the Property, the improvements and related landscaping and common areas in good physical condition, in good repair, and in decent, safe, sanitary, habitable and tenantable living conditions in conformity with all applicable state, federal, and local laws, ordinances, codes, and regulations. Without limiting the foregoing, Developer agrees to maintain the Project and the Property (including without limitation, the residential units, common areas, landscaping, driveways, parking areas, and walkways) in a condition free of all waste, nuisance, debris, unmaintained landscaping, graffiti, disrepair, abandoned vehicles/appliances, and illegal activity, and shall take all reasonable steps to prevent the same from occurring on the Property or at the Project. Developer shall prevent and/or rectify any physical deterioration of the Property and the Project and shall make all repairs, renewals and replacements necessary to keep the Property and the improvements located thereon in good condition and repair. Developer shall provide adequate security for occupants of the Project. The provisions of this Section 7.2 shall apply from and after Developer's acquisition of the Property.

7.3 Taxes and Assessments. From and after Developer's acquisition of the Property, Developer shall pay all real and personal property taxes, assessments and charges and all franchise, income, payroll, withholding, sales, and other taxes assessed against the Property or the Improvements and payable by Developer, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property or the Improvements; provided, however, that Developer shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event the Developer exercises its right to contest any tax, assessment, or charge, the Developer, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

7.4 Obligation to Refrain from Discrimination. From and after Developer's acquisition of the Property, Developer shall not restrict the rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or the Improvements, or any portion thereof, on the basis of race, color, religion, creed, sex, sexual orientation, disability, marital status, ancestry, or national origin of any person. Developer covenants for itself and all persons claiming under or through it, and this Agreement is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or

enjoyment of the Property or part thereof, nor shall Developer or any person claiming under or through Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in, of, or for the Property or the Improvements or part thereof. Developer shall include such provision in all deeds, leases, contracts and other instruments executed by Developer, and shall enforce the same diligently and in good faith.

All deeds, leases or contracts made or entered into by Developer, its successors or assigns, as to any portion of the Property or the Improvements shall contain the following language:

(a) In Deeds, the following language shall appear:

“(1) Grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property herein conveyed nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.

“(2) notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).”

(b) In Leases, the following language shall appear:

“(1) The lessee herein covenants by and for the lessee and lessee’s heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry or disability in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein leased nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination of

segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.

“(2) notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 2955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).”

(c) In Contracts, the following language shall appear:

“There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use or occupancy of tenants, lessee, subtenants, sublessees or vendees of the land.”

Additionally, City reserves the right to require other mandatory contract language necessary to satisfy existing Federal, State and Local requirements.

ARTICLE VIII LIMITATIONS ON CHANGE IN OWNERSHIP, MANAGEMENT AND CONTROL OF DEVELOPER

8.1 Change Pursuant to this Agreement. Developer and its principals have represented that they possess the necessary expertise, skill and ability to carry out the development of the Project on the Property pursuant to this Agreement. The qualifications, experience, financial capacity and expertise of Developer and its principals are of particular concern to the City. It is because of these qualifications, experience, financial capacity and expertise that the City has entered into this Agreement with Developer. No voluntary or involuntary successor, assignee or transferee of Developer shall acquire any rights or powers under this Agreement, except as expressly provided herein.

8.2 Prohibition on Transfer. Prior to the expiration of the term of the Regulatory Agreement, Developer shall not, except as expressly permitted by this Agreement, directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or lease (collectively, “**Transfer**”) of the whole or any part of Developer’s interest in the Property, the Project, the Improvements, or

this Agreement, without the prior written approval of City, which approval shall not be unreasonably withheld. (The provisions concerning Transfer of the Property, the Project and the Improvements shall apply commencing upon Developer's acquisition of a fee simple interest in the Property.) Any such attempt to assign this Agreement without the City's consent shall be null and void and shall confer no rights or privileges upon the purported assignee. In addition to the foregoing, prior to the expiration of the term of the Regulatory Agreement, except as expressly permitted by this Agreement, Developer shall not undergo any significant change of ownership without the prior written approval of City. For purposes of this Agreement, a "significant change of ownership" shall mean a transfer of the beneficial interest of more than twenty-five percent (25%) in aggregate of the present ownership and /or control of Developer, taking all transfers into account on a cumulative basis; provided however, neither the admission of an investor limited partner, nor the transfer by the investor limited partner to subsequent limited partners shall be restricted by this provision.

8.3 Permitted Transfers. Notwithstanding any contrary provision hereof, the prohibitions set forth in this Article shall not be deemed to prevent: (i) the granting of easements or permits to facilitate development of the Property; (ii) the dedication of any property required pursuant to this Agreement; (iii) the lease of individual residences to tenants for occupancy as their principal residence in accordance with the Regulatory Agreement; (iv) assignments creating security interests for the purpose of financing the acquisition, construction or permanent financing of the Project or the Property in accordance with the approved Financing Plan as it may be updated with City approval, and subject to the requirements of Article VII, or Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest; or (v) a Transfer to a single purpose limited partnership in which at least one of the general partners is an affiliate controlled by Urban Housing Communities LLC, a California limited liability company ("**Controlled Affiliate**").

8.4 Requirements for Proposed Transfers. The City may, in the exercise of its sole discretion, consent to a proposed Transfer of this Agreement, the Improvements, the Property or portion thereof if all of the following requirements are met (provided however, the requirements of this Section 8.4 shall not apply to Transfers described in clauses (i) through (v) of Section 8.3):

(i) The proposed transferee demonstrates to the City's satisfaction that it has the qualifications, experience and financial resources necessary and adequate as may be reasonably determined by the City to competently complete construction of the Project and to otherwise fulfill the obligations undertaken by the Developer under this Agreement.

(ii) The Developer and the proposed transferee shall submit for City review and approval all instruments and other legal documents proposed to effect any Transfer of this Agreement, the Improvements, the Property or interest therein together with such documentation of the proposed transferee's qualifications and development capacity as the City may reasonably request.

(iii) The proposed transferee shall expressly assume all of the rights and

obligations of the Developer under this Agreement and the City Documents arising after the effective date of the Transfer and all obligations of Developer arising prior to the effective date of the Transfer (unless Developer expressly remains responsible for such obligations) and shall agree to be subject to and assume all of Developer's obligations pursuant to the Conditions of Approval and all other conditions, and restrictions set forth in this Agreement and the Regulatory Agreement. In the event that such assignment and assumption agreement does not expressly provide that Developer remains responsible for all Developer obligations under this Agreement, the transferee shall be solely liable for breach of such obligations, and the City shall look solely to the transferee for fulfillment of all Developer obligations under this Agreement.

(iv) The Transfer shall be effectuated pursuant to a written instrument satisfactory to the City in form recordable in the Official Records.

Consent to any proposed Transfer may be given by the City Manager unless the City Manager, in his or her discretion, refers the matter of approval to the City Council. If a proposed Transfer has not been approved by City in writing within thirty (30) days following City's receipt of written request by Developer, it shall be deemed rejected.

8.5 Effect of Transfer without City Consent.

8.5.1 In the absence of specific written agreement by the City, no Transfer by Developer shall be deemed to relieve the Developer or any other party from any obligation under this Agreement.

8.5.2 Without limiting any other remedy City may have under this Agreement, or under law or equity, it shall be an Event of Developer Default hereunder entitling City to terminate this Agreement if without the prior written approval of the City, Developer assigns or Transfers this Agreement, the Improvements, or the Property prior to the City's issuance of a Certificate of Completion. This Section 8.5.2 shall not apply to Transfers described in clauses (i) through (v) of Section 8.3.

ARTICLE IX SECURITY FINANCING AND RIGHTS OF MORTGAGEES

9.1 Mortgages and Deeds of Trust for Development. Mortgages and deeds of trust, or any other reasonable security instrument are permitted to be placed upon the Property or the Improvements only for the purpose of securing loans for the purpose of the design and construction of the Improvements, and other expenditures reasonably necessary for development of the Property pursuant to this Agreement. Developer shall not enter into any conveyance for such financing that is not contemplated in the Financing Plan as it may be updated with City approval, without the prior written approval of the City's Chief Executive officer or his or her designee. As used herein, the terms "mortgage" and "deed of trust" shall mean any security instrument used in financing real estate acquisition, construction and land development.

9.1.1 Memorandum and Regulatory Agreement to be Senior to Mortgages.

The City agrees that pursuant to Health and Safety Code Section 33334.14(a)(4), City will not withhold consent to reasonable requests for subordination of the Regulatory Agreement to deeds of trust provided for the benefit of Tax Credit equity partners identified in the Financing Plan as it may be updated with City approval, provided that the instruments effecting such subordination include reasonable protections to the City in the event of default consistent with the requirements of Health and Safety Code Section 33334.14(a)(4).

9.2 Holder Not Obligated to Construct. The holder of any mortgage, deed of trust authorized by this Agreement shall not be obligated to complete construction of the Improvements or to guarantee such completion. Nothing in this Agreement shall be deemed to permit or authorize any such holder to devote the Property or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

9.3 Notice of Default and Right to Cure. Whenever City delivers any notice of default hereunder, City shall concurrently deliver a copy of such notice to each holder of record of any mortgage or deed of trust secured by the Property or the Improvements, provided that City has been provided with the address for delivery of such notice. City shall have no liability to any such holder for any failure by the City to provide such notice to such holder. Each such holder shall have the right, but not the obligation, at its option, to cure or remedy any such default or breach within the cure period provided to Developer extended by and additional sixty (60) days. In the event that possession of the Property or the Improvements (or any portion thereof) is required to effectuate such cure or remedy, the holder shall be deemed to have timely cured or remedied the default if it commences the proceedings necessary to obtain possession of the Property or Improvements, as applicable, within sixty (60) days after receipt of the City's notice, diligently pursues such proceedings to completion, and after obtaining possession, diligently completes such cure or remedy. A holder who chooses to exercise its right to cure or remedy a default or breach shall first notify City of its intent to exercise such right prior to commencing to cure or remedy such default or breach. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction of the Project (beyond the extent necessary to conserve or protect the same) without first having expressly assumed in writing Developer's obligations to City under this Agreement. The holder in that event must agree to complete, in the manner provided in this Agreement, the Project and the Improvements and submit evidence reasonably satisfactory to City that it has the development capability on staff or retainer and the financial capacity necessary to perform such obligations. Any such holder properly completing the Project pursuant to this Section shall assume all rights and obligations of Developer under this Agreement and shall be entitled to a Certificate of Completion upon compliance with the requirements of this Agreement.

9.4 City Right to Cure Defaults. In the event of a breach or default by Developer under a mortgage or deed of trust secured by the Property or the Improvements, City may cure the default, without acceleration of the subject loan, following prior notice thereof to the holder of such instrument and Developer. In such event, Developer shall be liable for, and City shall be entitled to reimbursement from Developer for all costs and expenses incurred by City associated with and attributable to the curing of the default or breach and such sum.

9.5 Holder to be Notified. Developer agrees to use best efforts to ensure that each term contained herein dealing with security financing and rights of holders shall be either inserted into the relevant deed of trust or mortgage or acknowledged by the holder prior to its creating any security right or interest in the Property or the Improvements.

9.6 Modifications to Agreement. City shall not unreasonably withhold its consent to modifications of this Agreement requested by Project lenders or investors provided such modifications do not alter City's substantive rights and obligations under this Agreement.

9.7 Estoppel Certificates. Either Party shall, at any time, and from time to time, within fifteen (15) days after receipt of written request from the other Party, execute and deliver to such Party a written statement certifying that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties (if such be the case), (ii) this Agreement has not been amended or modified, or if so amended, identifying the amendments, and (iii) the requesting Party is not in default in the performance of its obligations under this Agreement, or if in default, describing the nature of any such defaults.

ARTICLE X ENVIRONMENTAL MATTERS

10.1 No City Liability; Developer's Covenants. City shall be responsible for the cost of any soil, groundwater or other environmental remediation or other response activities for any Hazardous Materials existing or occurring in, on, under or about the Improvements, the Property or any portion thereof. From and after Developer's acquisition of the Property, upon receipt of any notice regarding the presence, release or discharge of Hazardous Materials in, on or under the Improvements, the Property, or any portion thereof, Developer agrees to timely initiate and diligently pursue and complete all appropriate response, remediation and removal actions for the presence, release or discharge of such Hazardous Materials within such deadlines as specified by applicable Environmental Laws. Developer hereby covenants and agrees that commencing upon Developer's acquisition of the Property:

(i) Developer shall not knowingly permit the Project or the Property or any portion of either to be a site for the use, generation, treatment, manufacture, storage, disposal or transportation of Hazardous Materials or otherwise knowingly permit the presence or release of Hazardous Materials in, on, under, about or from the Project or the Property with the exception of cleaning supplies and other materials customarily used in construction, operation or maintenance of residential property and any commercial uses developed as part of the Project, and used, stored and disposed of in compliance with Hazardous Materials Laws, and

(ii) Developer shall keep and maintain the Project and the Property and each portion thereof in compliance with, and shall not cause or permit the Project or the Property or any portion of either to be in violation of, any Hazardous Materials Laws.

(iii) Developer has performed a due diligence review of the condition of the

Property. All information obtained by Developer regarding such condition has been disclosed to City in writing.

10.2 Environmental Indemnification. Subject to the last sentence of this Section, commencing upon Developer's acquisition of the Property, Developer shall indemnify, defend (with counsel approved by City) and hold the Indemnitees harmless from and against any and all Claims including without limitation any expenses associated with the investigation, assessment, monitoring, response, removal, treatment, abatement or remediation of Hazardous Materials and administrative, enforcement or judicial proceedings resulting, arising, or based directly or indirectly in whole or in part, upon (i) the presence, release, use, generation, discharge, storage or disposal or the alleged presence, release, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, the Property, or (ii) the failure of Developer, Developer's employees, agents, contractors, subcontractors, or any person acting on behalf of any of the foregoing to comply with Hazardous Materials Laws or the covenants set forth in Section 10.1. The foregoing indemnity shall further apply to any residual contamination in, on, under or about the Property or affecting any natural resources, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, treatment, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with Hazardous Materials Laws. The provisions of this Section 10.2 shall survive the issuance of a Certificate of Completion for the Project and the expiration or earlier termination of this Agreement. Except for any Claims caused by sole negligence of the Developer or its agents, Developer's indemnification obligations set forth in this Section shall not apply to Claims regarding the Property arising out of or occurring prior to Developer's acquisition of the Property.

10.2.1 No Limitation. Developer hereby acknowledges and agrees that Developer's duties, obligations and liabilities under this Agreement, including, without limitation, under Section 8.2 above, are in no way limited or otherwise affected by any information the City may have concerning the Property and/or the presence in, on, under or about the Property of any Hazardous Materials, whether the City obtained such information from the Developer or from its own investigations. It is further agreed that City does not and shall not waive any rights against Developer that they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or the deposit with City by Developer, of any of the insurance policies described in this Agreement.

10.3 Hazardous Materials. As used herein, the term "**Hazardous Materials**" means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a "hazardous substance", "hazardous material", "hazardous waste", "toxic waste", "toxic pollutant", "toxic substance", "solid waste" or "pollutant or contaminant" in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. Section 2601, *et seq.*]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, *et seq.*], the Hazardous Materials

Transportation Authorization Act [49 U.S.C. Section 5101, *et seq.*], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, *et seq.*], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, *et seq.*], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, *et seq.*], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, *et seq.*], the California Hazardous Waste Act [California Health and Safety Code Section 25100, *et seq.*], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, *et seq.*], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, *et seq.*], as they now exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any “Superfund” or “Superlien” law, or any Environmental Law; or (v) any other substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

10.4 Environmental Laws. As used herein, the term “**Environmental Laws**” means all federal, state or local statutes, ordinances, rules, regulations, orders, decrees, judgments or common law doctrines, and provisions and conditions of permits, licenses and other operating authorizations regulating, or relating to, or imposing liability or standards of conduct concerning (i) pollution or protection of the environment, including natural resources; (ii) exposure of persons, including employees and agents, to Hazardous Materials (as defined above) or other products, raw materials, chemicals or other substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities; (iv) the manufacture, use or introduction into commerce of chemical substances, including without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal; or (v) the use, release or disposal of toxic or hazardous substances or Hazardous Materials or the remediation of air, surface waters, groundwaters or soil, as now or may at any later time be in effect, including but not limited to the Toxic Substances Control Act [15 U.S.C. Section 2601, *et seq.*]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, *et seq.*], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, *et seq.*], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, *et seq.*], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, *et seq.*], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, *et seq.*], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, *et seq.*], the California Hazardous Waste Act [California Health and Safety Code Section 25100, *et seq.*], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, *et seq.*], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, *et seq.*], as each of the foregoing now exist or are hereafter amended, together with any regulations promulgated thereunder.

ARTICLE XI DEFAULTS, REMEDIES AND TERMINATION

11.1 Event of Developer Default. The following events shall constitute an event of default on the part of Developer (“**Event of Developer Default**”):

(a) Subject to force majeure, the availability of financing and City’s issuance of permits and approvals, Developer fails to commence or complete construction of the Project within the times set forth in Section 5.8, or, subject to force majeure, abandons or suspends construction of the Project prior to completion for a period of sixty (60) days or more;

(b) A Transfer occurs, either voluntarily or involuntarily, in violation of Article VIII;

(c) Developer fails to maintain insurance as required pursuant to this Agreement, and Developer fails to cure such default within ten (10) days;

(d) Subject to Developer’s right to contest the following charges pursuant to Section 7.3, if Developer fails to pay prior to delinquency taxes or assessments due on the Property or the Project or fails to pay when due any other charge that may result in a lien on the Property or the Project, and Developer fails to cure such default within thirty (30) days of date of delinquency, but in all events upon the imposition of any such tax or other lien;

(e) Following Developer’s acquisition of the Property, a default arises under any loan secured by a mortgage, deed of trust or other security instrument recorded against the Property, the Improvements, or Developer’s interest therein, and remains uncured beyond any applicable cure period such that the holder of such security instrument has the right to accelerate repayment of such loan;

(f) Any representation or warranty contained in this Agreement or in any application, financial statement, certificate or report submitted to the City in connection with this Agreement or Developer’s request for City Funds proves to have been incorrect in any material and adverse respect when made and continues to be materially adverse to the City and Developer fails to cure such default within sixty (60) days after the date upon which City shall have given written notice of the default to Developer;

(g) If, pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors (“**Bankruptcy Law**”), Developer (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against Developer or any general partner thereof in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator or similar official for Developer or any general partner thereof; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due;

(h) A court of competent jurisdiction shall have made or entered any decree or order (1) adjudging the Developer to be bankrupt or insolvent, (2) approving as properly

filed a petition seeking reorganization of the Developer or seeking any arrangement for Developer under bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (3) appointing a receiver, trustee, liquidator, or assignee of the Developer in bankruptcy or insolvency or for any of its properties, or (4) directing the winding up or liquidation of the Developer;

(i) Developer shall have assigned its assets for the benefit of its creditors (other than pursuant to a mortgage loan) or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within sixty (60) days after such event (unless a lesser time period is permitted for cure under any other mortgage on the Property or the Improvements, in which event such lesser time period shall apply under this subsection as well) or prior to any sooner sale pursuant to such sequestration, attachment, or execution;

(j) The Developer shall have voluntarily suspended its business or Developer shall have been dissolved or terminated;

(k) An event of default arises under any City Document and remains uncured beyond any applicable cure period; or

(l) Developer defaults in the performance of any term, provision, covenant or agreement contained in this Agreement other than an obligation enumerated in this Section 9.1 and unless a shorter cure period is specified for such default, the default continues for ten (10) days in the event of a monetary default or sixty (60) days in the event of a nonmonetary default after the date upon which City shall have given written notice of the default to Developer; provided however, if the default is of a nature that it cannot be cured within sixty (60) days, an Event of Developer Default shall not arise hereunder if Developer commences to cure the default within sixty (60) days and thereafter prosecutes the curing of such default with due diligence and in good faith to completion and in no event later than one hundred twenty (120) days after receipt of notice of the default.

11.2 City Default. An event of default on the part of City ("**Event of City Default**") shall arise hereunder if City fails to keep, observe, or perform any of its covenants, duties, or obligations under this Agreement, and the default continues for a period of thirty (30) days after written notice thereof from Developer to City, or in the case of a default which cannot with due diligence be cured within thirty (30) days, City fails to commence to cure the default within thirty (30) days of such notice and thereafter fails to prosecute the curing of such default with due diligence and in good faith to completion.

11.3 City's Right to Terminate Agreement. If an Event of Developer Default shall occur and be continuing beyond any applicable cure period, then City shall, in addition to other rights available to it under law or this Agreement, have the right to terminate this Agreement. If City makes such election, City shall give written notice to Developer and to any mortgagee entitled to such notice specifying the nature of the default and stating that this Agreement shall expire and terminate on the date specified in such notice, and upon the date specified in the notice, this Agreement and all rights of Developer under this Agreement, shall expire and

terminate.

11.4 City's Remedies and Rights Upon an Event of Developer Default. Upon the occurrence of an Event of Developer Default and the expiration of any applicable cure period, City shall have all remedies available to it under this Agreement or under law or equity, including, but not limited to the following, and City may, at its election, without notice to or demand upon Developer, except for notices or demands required by law or expressly required pursuant to the City Documents, exercise one or more of the following remedies:

(a) Seek specific performance to enforce the terms of the City Documents;

(b) Pursue any and all other remedies available under this Agreement or under law or equity to enforce the terms of the City Documents and City's rights thereunder including, without limitation, calling all sums advanced by and payable to the City, with accrued interest; entering into possession of the Property and taking over and completing development of the Project; stopping construction; curing defaults by disbursement from the City Loan; and/or appointment of a receiver.

11.5 Developer's Remedies Upon an Event of City Default. Upon the occurrence of an Event of City Default, in addition to pursuing any other remedy allowed at law or in equity or otherwise provided in this Agreement, Developer may bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking to obtain any other remedy consistent with the purpose of this Agreement.

11.6 Remedies Cumulative; No Consequential Damages. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different time, of any other rights or remedies for the same or any other default by the other Party. Notwithstanding anything to the contrary set forth herein, a Party's right to recover damages in the event of a default shall be limited to actual damages and shall exclude consequential damages.

11.7 Inaction Not a Waiver of Default. No failure or delay by either Party in asserting any of its rights and remedies as to any default shall operate as a waiver of such default or of any such rights or remedies, nor deprive either Party of its rights to institute and maintain any action or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies in the same or any subsequent default.

ARTICLE XII INDEMNITY AND INSURANCE

12.1 Indemnity. Developer shall indemnify, defend (with counsel approved by City) and hold Indemnitees, except third party contractors and consultants, harmless from and against any and all Claims, including without limitation, Claims arising directly or indirectly, in whole or in part, as a result of or in connection with Developer's or Developer's

contractors, subcontractors, agents or employees development, construction, improvement, operation, ownership or maintenance of the Project or the Property, or any part thereof or otherwise arising out of or in connection with Developer's performance under this Agreement. Developer's indemnification obligations under this Section 12.1 shall not extend to Claims resulting solely from the gross negligence or willful misconduct of, or to any breach of a warranty or representation of this Agreement by, one or more Indemnitees. The provisions of this Section 12.1 shall survive the issuance of a Certificate of Completion for the Project and the expiration or earlier termination of this Agreement. It is further agreed that City will not and shall not waive any rights against Developer that they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or the deposit with City by Developer, of any of the insurance policies described in this Agreement.

12.2 Liability and Workers' Compensation Insurance.

(a) Prior to initiating work on the Project and continuing through the issuance of the Certificate of Completion, Developer and all contractors working on behalf of Developer on the Project shall maintain a commercial general liability policy in the amount of One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) annual aggregate, together with Three Million Dollars (\$3,000,000) excess liability coverage, or such other policy limits as City may require in its reasonable discretion, including coverage for bodily injury, property damage, products, completed operations and contractual liability coverage. Such policy or policies shall be written on an occurrence basis and shall name the Indemnitees as additional insureds.

(b) Until issuance of the Certificate of Completion, Developer and all contractors working on behalf of Developer shall maintain a comprehensive automobile liability coverage in the amount of One Million Dollars (\$1,000,000), combined single limit including coverage for owned and non-owned vehicles and shall furnish or cause to be furnished to City evidence satisfactory to City that Developer and any contractor with whom Developer has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance as required by law. Automobile liability policies shall name the Indemnitees as additional insureds.

(c) Upon commencement of construction work and continuing until issuance of a Certificate of Completion, Developer and all contractors working on behalf of Developer shall maintain a policy of builder's all-risk insurance in an amount not less than the full insurable cost of the Project on a replacement cost basis naming City as loss payee. Such insurance shall include coverage for risks of direct physical loss or damage, excluding the perils of earthquake, flood, and earth movement.

(d) Upon completion of construction, Developer shall maintain property insurance covering all risks of loss (other than earthquake and flood) for one hundred percent (100%) of the replacement value of the Project with deductible, if any, in an amount acceptable to City, naming City as loss payee.

(e) Companies writing the insurance required hereunder shall be licensed to do business in the State of California. Insurance shall be placed with insurers with a

current A.M. Best's rating of no less than A: VII. The Commercial General Liability and comprehensive automobile policies required hereunder shall name the Indemnitees as additional insureds. Builder's Risk and property insurance shall name City as loss payees as their interests may appear.

(f) Prior to commencement of construction work, Developer shall furnish City with certificates of insurance in form acceptable to City evidencing the required insurance coverage and duly executed endorsements evidencing such additional insured status. The certificates shall contain a statement of obligation on the part of the carrier to notify City of any material adverse change, cancellation, termination or non-renewal of the coverage at least thirty (30) days in advance of the effective date of any such material adverse change, cancellation, termination or non-renewal.

(g) If any insurance policy or coverage required hereunder is canceled or reduced, Developer shall, within twenty-one (21) days after receipt of notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, City may, without further notice and at its option, procure such insurance coverage at Developer's expense, and Developer shall promptly reimburse City for such expense upon receipt of billing from City.

(h) Coverage provided by Developer shall be primary insurance and shall not be contributing with any insurance, or self-insurance maintained by City, and the policies shall so provide. The insurance policies shall contain a waiver of subrogation for the benefit of the City. Developer shall furnish the required certificates and endorsements to City prior to the commencement of construction of the Project, and shall provide City with certified copies of the required insurance policies upon request of City.

ARTICLE XIII MISCELLANEOUS PROVISIONS

13.1 No Brokers. Each Party warrants and represents to the other that no person or entity can properly claim a right to a real estate commission, brokerage fee, finder's fee, or other compensation with respect to the transactions contemplated by this Agreement, except as identified in the Financing Plan. Each Party agrees to defend, indemnify and hold harmless the other Party from any claims, expenses, costs or liabilities arising in connection with a breach of this warranty and representation. The terms of this Section shall survive the expiration or earlier termination of this Agreement.

13.2 Enforced Delay; Extension of Times of Performance. Subject to the limitations set forth below, performance by either Party shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended where delays are due to: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, governmental restrictions or priority, litigation, including court delays, unusually severe weather, acts or omissions of the other Party, acts or failures to act of the City or any other

public or governmental City or entity (other than the acts or failures to act of City which shall not excuse performance by City), or any other cause beyond the affected Party's reasonable control. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause and such extension is not rejected in writing by the other Party within ten (10) days of receipt of the notice. Neither Party shall unreasonably withhold consent to an extension of time pursuant to this Section.

Times of performance under this Agreement may also be extended in writing by the mutual agreement of Developer and City (acting in the discretion of its City Manager unless he or she determines in his or her discretion to refer such matter to the governing board of the City). City and Developer acknowledge that adverse changes in economic conditions, either of the affected Party specifically or the economy generally, changes in market conditions or demand, and/or inability to obtain financing to complete the work of Improvements shall not constitute grounds of enforced delay pursuant to this Section. Each Party expressly assumes the risk of such adverse economic or market changes and/or financial inability, whether or not foreseeable as of the Effective Date.

13.3 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other Parties in accordance with this Section. All such notices shall be sent by:

- (i) personal delivery, in which case notice is effective upon delivery;
- (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt;
- (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;
- (iv) facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a non-business day.

City: City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA
95670

Attention: City Manager [or designee]
 Facsimile: (916) 851-8787

Developer: UHC 00575 Rancho Cordova L.P.
 2000 E. Fourth Street
 Suite 205
 Santa Ana, CA 92705
 Attn: John Bigley
 Facsimile:
 714.835.3275

13.4 Attorneys' Fees. If either Party fails to perform any of its obligations under this Agreement, or if any dispute arises between the Parties concerning the meaning or interpretation of any provision hereof, then the prevailing Party in any proceeding in connection with such dispute shall be entitled to the costs and expenses it incurs on account thereof and in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements.

13.5 Waivers; Modification. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving Party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the Party granting the extension. This Agreement may be amended or modified only by a written instrument executed by the Parties.

13.6 Binding on Successors. Subject to the restrictions on Transfers set forth in Article VIII, this Agreement shall bind and inure to the benefit of the Parties and their respective permitted successors and assigns. Any reference in this Agreement to a specifically named Party shall be deemed to apply to any permitted successor and assign of such Party who has acquired an interest in compliance with this Agreement or under law.

13.7 Survival. All representations made by Developer hereunder and Developer's obligations pursuant to Sections 5.14, 5.17, 5.18, 10.2, 12.1, and 13.1 shall survive the expiration or termination of this Agreement and the issuance and recordation of a Certificate of Completion.

13.8 Construction. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties acknowledge that this Agreement is the product of negotiation and compromise on the part of both Parties, and the Parties agree, that since both Parties have participated in the negotiation and drafting of this Agreement, this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

13.9 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or his or her designee may act on and/or approve

such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to the City Council for consideration.

13.10 Entire Agreement. This Agreement, including Exhibits A through J attached hereto and incorporated herein by this reference, together with other City Documents contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

13.11 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Party. Any executed counterpart of this Agreement may be delivered to the other Party by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

13.12 Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

13.13 No Third Party Beneficiaries. Nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

13.14 Parties Not Co-Venturers. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

13.15 Non-Liability of Officials, Employees and Agents. No officer, official, employee or agent of City shall be personally liable to Developer or its successors in interest in the event of any default or breach by City for any amount which may become due to Developer or its successors in interest pursuant to this Agreement.

13.16 Time of the Essence; Calculation of Time Periods. Time is of the essence for each condition, term, obligation and provision of this Agreement. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a business day, in which event the period shall run until the next business day. The final day of any such period shall be deemed to end at 5:00 p.m., local time at the Property. For purposes of this Agreement, a "business day" means a day that is not a Saturday, Sunday, a federal holiday or a state holiday under the laws of California.

13.17 Governing Law; Venue. This Agreement shall be governed by and construed

in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Sacramento County, California or in the Federal District Court for the Eastern District of California.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, the Parties have entered into this Agreement effective as of the date first written above.

CITY

THE CITY OF RANCHO CORDOVA, a California municipal corporation, as Housing Successor to the former Community Redevelopment Agency of the City of Rancho Cordova

By: _____

Name: _____

Title: _____

ATTEST:

By: _____,
City Clerk

APPROVED AS TO FORM:

By: _____,
City Attorney

DEVELOPER

UHC 00575 Rancho Cordova, L.P.

By: UHC 00575 Rancho Cordova Holdings LLC

By: _____

Name: _____

Title: _____

Exhibit A**LEGAL DESCRIPTION OF PROPERTY**Exhibit B**FORM OF MEMORANDUM OF AMENDED AND RESTATED DISPOSITION AND
DEVELOPMENT AGREEMENT**Exhibit C**FORM OF CERTIFICATE OF COMPLETION**Exhibit D**FINANCING PLAN**Exhibit E**DEVELOPMENT AND PERFORMANCE SCHEDULE**Exhibit F**FORM OF THE REGULATORY AGREEMENT**Exhibit G**APPROVED PLANS AND SPECIFICATIONS PER DESIGN REVIEW**Exhibit H**FORM OF THE SECURED PROMISSORY NOTE**Exhibit I**FORM OF THE ASSIGNMENT OF AGREEMENTS, PLANS AND SPECIFICATIONS**Exhibit J**FORM OF THE DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY
AGREEMENT AND FIXTURE FILING**Exhibit K**OPTION AGREEMENT**

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel B of boundary line adjustment recorded in Book 20101025 at Page 0516 of Official Records, County of Sacramento, said Parcel B being the Southeasterly 45.44 feet of Lot 34 as shown on the Plat of Cordova Court Unit No. 2, recorded in Book 53 of Maps, at Page 8, in the Records Office of the County of Sacramento, State of California.

Together with that certain parcel recorded in Book 20100505 at Page 1019 on May 5, 2010 and in Book 20100910 at Page 717 on September 10, 2010 of Official Records in the Records Office of the County of Sacramento, State of California. Said Parcel being the West 170.00 feet of Lot 35 of the plat of Cordova Court Unit No. 2 filed in Book 53 of Maps at Page 8 in the Records Office of the County of Sacramento, State of California. Said West 170.00 feet being measured at right angles from the Southwesterly line of said lot.

Being further described as follows:

Beginning at the most Southerly corner of aforesaid Lot 35 the following five (5) courses:

1) North 32° 00' 00" West 287.43 feet to the most Southerly corner of Parcel A of that certain Lot Merger as Recorded in Book 20101025 at Page 0516 of Official Records in the Records Office of the County of Sacramento, State of California.

2) Along said Southerly line of Parcel A North 58° 02' 20" East 133.32 feet (133.37 per aforesaid Lot Merger) to the Westerly right of way of Woodberry Way to a non-tangent curve to the left with a radius bearing of North 78° 13' 30" East 50.00 feet to the radius point.

3) Along said right of way along said curve to the left with a radius of 50.00 feet having a central angle of 98° 24' 46" with an arc length of 85.88 subtended by a chord of South 60° 58' 53" East 75.70 feet;

4) Leaving said right of way South 32° 00' 00" East 221.12 feet to the Southeasterly line of aforesaid Lot 35 said line also being the Northwesterly right of way of Folsom Boulevard;

5) Along said Southerly line of said Lot 35 South 58° 00' 00" West 170.00 feet to the point of beginning.

Containing 46,729.00 Square feet or 1.07 acres

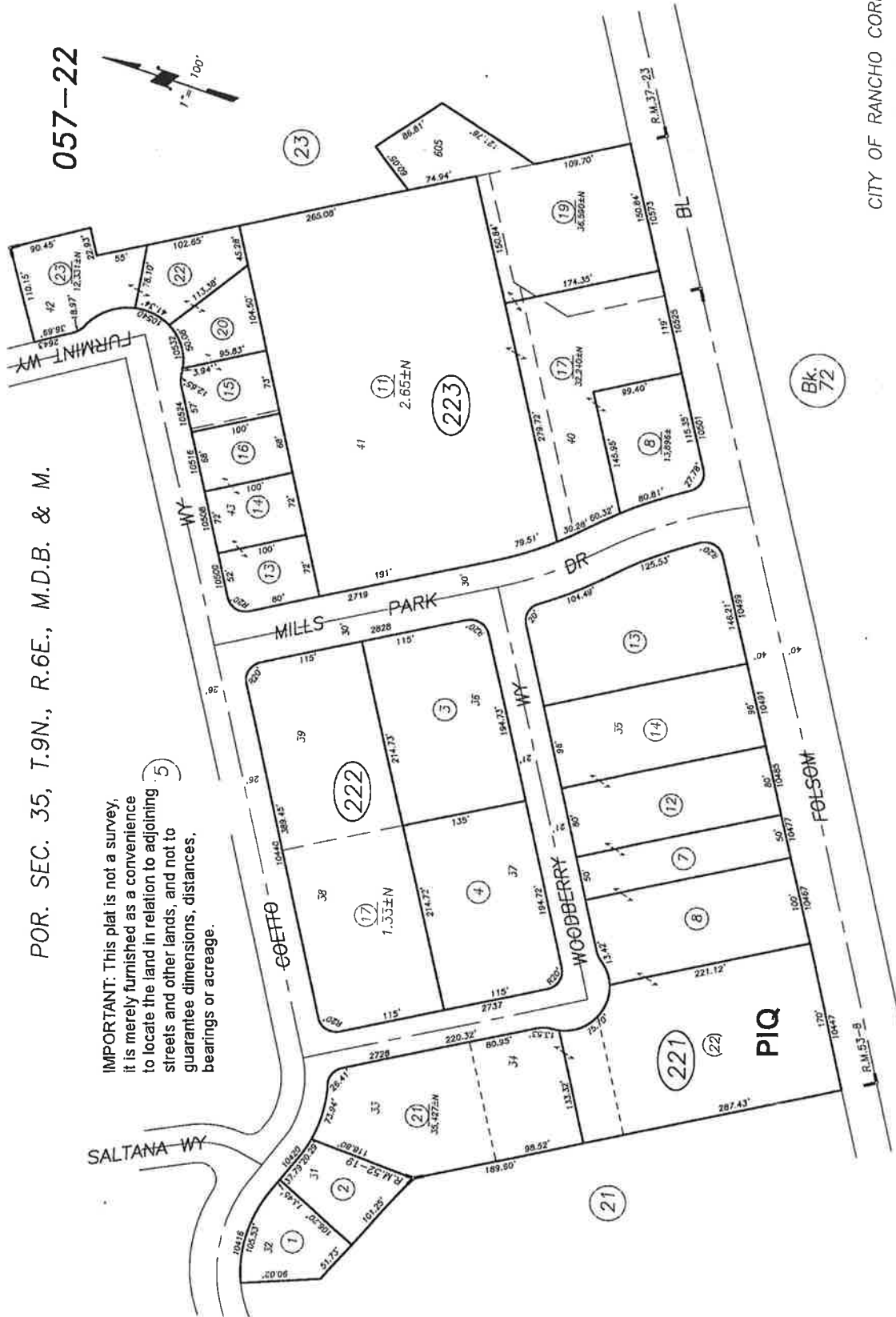
Basis of bearings for this description is identical as Cordova Unit No. 2 Recorded in Book 53 of Maps at Page 8, Official Records in the Records Office of the County of Sacramento, State of California.

APN: 057-0221-022

POR. SEC. 35, T.9N., R.6E., M.D.B. & M.

057-22

IMPORTANT: This plat is not a survey,
it is merely furnished as a convenience
to locate the land in relation to adjoining
streets and other lands, and not to
guarantee dimensions, distances,
bearings or acreage.



CITY OF RANCHO CORDOVA
Assessor's Map Bk. 057 Pg. 022
County of Sacramento, Calif.

Por. Ranch Cordova Court Unit 6, R.M. Bk. 37, Pg. 23(6-23-1954)
Por. Cordova Court Unit 1, R.M. Bk. 52, Pg. 19(2-19-1959)
Por. Cordova Court Unit 2, R.M. Bk. 53, Pg. 8(3-31-1959)

EXHIBIT B

FORM OF

MEMORANDUM OF

DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT

(DDLA)

Recording Requested by
and when Recorded, return to:

The City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attention: City Manager

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

MEMORANDUM OF DISPOSITION AND DEVELOPMENT AND LOAN AGREEMENT

This Memorandum of Amended and Restated Disposition and Development and Loan Agreement (this "**Memorandum**") dated as of _____, 2015, is entered into by and between the City of Rancho Cordova, a California municipal corporation ("**City**") and UHC 00575 Rancho Cordova, L.P., a California limited partnership ("**Developer**"). City and Developer are hereinafter collectively referred to as the "**Parties**."

1. The Parties have entered into that certain Disposition, Development and Loan Agreement dated as of _____, 2017 (the "**DDLA**"), pursuant to which upon Developer's satisfaction of certain conditions precedent City has agreed to convey that certain real property (the "**Property**") located within the City and more particularly described in Exhibit A attached hereto and incorporated herein by this reference, to Developer for the development of up to twenty-eight (28) units of family rental housing affordable to households whose income does not exceed sixty percent (60%) of Area Median Income, as defined in that certain Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants (the "**Regulatory Agreement**") to be executed by the Parties and recorded in the Official Records of Sacramento County substantially concurrently therewith (the "**Project**").
2. Among other conditions, the DDLA provides that Developer shall commence construction of the Project, which will be subject to certain maintenance obligations pursuant to the terms of the DDLA and the Regulatory Agreement, no later than December 31, 2017, and shall complete construction of the Project in order to allow City to issue a final certificate of occupancy no later than fifteen (18) months from the commencement of construction.
3. The DDLA further provides that (i) except as permitted therein, Developer shall not voluntarily or involuntarily make or attempt any total or partial sale, transfer, conveyance, assignment or lease of the whole or any part of Developer's interest in the Property or the improvements located thereon without the prior written approval of the City; and (ii) any transferee of all or part of the Property shall be subject to and shall expressly assume all of the covenants, obligations and restrictions of the DDLA which pertain to the portion of the Property transferred, including without limitation, the provisions of the Regulatory Agreement.

4. The Parties have executed and recorded this instrument to give notice of the DDLA and the respective rights of the Parties thereunder. Copies of the unrecorded DDLA are available at the offices of the City, 2729 Prospect Park Drive, Rancho Cordova, California 95670, and such document is incorporated by reference in its entirety in this Memorandum. This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the DDLA. In the event of any inconsistency between this Memorandum and the DDLA, the DDLA shall control.
5. This Memorandum shall be interpreted and enforced in accordance with California law without regard to principles of conflict of laws. This Memorandum may be executed in counterparts.
6. The DDLA shall bind and inure to the benefit of the Parties and their respective successors and assigns.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the date first set forth above.

CITY

The City of Rancho Cordova,
a California municipal corporation

By: _____
City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

DEVELOPER

UHC 00575 Rancho Cordova, L.P.,
a California limited partnership

By: _____

Its: _____

SIGNATURES MUST BE NOTARIZED.

Exhibit A

PROPERTY

(Attach legal description.)

LEGAL DESCRIPTION

EXHIBIT "A"

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel B of boundary line adjustment recorded in Book 20101025 at Page 0516 of Official Records, County of Sacramento, said Parcel B being the Southeasterly 45.44 feet of Lot 34 as shown on the Plat of Cordova Court Unit No. 2, recorded in Book 53 of Maps, at Page 8, in the Records Office of the County of Sacramento, State of California.

Together with that certain parcel recorded in Book 20100505 at Page 1019 on May 5, 2010 and in Book 20100910 at Page 717 on September 10, 2010 of Official Records in the Records Office of the County of Sacramento, State of California. Said Parcel being the West 170.00 feet of Lot 35 of the plat of Cordova Court Unit No. 2 filed in Book 53 of Maps at Page 8 in the Records Office of the County of Sacramento, State of California. Said West 170.00 feet being measured at right angles from the Southwesterly line of said lot.

Being further described as follows:

Beginning at the most Southerly corner of aforesaid Lot 35 the following five (5) courses:

- 1) North 32° 00' 00" West 287.43 feet to the most Southerly corner of Parcel A of that certain Lot Merger as Recorded in Book 20101025 at Page 0516 of Official Records in the Records Office of the County of Sacramento, State of California.
- 2) Along said Southerly line of Parcel A North 58° 02' 20" East 133.32 feet (133.37 per aforesaid Lot Merger) to the Westerly right of way of Woodberry Way to a non-tangent curve to the left with a radius bearing of North 78° 13' 30" East 50.00 feet to the radius point.
- 3) Along said right of way along said curve to the left with a radius of 50.00 feet having a central angle of 98° 24' 46" with an arc length of 85.88 subtended by a chord of South 60° 58' 53" East 75.70 feet;
- 4) Leaving said right of way South 32° 00' 00" East 221.12 feet to the Southeasterly line of aforesaid Lot 35 said line also being the Northwesterly right of way of Folsom Boulevard;
- 5) Along said Southerly line of said Lot 35 South 58° 00' 00" West 170.00 feet to the point of beginning.

Containing 46,729.00 Square feet or 1.07 acres

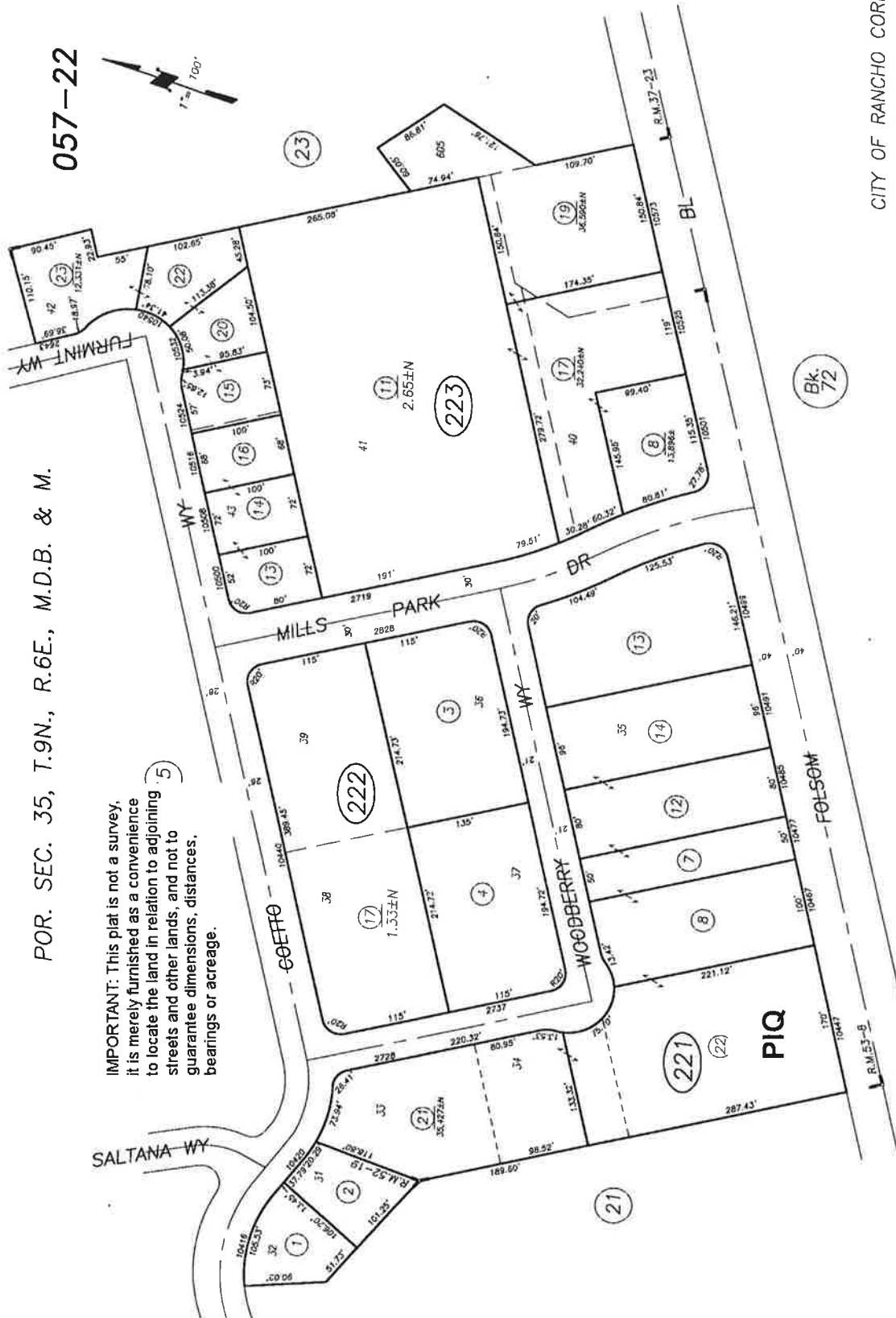
Basis of bearings for this description is identical as Cordova Unit No. 2 Recorded in Book 53 of Maps at Page 8, Official Records in the Records Office of the County of Sacramento, State of California.

APN: 057-0221-022

POR. SEC. 35, T.9N., R.6E., M.D.B. & M.

057-22

IMPORTANT: This plat is not a survey,
it is merely furnished as a convenience
to locate the land in relation to adjoining
streets and other lands, and not to
guarantee dimensions, distances,
bearings or acreage.



CITY OF RANCHO CORDOVA
Assessor's Map Bk. 057 Pg. 022
County of Sacramento, Calif.

Por. Ranch Cordova Court Unit 6, R.M. Bk. 37, Pg. 23(6-23-1954)
Por. Cordova Court Unit 1, R.M. Bk. 52, Pg. 19(2-19-1959)
Por. Cordova Court Unit 2, R.M. Bk. 53, Pg. 8(3-31-1959)

STATE OF CALIFORNIA)
)
 COUNTY OF _____)

On _____, 20__, before me, _____, (here insert name and title of the officer), 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.

Signature _____ (Seal)

STATE OF CALIFORNIA)
)
 COUNTY OF _____)

On _____, 20__, before me, _____, (here insert name and title of the officer), 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.

Signature _____

2286139.1

EXHIBIT C

FORM OF

THE CERTIFICATE OF COMPLETION

Recording requested by
and when recorded mail to:

The City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: City Clerk

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

Space above this line for Recorder's use.

CERTIFICATE OF COMPLETION

This Certificate of Completion (this "**Certificate**") is made by the City of Rancho Cordova, a California municipal corporation ("**City**") effective as of _____, 20__.

RECITALS

A. City and UHC Rancho Cordova 00575, L.P., a California limited partnership ("**Owner**"), entered into that certain Disposition, Development and Loan Agreement (the "**DDLA**") dated as of _____, 2017 concerning the construction of an affordable multi-family senior rental residential project (the "**Project**") on certain real property located in the City of Rancho Cordova, California and more particularly described in Exhibit A attached hereto (the "**Property**"). A Memorandum of the DDLA was recorded in the Official Records of Sacramento County ("**Official Records**") as Instrument No. _____, Book _____, Page _____. Capitalized terms used herein without definition shall have the meaning ascribed to such terms in the DDA.

B. Pursuant to Section 5.15 of the DDLA, the Agency is required to furnish the Owner or its successors with a Certificate of Completion upon completion of construction of the Project in accordance with the DDLA.

C. The City has determined that the construction of the Project has been satisfactorily completed in accordance with the DDLA.

NOW, THEREFORE, the City hereby certifies as follows:

1. Construction of the Project has been satisfactorily completed in conformance with the DDLA.

2. All use, maintenance and nondiscrimination covenants contained in the DDLA shall remain in effect and enforceable in accordance with the DDLA. This Certificate does not constitute evidence of Owner's compliance with those covenants in the DDLA that survive the issuance of this Certificate, including without limitation, compliance with the Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants entered into pursuant to the DDLA and recorded in the Official Records as Instrument No. ____ Book____, Page____.

3. This Certificate does not constitute evidence of compliance with or satisfaction of any obligation of Owner to any holder of a deed of trust securing money loaned to finance the Improvements or any part thereof and does not constitute a notice of completion under California Civil Code Section 3093.3.

4. Nothing contained in this instrument shall modify any provisions of the DDLA or any other document executed in connection therewith.

IN WITNESS WHEREOF, City has executed and issued this Certificate of Completion as of the date first written above.

THE CITY OF RANCHO CORDOVA

By: **FORM-DO NOT SIGN**

Name: _____
 [Title]

ATTEST:

By: **FORM- DO NOT SIGN**
 City Clerk

APPROVED AS TO FORM:

By: **FORM-DO NOT SIGN**
 City Attorney

SIGNATURES MUST BE NOTARIZED.

Exhibit A

PROPERTY
(Attach legal description.)

2049034.1

EXHIBIT D

FINANCING PLAN

DRAFT FINANCING PLAN INCLUDED

FINAL TO FOLLOW

2/9/17

Rancho Cordova Financial Summary Updated 2.9.17.xlsx
Permanent Sources and Uses

SOURCES OF FUNDS	Total	Per Unit
Permanent Loan	\$ -	\$ -
Federal 9% Tax Credit Proceeds from Investor	7,912,007	282,572
IIG Funding	529,000	18,893
Local Housing Trust Fund	666,620	23,808
Rancho Cordova - Cash Residual Remaining	2,000,000	71,429
Rancho Cordova Impact Fee Grant	400,000	14,286
Rancho Cordova Land Contribution	289,000	10,321
City Land Acquisition Grant	1,240,222	44,294
Deferred Developer Fee	250,000	8,929
State Tax Credits	2,026,584	72,378
TOTAL SOURCES OF FUNDS	\$ 15,313,433	\$ 546,908
USES OF FUNDS		
Acquisition Costs	\$ 1,870,222	\$ 66,794
Rehabilitation Costs	-	-
New Construction Costs	8,837,364	315,620
Contingency	446,868	15,960
Relocation	-	-
Architecture Fees	332,000	11,857
Survey and Engineering	145,600	5,200
Construction Financing	872,774	31,170
Permanent Financing	386,500	13,804
Legal Fees	190,000	6,786
Reserves	135,000	4,821
Other Soft Costs	1,097,105	39,182
Developer Fees	1,000,000	35,714
TOTAL USES OF FUNDS	\$ 15,313,433	\$ 546,908
SOURCES LESS USES	\$ -	\$ -

NOTES:

9% model with credit pricing of .95 Fed and \$.73 state

Not LEED Certified but will meet or exceed Green Building Standards

No working drawings

28 units: 3 story walk up with tuck under garages

Assumes prevailing wage

City Funds are new money except for Land Acquisition and Land Contribution

2/9/17
Rancho Cordova Financial Summary(4).xlsx
Cash Flow

	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8
Rental Income	229,296	235,028	240,904	246,927	253,100	259,427	265,913	272,561
Laundry and Vending	5,040	5,166	5,295	5,428	5,563	5,702	5,845	5,991
Retail Commercial Net Income	-	-	-	-	-	-	-	-
Gross Potential Income	234,336	240,194	246,199	252,354	258,663	265,130	271,758	278,552
Forecasted Vacancies	11,717	12,010	12,310	12,618	12,933	13,256	13,588	13,928
Total Vacancies & Reductions	222,619	228,185	233,889	239,737	245,730	251,873	258,170	264,624
Operating Expenses	142,800	147,798	152,971	158,325	163,866	169,602	175,538	181,681
Property Management Fee	11,717	12,010	12,310	12,618	12,933	13,256	13,588	13,928
Service Amenities	15,000	15,525	16,068	16,631	17,213	17,815	18,439	19,084
Replacement Reserves	8,400	8,652	8,912	9,179	9,454	9,738	10,030	10,331
Total Annual Operating Expenses & Reserves	177,917	183,985	190,261	196,752	203,467	210,411	217,594	225,024
NET OPERATING INCOME (LOSS) BEFORE DEBT SERVICE	44,702	44,200	43,628	42,984	42,263	41,462	40,576	39,600
Permanent Loan	-	-	-	-	-	-	-	-
n/a	-	-	-	-	-	-	-	-
NET CASH FLOW AVAILABLE BEFORE OTHER CHARGES	44,702	44,200	43,628	42,984	42,263	41,462	40,576	39,600

2/9/17
Rancho Cordova Financial Summary(4).xlsx
Cash Flow

	YR 9	YR 10	YR 11	YR 12	YR 13	YR 14	YR 15
Rental Income	279,375	286,359	293,518	300,856	308,378	316,087	323,989
Laundry and Vending	6,141	6,294	6,452	6,613	6,778	6,948	7,121
Retail Commercial Net Income	-	-	-	-	-	-	-
Gross Potential Income	285,516	292,654	299,970	307,469	315,156	323,035	331,111
Forecasted Vacancies	14,276	14,633	14,998	15,373	15,758	16,152	16,556
Total Vacancies & Reductions	271,240	278,021	284,971	292,096	299,398	306,883	314,555
Operating Expenses	188,040	194,622	201,434	208,484	215,781	223,333	231,150
Property Management Fee	14,276	14,633	14,998	15,373	15,758	16,152	16,556
Service Amenities	19,752	20,443	21,159	21,900	22,666	23,459	24,280
Replacement Reserves	10,641	10,960	11,289	11,628	11,976	12,336	12,706
Total Annual Operating Expenses & Reserves	232,709	240,658	248,880	257,384	266,181	275,280	284,691
NET OPERATING INCOME (LOSS) BEFORE DEBT SERVICE	38,531	37,363	36,092	34,711	33,217	31,603	29,864
Permanent Loan	-	-	-	-	-	-	-
n/a	-	-	-	-	-	-	-
NET CASH FLOW AVAILABLE BEFORE OTHER CHARGES	38,531	37,363	36,092	34,711	33,217	31,603	29,864

2/9/17

Rancho Cordova Financial Summary Updated 2.9.17.xlsx

Development Costs

TCAC Category/Item	Amount	per Unit	per sq ft building
ACQUISITION COSTS			
Land Cost or Value	630,000	22,500	19.64
Existing Improvements Value	-	-	-
Subtotal Land and Improvements	630,000	22,500	19.64
Extraordinary Cost via Eminent Domain	1,240,222	44,294	38.65
Subtotal Closing Costs	1,240,222	44,294	38.65
Demolition	-	-	-
Offsite, Dry Utilities, SMUD	439,000	15,679	13.68
Site Work	807,031	28,823	25.15
Structures	5,994,955	214,106	186.85
Contractor contingency	204,060	7,288	6.36
Podium Parking	-	-	-
Prevailing wage	-	-	-
General Requirements	813,002	29,036	25.34
General Contractor Overhead	361,652	12,916	11.27
General Contractor Profit	-	-	-
General Contractor Insurance	81,624	2,915	2.54
Payment and Performance Bond	136,040	4,859	4.24
Total New Construction	8,837,364	315,620	275.44
CONTINGENCY	446,868	15,960	13.93
RELOCATION EXPENSES	-	-	-
ARCHITECTURAL FEES			
Design	290,000	10,357	9.04
Supervision	42,000	1,500	1.31
Total Architectural Costs	332,000	11,857	10.35
SURVEY AND ENGINEERING	145,600	5,200	4.54
CONSTRUCTION INTEREST AND FEES			
Construction Loan Interest	300,000	10,714	9.35
Origination Fee	132,000	4,714	4.11
Lender and Investor Fees	100,000	3,571	3.12
Testing and Survey	-	-	-
Taxes	-	-	-
Insurance	88,374	3,156	2.75
Title and Recording	12,000	429	0.37
Other-Bridge Loan Interest	7,400	264	0.23
Other-Guarantee Fee	173,000	6,179	5.39
Other-Due Diligence Fee	60,000	2,143	1.87
Total Construction Interest and Fees	872,774	31,170	27.20
PERMANENT FINANCING			
Loan Origination Fee	-	-	-
Credit Enhancement Application Fee	-	-	-
Title and Recording	7,500	268	0.23
Taxes/Insurance/Other	-	-	-
Other-Permanent Loan Interest	-	-	-
Other	379,000	13,536	11.81
Total Permanent Financing Costs	386,500	13,804	12.05
LEGAL FEES			
Legal Fees Paid by Applicant	40,000	1,429	1.25
Other Legal Fees	150,000	5,357	4.68
Total Legal Fees	190,000	6,786	5.92

2/9/17

Rancho Cordova Financial Summary Updated 2.9.17.xlsx

Development Costs

<u>TCAC Category/Item</u>	<u>Amount</u>	<u>per Unit</u>	<u>per sq ft building</u>
RESERVES			
Rent Reserves	45,000	1,607	1.40
Capitalized Rent Reserves	-	-	-
Operating Deficit Reserve	90,000	3,214	2.81
Total Reserve Costs	135,000	4,821	4.21

2/9/17

Rancho Cordova Financial Summary Updated 2.9.17.xlsx

Development Costs

TCAC Category/Item	Amount	per Unit	per sq ft building
OTHER PROJECT COSTS			
Application and Compliance Monitoring Fees	94,000	3,357	2.93
Appraisal	15,000	536	0.47
Environmental Audit	35,000	1,250	1.09
Other	-	-	-
Local Development Impact Fees	457,148	16,327	14.25
Permit Processing Fees	89,600	3,200	2.79
Startup Costs	-	-	-
Marketing and Sales	62,800	2,243	1.96
Fixtures Furniture and Equipment	84,000	3,000	2.62
Market Study	25,000	893	0.78
Accounting/Reimbursable	16,800	600	0.52
Soft Cost Contingency	84,034	3,001	2.62
Soils Tests	43,723	1,562	1.36
Other-Professional Fees	90,000	3,214	2.81
Total Other Costs	1,097,105	39,182	34.19
SUBTOTAL PROJECT COSTS	14,313,433	511,194	446.11
DEVELOPER COSTS			
Developer Overhead Profit	1,000,000	35,714	31.17
Consultant/Processing Agent	-	-	-
Project Administration	-	-	-
Broker Fees Paid to a Related Party	-	-	-
Construction Oversight by Developer	-	-	-
Total Developer Costs	1,000,000	35,714	31.17
TOTAL DEVELOPMENT COSTS	15,313,433	546,908	477.28

EXHIBIT E

DEVELOPMENT AND PERFORMANCE SCHEDULE

DEVELOPMENT PERFORMANCE SCHEDULE FOR
CROSSINGS AT WOODBERRY WAY
(AP# 057-0221-022)

The following milestones, dates and products, shall constitute performance requirements of the Developer UHC 00575 Rancho Cordova L.P, a California Limited Partnership (“**Developer**”) in the application for financing, construction, rent-up and continuing operation of the 28 unit, affordable, families project known as Crossings at Woodberry Way (“**Crossings 2**”).

CONSTRUCTION FINANCING

- Tax Credit Application
 - On or before March 1, 2017 (Rd #1), or June 28, 2017 (Rd #2), if not successful with 3/1/17 application, Developer shall cause the submission of a Tax Credit application satisfactory to the City of Rancho Cordova. This application shall include Letters of Intent for a construction loan and syndication equity agreement satisfactory to the City of Rancho Cordova.
 - Satisfaction of this requirement shall be met by proof submitted to the City of Rancho Cordova that a Tax Credit application was received by the California Tax Credit Allocation Committee.
- Construction Loan closing
 - On or before the 90th day after the date indicated on the Tax Credit award letter from CTCAC or 30 days from the issuance of building permits whichever occurs first, Developer shall cause a construction loan closing to occur. The closing shall include a construction loan satisfactory to the City of Rancho Cordova, a binding permanent loan commitment satisfactory to the City of Rancho Cordova and a Syndication Agreement satisfactory to the City of Rancho Cordova. Developer shall have one 30 day extension of time, at the Developer’s discretion.
 - Satisfaction of this requirement shall be a timely construction loan closing including the delivery to the City of Rancho Cordova of proof of the recordation of documents within 36 hours of the closing.
- Construction Completion
 - Construction shall be completed within 550 days of the Construction loan closing.
 - Satisfaction of this requirement shall be evidenced by the City’s delivery to the Developer of a Certificate of Completion. (Note that the delivery of this certificate requires the determination by the City of Rancho Cordova that the following requirements have been satisfied: Labor Standards requirements, Certificate of occupancy, proof of all lien releases, recorded AIA Notice of Completion, and an initial draft of the Final Budget.
- TCAC 8609
 - Developer shall have an audit completed for purposes of obtaining an 8609 from TCAC.

- Developer shall receive from TCAC an 8609 form plus any other requirements of the City consistent with industry standards.
- Satisfaction of this requirement shall be receipt of 8609 and final funding from the tax credit investor.

EXHIBIT F

FORM OF THE

REGULATORY AGREEMENT

4EXEMPT FROM RECORDING FEES
PER GOVERNMENT CODE §§6103, 27383

Field Code Changed

Recording requesting by:
and when recorded mail to:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95760
Attention:

_____ SPACE ABOVE THIS LINE FOR RECORDER'S USE _____

AFFORDABLE HOUSING REGULATORY AGREEMENT

AND

DECLARATION OF RESTRICTIVE COVENANTS

by and between

THE CITY OF RANCHO CORDOVA,

&

UHC 00575 RANCHO CORDOVA, L.P.

THIS REGULATORY AGREEMENT ("Agreement") is made this _____ day of _____, 2014 ("Effective Date"), by and between UHC 00575 Rancho Cordova, L.P., a California limited partnership (the "**Owner**"); and the City of Rancho Cordova, a California municipal corporation (the "**City**"). The Owner and the City are referred to herein collectively as the "**Parties**."

RECITALS

A. Pursuant to that certain Disposition, Development and Loan Agreement dated as of February____, 2017, between the Parties (the "**DDLA**"), City has conveyed that certain real property located in the City of Rancho Cordova and more particularly described in Exhibit A attached hereto and incorporated by reference (the "**Property**") for the development and construction by Owner of a multi-family affordable family residential rental project (the "**Project**") on the Property, and has further agreed to provide a permanent loan to Owner in the total principal

amount not to exceed Two Million Six Hundred Sixty-Six Thousand Two Hundred Dollars and No Cents (\$2,666,200.00) (the "**Permanent Loan**"). The Permanent Loan will be evidence by a promissory note (the "**Note**") and secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "**Deed of Trust**"). The Project consists of twenty-eight (28) units, of which twenty-seven (27) units shall be restricted for occupancy by households with incomes at or below sixty percent (60%) of the Area Median Income ("**AMI**") for a period of not less than fifty-five (55) years from issuance of a final certificate of occupancy for the Project.

B. The Property and the Project are located in the Rancho Cordova Redevelopment Project Area (the "**Project Area**"). Pursuant to California Health and Safety Code Section 34176(a)(1), on January 17, 2012, the City Council of the City of Rancho Cordova ("City Council") adopted Resolution No. 7-2012, whereby the City elected to retain the housing assets and functions of the former Community Redevelopment Agency off the City of Rancho Cordova ("**Agency**"), upon the dissolution of the Agency, effective February 1, 2012. As housing successor to the Agency, City has assumed responsibility for implementing the Project.

C. As a condition of the conveyance of the Property and the Permanent Loan, Owner agrees to place specified restrictions upon the use and transfer of the Property in order to ensure continued Project affordability.

D. The Parties intend that the covenants set forth in this Agreement shall run with the land and be binding upon Owner and Owner's successors and assigns as further provided herein.

E. Capitalized terms not defined herein, if any, shall have the meaning ascribed to them in the DDLA.

NOW THEREFORE, in consideration of the promises herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties covenant and agree as follows:

1. Recitals

The foregoing Recitals are incorporated herein by this reference.

2. Definitions

"**Actual Household Size**" means the actual number of persons in the applicable household.

"**Adjusted for Family Size Appropriate for the Unit**" shall be determined consistent with Section 50052.5(h) of the California Health and Safety Code and applicable federal rules, if any.

"**Affordable Rent**" means thirty percent (30%) of fifty percent (60%) of Area Median Income, of Area Median Income, as applicable to the particular Unit, Adjusted for Family Size Appropriate for the Unit.

"**Area Median Income**" or "**AMI**" means the median income for Sacramento County, adjusted for Actual Household Size, as published from time to time by the U.S. Department of Housing and Urban Development ("HUD") pursuant to Section 8 of the United States Housing Act of 1937.

"**Eligible Household**" means a household for which household income upon initial occupancy does not exceed the maximum income level for a Restricted Unit.

"**Extremely Low-Income Household**" means a household whose gross income does not exceed thirty percent (30%) of the Area Median Income, Adjusted for Actual Household Size.

"**Rent**" means all charges, other than deposits, paid by a tenant for the use and occupancy of a Restricted Unit and any mandatory charge for direct or supportive tenant services in a rental housing development, including a utility allowance in an amount determined by the local Housing Authority with jurisdiction over the Project.

"**Restricted Unit**" means one of the twenty-seven (27) dwelling units in the Project that are reserved for occupancy by Households with incomes at or below 60 % of Area Median Income , as applicable.

"**Term of this Agreement**" means the period through the fifty-fifth (55th) anniversary of the issuance of the final certificate of occupancy for the Project.

"**Very Low-Income Household**" means a household whose gross income does not exceed fifty percent (50%) of the Area Median Income, adjusted for Actual Household Size.

3. Affordability Restrictions and Unit Schedule

Upon issuance of a final certificate of occupancy and for the entire Period of Affordability (as defined in Section 9, below), the Project shall be rented to, at a Rent no greater than Affordable Rent, and occupied by (or if vacant, available for occupancy by) Households with incomes as described according to the following schedule of Restricted Units:

	1 bedroom	2 bedroom	3 bedroom	4 bedroom
At or Below 60% AMI	0	19	9	0

4. Tenant Selection Standards

During the Period of Affordability the Owner shall select tenants in conformance with the

requirements of California Code of Regulations, Title 25, Division 1, Chapter 7, Subchapter 19, Section 8305.

- a. Owner shall rent vacant Restricted Units only to Eligible Households in accordance with a Management Plan approved by City. Such Management Plan may be periodically altered and such alteration must be submitted to and approved by City prior to use. The Management Plan shall include:
 - (1) Reasonable criteria for selection or rejection of tenant applications which shall not discriminate in violation of any federal, state or local law governing discrimination, or any other arbitrary factor;
 - (2) Prohibition of local residency preferences, except where accompanied by an equal preference for employment in the local area and applied to areas not smaller than municipal jurisdictions or recognized communities within unincorporated areas;
 - (3) Tenant selection procedures that include the following components, and that are available to prospective tenants upon request:
 - (A) Selection of tenants based on order of application, lottery or other reasonable method approved by City;
 - (B) Prompt written notification to tenant applicants of eligibility for residency and, based on turnover history for Restricted Units, the approximate date when a Restricted Unit may be available;
 - (C) Prompt written notification of tenant applicants who are found ineligible to occupy a Restricted Unit of their ineligibility and the reason for the ineligibility, and of their right to appeal this determination;
 - (D) Maintenance of a waiting list of applicant households eligible to occupy Restricted Units designated for various tenant income levels, which shall be made available at no charge to prospective tenants upon request;
 - (E) Targeting specific special needs populations in accordance with this Agreement and applicable laws; and
 - (F) Affirmative fair housing marketing procedures as specified in the Affirmative Fair Housing Marketing Plan Compliance Regulations of HUD, 24 CFR Part 200.620(a)-(c), 24 CFR Part 92.351(a) or similar affirmative fair marketing housing plan as approved by City.
- b. Owner shall rent vacant Restricted Units to households with no less than the number of people specified in the following schedule:

Unit Size	Minimum Number of Persons in Household
2- BR	2
3-BR	4

Owner may assign tenant households to Restricted Units of sizes other than those indicated as appropriate in the table above if Owner reasonably determines that special circumstances warrant such an assignment and the reasons are documented in the tenant's file. Owner's determination is subject to approval by City. Through the Management Plan, Owner may receive advance approval of categorical exceptions to the above schedule.

5. Certification of Tenant Income, Household Size and Age Qualifier

- a. The income and household size of all households occupying Restricted Units shall be certified by Owner prior to occupancy and recertified annually thereafter in a manner approved by City and specified in the Project's Management Plan.
- b. If the income of a tenant upon recertification exceeds the upper limit for households at or below sixty percent (60%) of AMI, the tenant must pay as rent the lesser of the amount payable by the tenant under State or local law or thirty percent (30%) of the household's adjusted monthly income for rent and utilities; except that the rent may not exceed the market rent for comparable, unassisted units in the neighborhood.
- c. If at the time of recertification a tenant's household size has changed and no longer meets the occupancy standards pursuant to Section 4b, Owner may require the tenant to move to the next available appropriately sized unit.

Comment [r1]: UHC to verify.

6. Marketing Plan

- a. Not later than one hundred and twenty (120) days prior to the anticipated date of issuance of a certificate of occupancy for the Project, Owner shall prepare a Marketing Plan for City's review and approval, and shall implement such plan as approved by the City. The Marketing Plan shall specify how Owner intends to market the Project to prospective tenants in the Project's market area in accordance with fair housing laws and this Agreement. The Marketing Plan shall specifically address how Owner intends to market the Project to underserved populations in the Project's market area and the frequency of marketing efforts. City agrees that Owner may utilize the HUD 935.2 Affirmative Fair Housing Marketing Plan for these purposes.
- b. Owner agrees to evaluate the effectiveness of the Marketing Plan in reaching underserved populations on an annual basis and to revise it as necessary to better reach underserved populations that are not being reached. Any revised Marketing Plan shall be submitted to City for approval prior to implementation.

7. Unit Standards

For the full Permanent Loan term, the number, size, type, and amenity level of Restricted Units shall not be fewer than the number nor different from the size, type and amenity level described in Section 3 and Recital A, above.

8. Rental Agreement and Grievance Procedures

The rental agreement and grievance procedures shall be in accordance with California Code of Regulations, Title 25, Division 1, Chapter 7, Subchapter 19, Section 8307.

- a. One-year Term All rental or occupancy agreements shall be for a term of not less than one (1) year unless by mutual agreement between the tenant and Owner.
- b. City Approval All rental or occupancy agreements are subject to City approval; and shall include the following:
 1. Provisions requiring good cause for termination of tenancy;
 2. A provision requiring that the facts constituting the grounds for any eviction be set forth in the notice provided to the tenant pursuant to state law;
 3. A notice of grievance procedures for hearing complaints of tenants and appeal of management action; and
 4. A requirement that the tenant annually recertify household income and size.
- c. Termination of Tenancy Owner shall not terminate the tenancy or refuse to renew the lease of a tenant except for serious or repeated violations of the terms and conditions of the lease; for violation of applicable federal, state, or local law; or for other good cause.
- d. Written Notice To terminate or refuse to renew tenancy, Owner must serve written notice upon the tenant in compliance with State law, specifying the grounds for the action, and served at least thirty (30) days prior to the termination of the tenancy.
- e. "Good Cause" One or more of the following, without limitation, may constitute "good cause":
 1. Failure by the tenant to maintain applicable eligibility requirements as imposed by City or other state or federal funding sources or tax credits;
 2. Material noncompliance by the tenant with the lease, including one or more substantial violations of the lease or habitual minor violations of the lease which:

- A. Adversely affect the health and safety of any person or the right of any tenant to the quiet enjoyment of the leased premises and related Project facilities;
 - B. Substantially interfere with the management, maintenance, or operation of the Project; or
 - C. Result from the failure or refusal to pay, in a timely fashion, Rent or other permitted charges when due. Failure or refusal to pay in a timely fashion is a minor violation if payment is made during the three- (3-) day notice period;
 - 3. Material failure by the tenant to carry out obligations under federal, State, or local law;
 - 4. Subletting by the tenant of all or any portion of any Project Unit;
 - 5. Any other action or conduct of the tenant constituting significant problems which can be reasonably resolved only by eviction of the tenant, provided Owner has previously notified the tenant that the conduct or action in question would be considered cause for eviction. Examples of action or conduct in this category include the refusal of a tenant, after written notice, to accept reasonable rules or any reasonable changes in the lease or the refusal to recertify income or household size.
 - 6. Notwithstanding the foregoing, if any part of this Section 7(e) is determined to not be "good cause" pursuant to Section 42 of the Internal Revenue Code of 1986, Section 42 of the Internal Revenue Code of 1986 shall control
- f. Prohibited Lease Provisions The lease may not contain any of the following provisions:
- 1. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of Owner or Owner's agent in a lawsuit brought in connection with the lease;
 - 2. Agreement by the tenant that Owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, shall not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. Owner may dispose of this personal property in accordance with State law;
 - 3. Agreement by the tenant not to hold Owner or Owner's agent(s) legally responsible for any action or failure to act, whether intentional or negligent;

4. Agreement of the tenant that Owner or Owner's agent may institute a lawsuit without notice to the tenant;
 5. Agreement by the tenant that Owner or Owner's agent may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
 6. Agreement by the tenant to waive any right to a trial by jury;
 7. Agreement by the tenant to waive tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
 8. Agreement by the tenant to pay attorneys' fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.
- g. Rules of Conduct Owner shall establish reasonable rules of conduct and occupancy. Such rules shall be consistent with state law and regulations. Said rules shall be in writing and shall be given to each tenant upon occupancy. Any changes shall become effective no fewer than thirty (30) days after giving written notice thereof to each tenant household.
- h. Appeal & Grievance Procedures Owner shall adopt an appeal and grievance procedure to resolve grievances filed by tenants and appeals of actions taken by Owner with respect to tenants' occupancy in the Project, and prospective tenants' applications for occupancy. Owner's appeal and grievance procedures shall be subject to City's approval and, at a minimum, shall include the following:
1. A requirement for delivery to each tenant and applicant of a written copy of the appeal and grievance procedure;
 2. Procedures for informal dispute resolution;
 3. A right to a hearing before an impartial body, which shall consist of one or more persons with the power to render a final decision on the appeal or grievance; and
 4. Procedures for the conduct of an appeal or grievance hearing and the appointment of an impartial hearing body.
- i. Security Deposits Security deposits shall be required by tenants only in accordance with State law and this Agreement. Any security deposits collected by Owner or Owner's agent shall be kept separate and apart from all other funds of the Project in a trust account with a depository insured by the Federal Insurance Deposit

Corporation ("F.D.I.C") or comparable federal deposit insurance program, and shall be held and disbursed in accordance with State law. The balance of such account shall at all times equal or exceed the aggregate of all outstanding obligations under such account, plus accrued interest thereon.

9. Period of Affordability

Owner acknowledges that the Permanent Loan is being made to Owner under the terms and conditions of the DDLA to ensure affordable housing for Project tenants. To preserve affordability of the Restricted Units, Owner covenants that the Restricted Units shall remain affordable for a period of fifty-five (55) years (hereinafter referred to as the "**Period of Affordability**") from the date of "Project Completion" as specified at 24 CFR 92.2. It is intended by the parties to this Agreement, that this covenant shall run with the land in accordance with the provisions of 24 CFR 92.252, with the benefit of this covenant running to the City, in order to preserve the public interest in maintaining the affordability of the Restricted Units. The Period of Affordability will remain without regard to the term of any mortgage or the transfer of the Property ownership, other than by foreclosure or deed in lieu of foreclosure.

10. Restrictions on Sale, Transfer or Conversion

- a. Upon any sale or transfer, including transfer by gift, devise, descent, foreclosure, assignment, deed in lieu of foreclosure, condemnation, or voluntary or involuntary bankruptcy, of the Property without the prior written approval of City, all principal, interest and costs then owing upon the Permanent Loan will become immediately due and payable to City.
- b. City may approve a sale, transfer or conveyance of the Property provided that all of the following conditions are met: (i) the existing Owner is in compliance with this Agreement or the sale, transfer or conveyance will result in the cure of any existing violations of this Agreement; (ii) the successor-in-interest to Owner agrees to assume all obligations of the existing Owner pursuant to this Agreement; (iii) the successor-in-interest demonstrates to City's satisfaction that it can own and operate the Project in full compliance with all City requirements; and (iv) City determines, in the sole exercise of its reasonable discretion, that no terms of the sale transfer or conveyance threaten City's security or the successor's ability to comply with all requirements of this Agreement.
- c. Owner shall not convert the Project to condominium or cooperative ownership or sell condominium or cooperative rights to the Project or any part thereof during the Period of Affordability.
- d. Nothing contained in this Section 10 shall prohibit the transfer of the Property or Owner's interest therein that is permitted under Article VIII of the DDLA.

11. Restrictions on Encumbrances.

Owner covenants that Owner has not, and shall not enter into or execute any other agreement with provisions contrary to the provisions of this Agreement, or contrary to the intent of maintaining the affordability of the Property for the full Period of Affordability described in Section 9, above; provided, however, that Owner may, without the written consent of City, enter into a Regulatory Agreement with CTCAC with regard to tax credits. In all cases, the provisions of 24 CFR 92.252(e) shall continue to apply to the Project. Owner further covenants that it has not, and shall not, otherwise encumber the Property, including without limitation by way of mortgage or deed of trust, or by judgment, mechanic's, tax or other lien without City's prior written consent.

12. Reserve Accounts

- a. Replacement Reserve. Commencing no later than the end of the second month following the initial occupancy of the Project or such other date as the City shall designate in writing, Owner shall establish a segregated interest-bearing replacement reserve account in an F.D.I.C. or other comparable federally-insured financial institution. Funds from the replacement reserve are to be used for defraying the cost of infrequent major repairs, and replacement of building components that are too costly to be absorbed by the Project's annual operating budget.
 - (1) Withdrawals from the replacement reserve shall require prior written approval of the City. Should the City fail to take action on a request for an eligible withdrawal from the replacement reserve within thirty (30) days of documented receipt of the request, that request shall be deemed approved.
 - (2) Withdrawals shall only be made for capital improvements, such as replacing or repairing structural elements, furniture, fixtures or equipment of the Project that are reasonably required to preserve the Property.
 - (3) The replacement reserve shall be funded from Operating Income or a combination of Operating Income and development sources as required by lenders and other funding sources. The City may periodically adjust the amount of required deposits to the replacement reserve for the Project based on the results of reserve studies or other reliable indicators of the need for replacement reserve funds over time.
- b. Operating Reserve. Commencing no later than the end of the second month following the initial occupancy of the Project, or such other date as the City shall designate in writing, Owner shall establish an operating reserve account or subaccount within the Project's general operating account in an amount required by lenders and other funding sources.
 - (1) Funds from the operating reserve shall be used for defraying operating shortfalls arising from unforeseen circumstances beyond the rent-up period.
 - (2) Withdrawals from the operating reserve shall require prior written approval of the City. Should the City fail to take action on a request for an eligible

withdrawal from the operating reserve within thirty (30) days from documented receipt of the request, that request shall be deemed approved.

- (3) Owner shall fully replace any withdrawals from the operating reserve using available cash flow prior to use of any cash flow to pay deferred developer fee, asset management, partnership management or similar fees, or distributions.
 - (4) Upon occurrence of both of the following events, the City may reduce the required minimum balance: (i) operation at a debt service coverage ratio of 1.15 or greater for five (5) years; and (ii) operation at an Operating Expense coverage ratio of 1.08, where Operating Expense ratio is defined to equal effective gross income, less required replacement reserve deposits and non-contingent debt service, divided by total Operating Expenses, not including the approved cost of supportive services coordination.
 - (5) Where all development funding sources are legally precluded from using their funds to capitalize the operating reserve as required by lenders and other funding sources, the operating reserve may be funded from Operating Income, provided that cash flow is sufficient to reasonably ensure that the required balance can be accumulated within six (6) years of initial occupancy.
13. Accounting Records, Audits. In a manner subject to City approval, Borrower shall maintain on an accrual or modified accrual basis, a general ledger accounting system that is posted monthly and that accurately and fully shows all assets, liabilities, income and expenses of the Project. All records and books relating to this system shall be kept for a period of at least seven (7) years and in such a manner as to ensure that the records are reasonably protected from destruction or tampering. All records shall be subject to City inspection and audit. In addition, Borrower shall obtain and provide to City an annual independent audit performed by a certified public accountant using generally accepted accounting principles.
 14. Use of Income from Operations.
 - a. Owner, or Owner's management agent, shall promptly deposit all Operating Income in a segregated account established exclusively for the Project with an F.D.I.C. or other comparable federally-insured financial institution.
 - b. Withdrawals from this account shall be made only in accordance with the provisions of this Agreement, and the approved budget, and shall be disbursed, applied, or reserved and set aside for payment when due, in the following priority, to the extent available: (1) salaries, wages, and any other compensation due and payable to the employees or agents of Owner employed on site in connection with the maintenance, administration or operation of the Project, along with all withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments required in connection with such employees; (2) all charges incurred in the operation of the Project in connection with utilities, real estate taxes and assessments, and liability,

fire and other hazard insurance; (3) payments of required interest, principal, impounds, fees and charges, if any, on loans other than the Permanent Loan that are secured by liens on the Property and that have been approved by the City; (4) all other expenses incurred to cover operating costs, including the fee of the managing agent and any extraordinary expenses, in accordance with the approved annual operating budget of the City or as otherwise approved in advance by the City; (5) deposits to required operating and replacement reserve accounts.

- c. The balance of Operating Income remaining after the payments described in Section 21(b) above shall be deemed "Residual Receipts" to be paid and applied as provided in Section 15 below.

15. Surplus Cash and Distributions.

Surplus Cash (or Residual Receipts) shall be applied as described in the Note.

16. Non-Discrimination; Compliance with Fair Housing Laws

a. Fair Housing. Owner shall comply with State and Federal fair housing laws in the marketing and rental of the units in the Project.

b. Non-Discrimination. Owner shall not restrict the rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or any portion thereof, on the basis of race, color, religion, creed, sex, sexual orientation, disability, marital status, ancestry, or national origin of any person. Owner covenants for itself and all persons claiming under or through it, and this Agreement is made and accepted upon and subject to the condition that there shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or part thereof, nor shall Owner or any person claiming under or through Owner establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in, of, or for the Property or part thereof. Owner shall include such provision in all deeds, leases, contracts and other instruments executed by Owner, and shall enforce the same diligently and in good faith.

All deeds, leases or contracts made or entered into by Owner, its successors or assigns, as to any portion of the Property or the Improvements shall contain the following language:

- (1) In Deeds, the following language shall appear:

"Grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through it, that there shall be no discrimination against

or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property herein conveyed nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the property herein conveyed. The foregoing covenant shall run with the land.”

Notwithstanding the above paragraph, with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

(2) In Leases, the following language shall appear:

“The lessee herein covenants by and for the lessee and lessee’s heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry or disability in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein leased nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.”

Notwithstanding the above paragraph, with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11 and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

(3) In Contracts

“There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the property nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use or occupancy of tenants, lessee, subtenants, sublessees or vendees of the land.”

17. Default and Remedies

a. Events of Default The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") hereunder:

(1) The occurrence of a transfer, sale or conversion in violation of Section 10 hereof or an encumbrance in violation of Section 11 hereof;

(2) If, pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors ("Bankruptcy Law"), Owner or any general partner thereof (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against Owner or any general partner thereof in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator or similar official for Owner or any general partner thereof; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due;

(3) A court of competent jurisdiction shall have made or entered any decree or order (1) adjudging the Owner to be bankrupt or insolvent, (2) approving as properly filed a petition seeking reorganization of the Owner or seeking any arrangement for Owner under bankruptcy law or any other applicable debtor's relief law or statute of the United States or any state or other jurisdiction, (3) appointing a receiver, trustee, liquidator, or assignee of Owner in bankruptcy or insolvency or for any of its properties, or (4) directing the winding up or liquidation of the Owner;

(4) Owner shall have assigned its assets for the benefit of its creditors (other than pursuant to a mortgage loan) or suffered a sequestration or attachment of or execution on any substantial part of its property, unless the property so assigned, sequestered, attached or executed upon shall have been returned or released within sixty (60) days after such event (unless a lesser time period is permitted for cure under any other mortgage on the property or the improvements thereon, in which event such lesser time period shall apply under this subsection as well) or prior to any sooner sale pursuant to such sequestration, attachment, or execution;

(5) Owner shall have voluntarily suspended its business or Owner shall have been dissolved or terminated; or

(6) Any material breach by Owner or any of its successors of any representation, warranty or covenant hereunder, which is not cured within thirty (30) days after notice thereof given by the City or Agency, or, if a cure is not possible within thirty (30) days, where cure is not commenced within thirty (30) days and thereafter diligently prosecuted to completion.

b. Remedies If an Event of Default occurs under the DDLA, this Agreement or documents for the Permanent Loan, City may give written notice to the Owner by certified mail or any express delivery service with a delivery receipt requested. If the breach or violation is not cured to the satisfaction of the Party so notifying Owner within the time period specified in the notice, which shall not be fewer than thirty (30) days, the notifying Party may declare a default and may seek legal remedies including the following:

(1) Collect all rents and income in connection with the operation of the Project and use the same and the reserve funds for the operation and maintenance of the Project.

(2) Take possession of the Project and bring any action necessary to enforce any rights of the Owner arising from the operation of the Project, and operate the Project in accordance with the terms of this Agreement until such time as the City, in its sole discretion, shall determine that the Owner is again in a position to operate the Project in accordance with the terms of this Agreement.

(3) Apply to the applicable State or federal court for an order of specific performance of this Agreement, or for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement, or for such other relief as may be appropriate. It is agreed by the Owner that the injury to the City arising from a default under any of the terms of this Agreement would be irreparable, and that the amount of compensation which would provide adequate relief to the City, would be impossible to ascertain.

(4) Accelerate all amounts, including outstanding principal and interest, due under the Permanent Loan, and demand immediate repayment thereof. Upon a failure to repay such accelerated amount in full, the City may proceed with a foreclosure in accordance with the provisions of the Deed of Trust and State law regarding foreclosures. However, in the event of a nonmonetary breach that cannot reasonably be cured within the time period set forth in the notice, the Permanent Loan may not be accelerated hereunder if within said designated time Owner gives written notice to City of Owner's intention to cure said breach, and diligently prosecutes and effects such cure no later than sixty (60) days from the date such notice of breach is given.

(5) The City may seek such other remedies as may be available under law or equity.

(6) In the event that the breach or violation involves the rents to tenants or other charges in excess of those permitted under this Agreement, the City may demand, and seek as an additional remedy, the return of such excess rents or other charges to the affected households.

(7) The tenants of the Restricted Units shall be considered to be third-party beneficiaries of this Agreement, and shall have such rights and remedies to enforce the requirements of this Agreement as may be available to third-party beneficiaries under the law.

c. Remedies Cumulative The remedies of the City hereunder are cumulative, and the exercise of one or more of such remedies shall not be deemed an election of remedies and shall not preclude the exercise by the City of any one or more of its other remedies.

d. Rights of Limited Partners. Owner's limited partners shall have the right to cure any default of Owner hereunder upon the same terms and conditions afforded to Owner. Whenever City delivers any notice of default hereunder, City shall concurrently deliver a copy of such notice to Developer's limited partner(s) at the following address (or such alternate address designated by such limited partner(s) from time to time in a written notice to City).

18. Recordkeeping and Reports

Owner or the management agent designated by Owner, as approved by City, will be responsible for recordkeeping and reports, including those required to comply with Fair Housing and Equal Opportunity requirements, as may be required by City. The management agent will establish and maintain a comprehensive system of records, books, and accounts in a manner conforming to the directives of Owner in order to assist City in meeting Federal and State recordkeeping and reporting requirements, as applicable. All records, books, and accounts will be subject to examination at reasonable hours by any authorized representative of City. All such records and books shall be kept for a period of at least seven (7) years in a manner designed to protect them from destruction or tampering, and shall be subject to inspection and audit by the City, or its authorized agents.

19. Maintenance & Management

- a. Owner is solely and specifically responsible for all maintenance, repair, and management functions for the Project, including without limitation, selection of tenants, certification and recertification of household income and size, evictions, collection of rents, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. Owner shall maintain units and common areas in a safe and sanitary manner in accordance with local health, building, and housing codes, HUD housing quality standards pursuant to 24 CFR 882.109. City shall not have any responsibility for management or maintenance of the Property or the Project, but shall have the remedies provided for in Section 14 hereof, which they may exercise at their option as applicable.
- b. Owner may contract with a management agent for the performance of the services or duties required in Section 19a above. However, doing so shall not relieve Owner of responsibility for proper performance of said duties. Any such contract shall contain a provision allowing Owner to terminate the contract without penalty with no more than thirty (30) days notice. Upon determination by City and notice to Owner that the contracted management agent has failed to operate the Project in accordance with this Agreement, Owner shall exercise such right of termination forthwith and shall

immediately make arrangements, subject to City approval, for continuing performance of the requirements of this Agreement.

- c. If Owner operates the Project directly without contracting with a management agent and City determines that the Project is not being operated in accordance with this Agreement, City may provide notice to Owner thereof, and may require Owner to contract with a management agent to operate the Project, or to make such other arrangements as City deems necessary to ensure performance of the requirements of this Agreement.

20. Inspections

- a. Owner shall allow City access to the Project to conduct inspections on an annual basis, or more frequently, with fourteen (14) days written notice to Owner.
- b. Owner shall provide tenants with a minimum of twenty-four (24) hours written notice prior to seeking access to a tenant unit for inspection purposes. In said notice, Owner shall clearly inform tenant of the purposes of the inspection.

21. Hazard & Liability Insurance

- a. Owner shall at all times keep the development insured against loss by fire, flood (as required pursuant to 24 CFR 92.358), and other such hazards, casualties, liabilities and contingencies, and in such amounts and for such periods as set forth in the DDLA. All insurance policies and renewals thereof shall be issued by a carrier and in a form acceptable to City. Property insurance policies shall name City as an additional insured in a manner approved by City.
- b. Insurance proceeds and condemnation awards for any loss to or taking of the Project, or any portion thereof, shall be applied or utilized by Owner as provided in the Deed of Trust for the Permanent Loan.

22. Governing Law

This Agreement shall be construed in accordance with and be governed by the laws of the State of California.

23. Successors and Assigns

This Agreement and all the covenants, promises, and agreements contained in it shall be binding on and inure to the benefit of the Parties and their respective legal and personal representatives, devisees, heirs, successors, and assigns.

24. Severability

If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby unless, in the sole discretion of City, the invalidity, or unenforceability of the provision negates the purpose of this Agreement and/or threatens the security for the City's Permanent Loan.

25. Venue

If either Party to this Agreement initiates any legal or equitable action to enforce the terms of this Agreement, to declare the rights of the parties under this Agreement, or which relates to this Agreement in any manner, the Parties agree that the proper venue for any such action is the Superior Court of the State of California of and for the County of Sacramento or in the United States District Court for the Eastern District of California, as applicable.

26. Attorneys' Fees and Costs of Enforcement

Owner agrees to pay any and all of City's costs with respect to enforcement of this Agreement, including City's reasonable attorneys' fees, costs and expenses. Furthermore, the prevailing party in any action to enforce this Agreement, including the tenants of Restricted Units, shall be entitled to reasonable attorneys' fees as determined by the trier of fact in that forum.

27. Counterparts/Originals

This Agreement may be executed in counterparts, each of which shall be an original and all of which together shall constitute one (1) entire Agreement.

28. Amendment

This Agreement shall not be altered or amended except in a writing executed by the Parties.

29. No Waiver

No waiver by the City of any breach of or default under this Agreement shall be deemed to be a waiver of any other or subsequent breach or default hereunder.

30. Captions

The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Agreement.

31. Parties Not Co-Venturers

Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers,

or principal and agent with one another.

32. Notice

Written notices and other written communications between the Parties shall be addressed to their principal place of business unless or until a Party communicates in writing to the other party that a different address should be used.

33. Hold Harmless

Except to the extent arising from the City's willful misconduct, Owner agrees to indemnify, defend and hold harmless the City and its agents, employees and officers (collectively, "Indemnitees") from and against any and all claims, losses, liabilities, causes of action or costs (including reasonable attorneys' fees) arising from or in connection with Owner's development, management, maintenance or operation of the Project.

34. Affordability Protocols

To the extent that State, Federal and local laws and regulations may conflict with respect to household income levels, rent levels, or similar provisions relating to affordability of the Project, the Parties acknowledge and agree that the intent of this Agreement is to provide the maximum affordability restrictions.

35. Entire Agreement

This Agreement, including Exhibit A, attached hereto and incorporated herein by this reference, together with the other City Documents, contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

SIGNATURES ON FOLLOWING PAGE.

By signing below, Owner accepts and agrees to the terms and covenants contained in this Agreement.

CITY:

The City of Rancho Cordova,
a California municipal corporation

By: _____

Name: _____

Title: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

OWNER:

UHC 00575 Rancho Cordova, L.P.,
a California limited partnership

By: _____

Its: _____

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 2014, before me, _____ 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.

Signature _____ (Seal)

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 2014, before me, _____ 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.

Signature _____ (Seal)

LEGAL DESCRIPTION

2286847.1

EXHIBIT G

PLANS AND SPECIFICATIONS PER DESIGN REVIEW

BACKGROUND

The project site, 2738 Woodberry Way (formerly 10447 Folsom Boulevard) is located within the Folsom Boulevard Specific Plan (FBSP) which was adopted in 2006 and amended substantially in 2013. The FBSP is a guide for future development and redevelopment in the plan area. It seeks to increase the density of both housing and commercial activity and increase pedestrian, bicycle, and transit trips to, from, and through the area; increase the visibility of the Folsom Boulevard corridor as a destination; and change the dynamic and image to that of a high demand, thriving urban area. The plan area is approximately 4 miles in length and includes all of the parcels with frontage on Folsom Boulevard between Bradshaw Road and Sunrise Boulevard as well as some parcels contiguous to those adjacent properties. The City acquired the subject property in order to clear a former deteriorated structure on the site which was achieved in 2010. The property to the north, known as the Crossings at New Rancho was the first phase of the “New Rancho” project. The project site is the second phase of that larger project, **(See Figure 1)**. Since 2013, the second phase was proposed to be developed as a 48-unit senior, affordable housing project named the Horizons @ New Rancho. Efforts to accumulate the funding required for this phase have been unsuccessful.

Figure 1: Project site



Adjacent Zoning and Land Uses:

	Zoning	Land Use description	
North	R-20 Residential	Multi-Family, Crossings at New Rancho	
South	High Density Residential (HDR FBSP)	Multi-Family	
East	Commercial Mixed Use (CMU FBSP)	Commercial businesses	
West	High Density Residential (HDR FBSP) and Commercial Mixed Use (CMU FBSP)	Multi-Family and Commercial businesses	

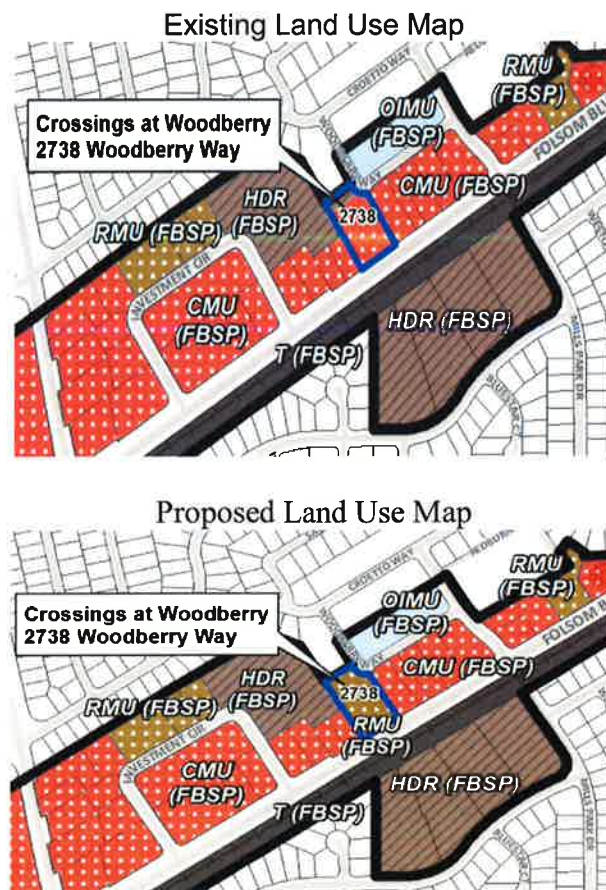
ANALYSIS:

The proposal contains the following items that will be analyzed individually as follows: Rezone (via a Folsom Boulevard Specific Plan Amendment), parking exception, and Major Design Review.

SPECIFIC PLAN AMENDMENT

The applicant's request for the rezone to the Folsom Boulevard Specific Plan includes an amendment to the Land Use Map from Commercial Mixed Use and High Density Residential to Residential Mixed Use. (See Figure 3 and (Exhibit 1A).

Figure 3: Existing and Proposed Rezone to the FBSP

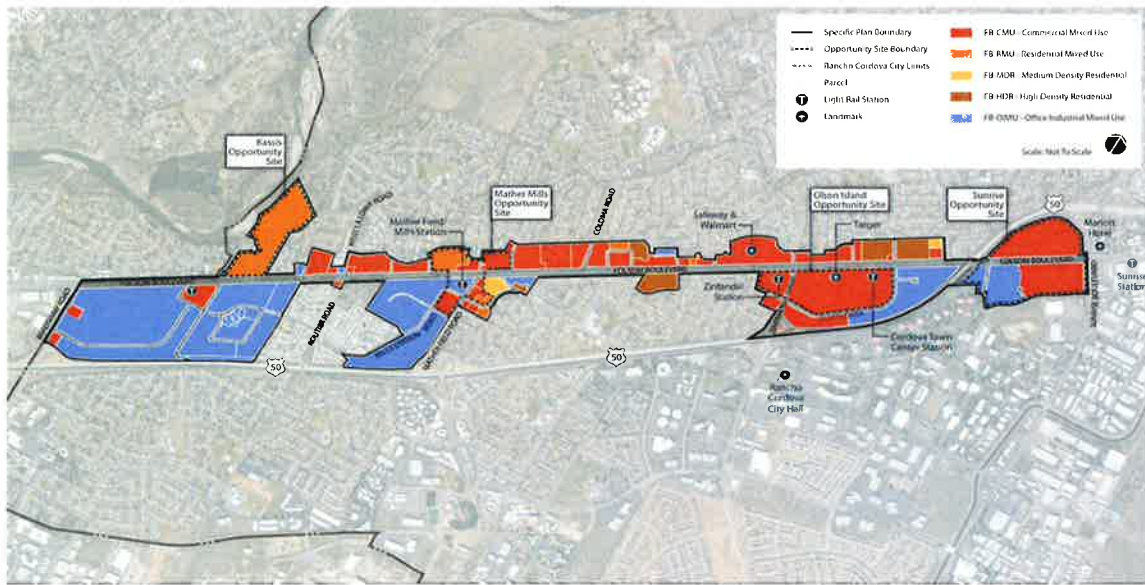


When the FBSP was approved the land use designation for the project site was high density residential. In 2009, the project site was rezoned to Urban Reserve 2 (UR-2). The UR-2 zoning designation required density of between 6.1 and 40 dwelling units per acre. While the predominate future development pattern within this district will have a medium to high density housing focus, the City encourages the vertical and/or horizontal integration of commercial and/or office uses that are compatible with residential development, particularly at the edge of neighborhoods to provide needed and compatible services. In 2013, the FBSP was amended again and the project site was rezoned to Commercial Mixed Use (CMU). There is a strip of land on the northern portion of the site zoned High Density Residential due to a lot line adjustment for the several parcels that were included in the "New Rancho" project. The subject FBSP Land Use zone designations are described as follows;

Zone	Description
CMU	Primarily for commercial development. However properties with this designation may also include office and/or residential uses. In multiple-story buildings, commercial uses are the predominant use on the ground floor, occupying at least 50 percent of the ground-floor area. Commercial retail and service uses are permitted by right, and more intense commercial and service uses are conditionally permitted. Business and professional office uses, as well as residential uses with a density between 10 and 18 units per acre, are also permitted by right when integrated vertically or horizontally with commercial uses.
HDR	Development of residential uses with a density between 18.1 and 40 units per acre. The HDR district is intended for higher-density residential development, such as apartments, condominiums, lofts, and other multi-story residential uses.
RMU	Designate property primarily for the development of medium and high density housing, between 6.1 and 40.0 dwelling units per acre. However, properties with this designation may also include office and/or commercial services. Residential and nonresidential uses may be integrated vertically and/or horizontally and may be developed separately in phases consistent with the allowed use and development standards.

The project includes a multi-family use with a total of 28 affordable units on 0.97 acres (28.9 density). Under the current CMU zoning designation the project is over the allowed density. In addition, as described in the CMU designation the density between 10 and 18 units per acre are permitted by right when integrated vertically or horizontally with commercial uses. The proposed project does not include any commercial uses. In reviewing the FBSP Land Use Plan, several of the RMU zoning designations are located along Folsom Boulevard, similar to the subject site, see **Figure 4**. In addition, the RMU allows density between 6.1 and 40.0 dwelling units per acre and includes flexibility to include service related commercial and office services. The RMU zone provides the allowable residential density for the proposed multi-family project.

Figure 4: FBSP Land Use Plan



Rezone FBSP Amendment Findings

In order to approve an Amendment to the FBSP, specific findings must be made. These findings are provided below:

- A. Finding: The proposed amendment to the FBSP is consistent with the goals, objectives, general land uses, programs and policies of the applicable General Plan of the City of Rancho Cordova.

Evidence: The project is providing an infill development within the allowable densities of the Residential Mixed Use zoning with proximate housing that will support the Folsom Boulevard Specific Plan businesses and the City of Rancho Cordova as related to *Goal LU.2 – Establish Growth Patterns Based on Smart Growth Principles and the City Building Blocks Concepts* and *Goal LU.5 – Redevelop, regenerate, and Raise the Value of Areas of the City Developed Prior to Incorporation..* The project provides affordable residential development that improves the jobs/housing balance as stated in *Policy LU.2.8 – Grant density bonuses and other related incentives, consistent with state law and local policy.* The project provides diversity in housing stock.

- B. Finding: The proposed amendment to the FBSP would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

Evidence: The amendment adds diverse housing stock and provides pedestrian circulation as there are several pedestrian connections included within the project and this improves public safety in the area.

- C. Finding: The proposed amendment to the FBSP complies with the California Environmental Quality Act ("CEQA").

Evidence: None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan

project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.

- D. Finding: The proposed map amendment that includes the project site is physically suitable.

Evidence: The land is vacant and graded, the adjoining land uses include commercial to the east and west that provide services and similar residential density (multi-family) to the north. Existing utilities are in place. Anticipated land use to the east and west are designated as Commercial Mixed Use, which includes commercial retail and service uses are permitted by right and more intense commercial and service uses are conditionally permitted. CMU also includes office and/or residential uses.

PARKING EXCEPTION

The proposed project is affordable family housing that includes 28 units (18 two-bedroom and 10 three-bedroom units) and 45 parking spaces (1.61 spaces per unit) as follows:

- 25 under structure carport parking spaces
- 6 carport spaces
- 14 surface parking spaces

The FBSP directs the parking standards to the Zoning Code that states that for a multi-family project the parking standard is 2 spaces per unit plus guest parking, at a rate of 0.6 per a unit for a total of 73 parking spaces (2.6 spaces per a unit).

The Folsom Boulevard Specific Plan includes an "Exceptions" section within the Project Review Chapter. The section states as follows:

"The City Council recognizes the real-world challenges that the vision and development standards present in a depressed economy and as such, desires to provide additional flexibility for projects that will benefit the community in specific, identified ways. An applicant may request that the City Council approve an exception to allow a development project that does not strictly adhere to the Specific Plan or to other City development standards."

The project must meet at least four of the six conditions. The proposed project meets four of the conditions as follows:

1. Will fulfill a compelling community need, as indicated by an existing City goal, General Plan policy, budget policy, or other Council-adopted policy document. *The project provides housing for income restricted families and fulfills a community need as affordable housing is limited in the City and this advances General Plan Housing Element Goal H.1 – Balance Employment and Housing, Goal H.2 – Neighborhood Preservation and Rehabilitation and Goal H.7 – Pursue Public and Private Resources Available to Promote Diverse Housing Opportunities, and Particularly to Assist in the Creation of Workforce Housing and Special Needs Housing.*
2. Will improve an existing blighted situation by removing 100 percent of the blight located on the subject property. *As stated previously, the two projects replace several blighted structures that negatively impacted the immediate area.*

3. Will provide unmet services to a currently underserved community. *The proposed project is providing 28 units for income restricted families and fulfills a community need for affordable housing.*
4. Investments in the property will increase property tax revenue for the subject parcel by at least 250 percent. *Currently, the property tax revenue is \$0. The property will generate assessment of at least \$250 once developed.*

The procedure for granting Exceptions, the City Council shall make the following findings:

1. The proposed project qualifies for an Exception by meeting at least four of the six conditions required for granting of an Exception. *As stated above.*
2. The City Council has determined that the proposed project has adhered to the vision of the FBSP to the fullest extent practicable. *The proposed project provides revitalization pursuant to the FBSP through appropriate economic development and housing options.*
3. The applicant has provided substantial evidence that the conditions for the Exception will be met throughout the life of the project. *The project will be required to be maintained by a property manager to ensure that conditions are met.*
4. Granting the Exception will not adversely affect the interest of the public or the interest of the residents and property owners in the vicinity of the premises and shall not establish a precedent for other project results. *The project provides new residential buildings in an area that was formerly a blighted area. Light rail and bus transit are within the immediate area and provides alternate transportation methods.*
5. Granting the Exception will not endanger the public health and safety. *Reduction of the parking ratio will not endanger the public health and safety because parking space for a vehicle does not provide a health and safety issue.*

In addition, within the Zoning Ordinance Chapter 23.710 Housing Incentives/Density Bonus Provisions, the parking may be reduced for projects that provide affordable housing and close proximity to transit. Section 23.710.050 *Number and types of incentives and bonuses allowed* states as follows:

C. Available Incentives and Concessions:

1. A reduction in the site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission as provided in Part 2.5, Section 18907 of Division 13 of the Health and Safety Code, including but not limited to a reduction in setback and square footage requirements and in ratio of vehicle parking spaces that would otherwise be required and that results in identifiable, financially sufficient, and actual cost reductions.

The project meets the requirements for affordable incentives as all 28 units will be affordable units. In order to provide additional parking, the applicant would need to acquire more land, which would be an additional cost to the project.

Staff also notes that a shift in planning standards related to parking is occurring Statewide. The State Legislature recently approved Assembly Bill 744, which prohibits cities from imposing parking minimums greater than 0.5 spaces for certain affordable and senior housing developments near major transit.

MAJOR DESIGN REVIEW

Site Design

The three, three-story multi-family buildings are located near the perimeter of the site, with surface parking located on the interior and under structure parking under the buildings. A 15-foot wide pedestrian connection is provided along the eastern property line. The pedestrian connection shown in **Figure 5** is a draft illustration of the space. A condition of approval has been included for the connection requiring that the applicant, planning staff, and staff from the Police Department work on a design to include a path, low landscaping, and lighting utilizing Crime Prevention Through Environmental Design (CPTED) principals to the satisfaction of the Community Development Director.

Figure 5: Pedestrian Connection



The site also includes a small playground, a garden area, a patio area, and an open view wrought iron fence that surrounds the property. Vehicle access to the site is on Woodberry Way. The six-foot wrought iron fence will have gates for pedestrian entry from Folsom Boulevard and from Woodberry Way.

If the Rezone is approved to RMU, the development standards that apply to the RMU zone are listed as follows:

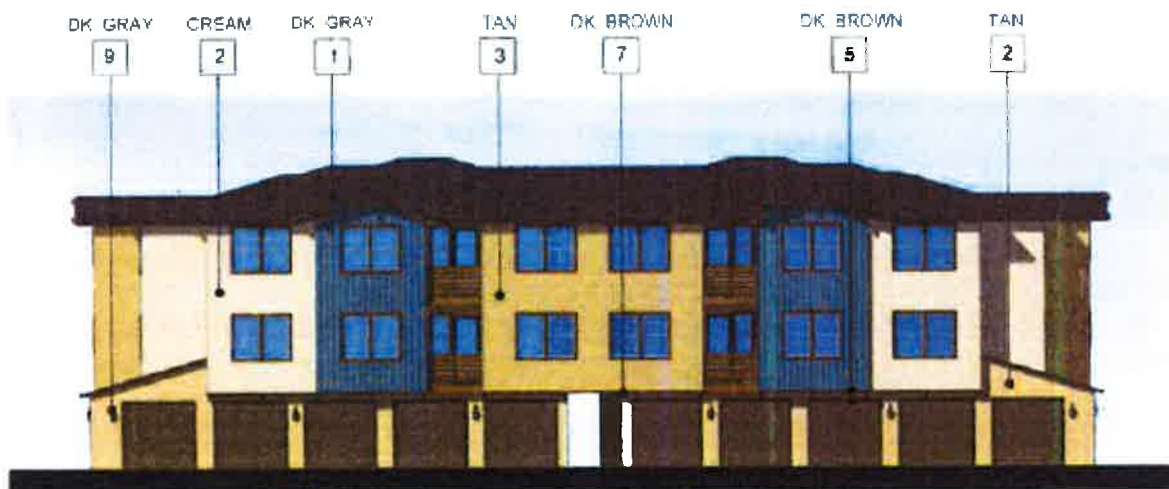
1. *Building Setbacks:*
 - *Front- 12.5 ft minimum*
 - *Interior side- 0 ft.*
 - *Rear- 10 ft. minimum*
 - *Maximum Front setback along public streets- 30 feet*
2. *Building Height- 50 feet maximum*
3. *Floor Area Ratio- (na)*
4. *Density- 6 (min.) to 40 (max.) units/acre- current project is 28.9 units/acre.*

The proposed project will meet the minimum development standards.

Architecture

The three-story buildings include under structure carports, ground floor units and units on the second and third story. The buildings include characteristics of a Craftsman style and utilizes complementary materials and colors to coordinate with the “Crossings” project to the north. The three-story structure is treated with a veneer of stucco on the ground floor and a combination of vertical green siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. A condition of approval has been included to include architecture elements to the entrance area of the building (ie. open slat metal awnings, and trim around the windows). The buildings are consistent with the FBSP Plan development standards and the City Design Guidelines. (See Figure 6 and Exhibit 2A).

Figure 6: Elevations

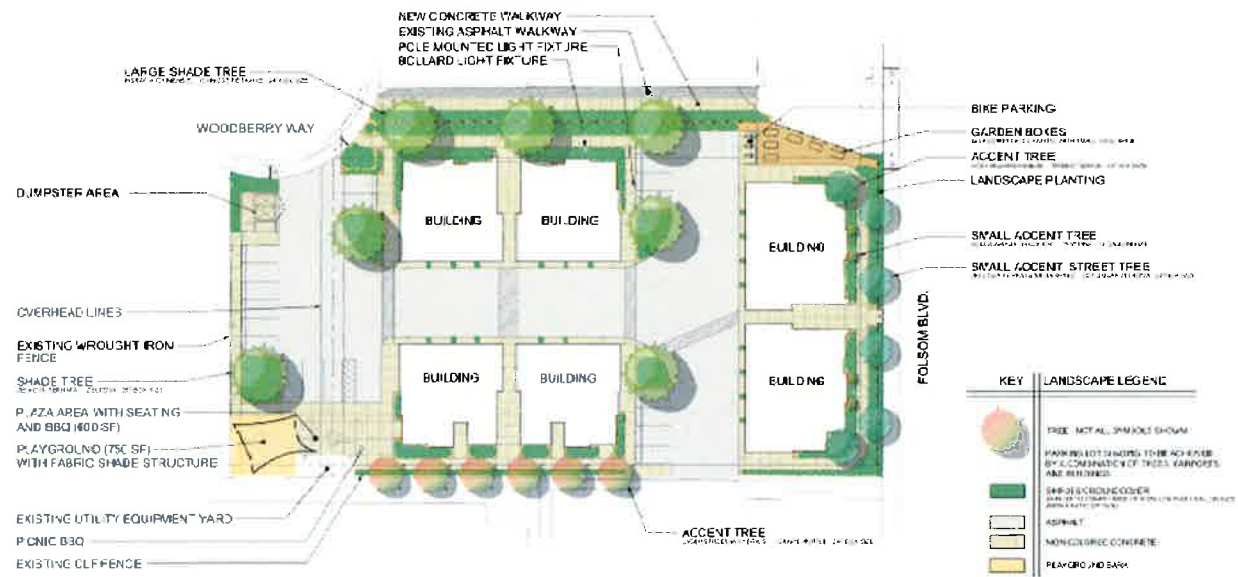


Rear Elevation

Site Landscape Plan

The proposed landscape plan depicts large shade trees within the parking area for shade and small trees and low shrubs are located adjacent to the buildings. A condition of approval has been included to provide additional trees along Folsom Boulevard. (See Figure 7). The overall plan is consistent with the FBSP and City Zoning Ordinance with the additional condition of approval.

Figure 7: Landscape Plan



Major Review Design Findings

In order to approve a Major Design Review, the Council must make the following findings for approval:

- A. **Finding:** *The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, Specific Plan provisions, and Special Planning Area provisions, and is consistent with the applicable Rancho Cordova Design Guidelines.*

Evidence: The General Plan designation is the Folsom Boulevard Specific Plan and the project site zoning of Residential Mixed Use (RMU) is contingent upon the final approval of the zoning map amendment. The proposed project density of 28.9 is consistent with the zoning designation of RMU which allows multi-family with a density of up to 40 units per acre which is consistent with the proposed project density of 28.9. The proposed project has been designed to meet the applicable regulations of the Folsom Boulevard Specific Plan and City Design Guidelines, including setbacks, height regulations, and density for this site contingent on the approval of the final approval of the zoning map amendment.

- B. **Finding:** *The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site will enhance the character of the neighborhood and community.*

Evidence: The applicant has provided a design package that illustrates the composition and form of the new units. The multi-family buildings are located near the perimeter of

the site with the interior area being used for vehicle access and parking. The roof structure is designed to give the appearance of a full roof, however a mechanical equipment well has been provided to screen the A/C units (see roof plan, **Exhibit 2A**). The plan emulates characteristics of the Craftsman style and uses complementary materials and colors to coordinate with the "Crossings" project to the north. The buildings are treated with a veneer of stucco on the ground floor and a combination of vertical siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. The Applicant has submitted preliminary landscape plans with the Design Review package (**Exhibit 2A**). A condition has been placed on the project that will require approval from the Community Development Director, in order to accommodate refinements to the site improvement plans and the pedestrian connection, prior to approval of the improvement plans and refinements to the building prior to the issuance of building permits. Therefore, the proposed architecture, site design, and landscape are suitable for the purposes of a multi-family housing project and the site will enhance the character of the neighborhood and the community by bringing a well-designed project to a vacant parcel in an area with many dated and some blighted structures.

- C. ***Finding:** The architecture, including the character, scale, and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing, and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.*

Evidence: The architectural style is distinctive in mass and in its details in that the colors and material palettes are complementary to the adjacent Crossings project, which include stucco, vertical metal sidings, and heavy timber balcony railings to add to the overall design of the building. The building wall mass is offset to provide greater articulation to the vertical mass, along with changing roof line to break the monotony of a single ridge roof system.

- D. ***Finding:** The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.*

Evidence: The units and site configuration have been designed to provide dedicated pedestrian walkways from the units to the public sidewalk. The on-site parking lot is appropriately configured to serve the units and reduce the conflict between vehicle and pedestrian movement by limiting vehicle access to Woodberry Way rather than Folsom Boulevard. The project will also be linked to a more accessible path to Folsom Boulevard and the commercial businesses and transit opportunities along the corridor. A 15-foot wide pedestrian connection has been provided along the eastern property line from Woodberry Way to Folsom Boulevard.

FOLSOM BOULEVARD SPECIFIC PLAN CONSISTENCY

The Folsom Boulevard Specific Plan is the regulatory document that guides development of the proposed project site. The Specific Plan includes both high level expectations for revitalizing Folsom Boulevard and specific development regulations that apply to individual projects.

Overall Specific Plan Goals:

The Folsom Boulevard Specific Plan includes 11 specific goals that guide the transformation of development along the Boulevard. The following six goals from the Specific Plan pertain to the proposed project as follows:

- *Create a Boulevard that will serve as the high-intensity development center of the City.*
- *Develop transit-oriented activity nodes strategically located at light rail stations and freeway interchanges; these nodes will serve as catalyst sites for redevelopment.*
- *Provide additional housing opportunities and developments that support transit ridership.*
- *Ensure development will take advantage of the proximity and availability of light rail to and from the Area.*
- *Create opportunity for identifiable project design that contributes to the enhanced character of the City.*
- *Enrich the pedestrian environment along the Boulevard through well designed and appropriately scaled/articulated projects.*

ENVIRONMENTAL ANALYSIS

Rezoning

None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.

Major Design Review

The multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.

A re-evaluation of the original Environmental Assessment has been conducted and updated to fulfill the NEPA requirements for this project and it has been approved by both the Federal Department of Housing and Urban Development and the California Department of Housing and Community Development.

RECOMMENDED MOTION

Staff recommends that the City Council introduce and waive the first reading of Ordinance 2-2017 (**Exhibit 1A**), rezoning the site from CMU and HDR to RMU and finding the rezoning exempt from further CEQA review, and adopt Resolution 35-2017 approving the Major Design Review and parking exception for Crossings at Woodberry Way multi-family buildings located at 2738 Woodberry Way subject to the findings and Conditions of Approval (**Exhibit 2A and Exhibit 2B**) and finding the project exempt further CEQA review. Resolution 35-2017, if approved, would go into effect on the effective date of Ordinance 2-1017 (30 days after second reading and adoption), as it is contingent upon the property being rezoned.

ATTACHMENTS

1. Ordinance 2-2017, including FBSP Land Use Map (**Exhibit 1A**)
2. Resolution 35-2017, including Project Plans (**Exhibit 2A**) and Conditions of Approval (**Exhibit 2B**).
3. 500' Radius Map and Mailing Labels

ATTACHMENT 1.

CITY OF RANCHO CORDOVA

ORDINANCE NO. 2-2017

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AMENDING THE FOLSOM BOULEVARD SPECIFIC PLAN ZONING DESIGNATION OF
ASSESSOR PARCEL NUMBER 057-0221-0220 FROM COMMERCIAL MIXED USE AND
HIGH DENSITY RESIDENTIAL TO RESIDENTIAL MIXED USE FOR A PROJECT KNOWN
AS CROSSINGS AT WOODBERRY WAY PROJECT NO. DD9683**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:

Section 1. Purpose and Declarations, and Findings.

- A. The purpose of this Ordinance is to amend the Folsom Boulevard Specific Plan Land Use Map, to revise the zoning of the parcel specified within the attached **Exhibit 1A** from Commercial Mixed Use and High Density Residential to Residential Mixed Use.
- B. In November 2006 the Folsom Boulevard Specific Plan was adopted by means of Ordinance No. 57-2006.
- C. Pursuant to Government Code section 65454, the proposed amendments to the FBSP are consistent with and implements the goals, objectives, general land uses, programs and policies of the applicable General Plan of the City of Rancho Cordova in that the project is providing an infill development within the allowable densities of the Residential Mixed Use zoning with proximate housing that will support the Folsom Boulevard Specific Plan businesses and the City of Rancho Cordova as related to *Goal LU.2 – Establish Growth Patterns Based on Smart Growth Principles and the City Building Blocks Concepts* and *Goal LU.5 – Redevelop, regenerate, and Raise the Value of Areas of the City Developed Prior to Incorporation*. The project provides affordable residential development that improves the jobs/housing balance as stated in *Policy LU.2.8 – Grant density bonuses and other related incentives, consistent with state law and local policy*. The project provides diversity in housing stock.
- D. The proposed amendment to the FBSP would not be detrimental to the public interest, health, safety, convenience, or welfare of the City, as such amendment adds diverse housing stock and provides pedestrian circulation as there are several pedestrian connections included within the project.
- E. The proposed amendment to the FBSP complies with the California Environmental Quality Act ("CEQA"). None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required.
- F. The proposed map amendment that includes the project site is physically suitable in that the land is vacant and graded, the adjoining land uses include commercial to the east

ATTACHMENT 1.

and west that provide services and similar residential density (multi-family) to the north. Existing utilities are in place. Anticipated land use to the east and west are designated as Commercial Mixed Use, which includes commercial retail and service uses are permitted by right and more intense commercial and service uses are conditionally permitted. CMU also includes office and/or residential uses.

- G. The City Council public hearing on the proposed amendment to the Folsom Boulevard Specific Plan on February 21, 2017 was properly noticed pursuant to Government Code sections 65090 and 65091, and the City Council considered all oral and written testimony on the matter.

Section 2. Adoption of Amended Folsom Boulevard Specific Plan. The City Council hereby adopts the amended Folsom Boulevard Specific Zoning Map as shown in **Exhibit 1A** attached hereto and incorporated herein.

Section 3. Severability. If any provision of this Ordinance, or the application thereof to any person or circumstance, is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances, shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid or unenforceable.

Section 4. Effective Date. Within fifteen (15) days after adoption, a Summary of this Ordinance shall be published once in the Grapevine Independent, or the Sacramento Bee, a newspaper of general circulation printed and published in Sacramento County and circulated in the City of Rancho Cordova, in accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the _____ day of _____, 2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Donald Terry, Mayor

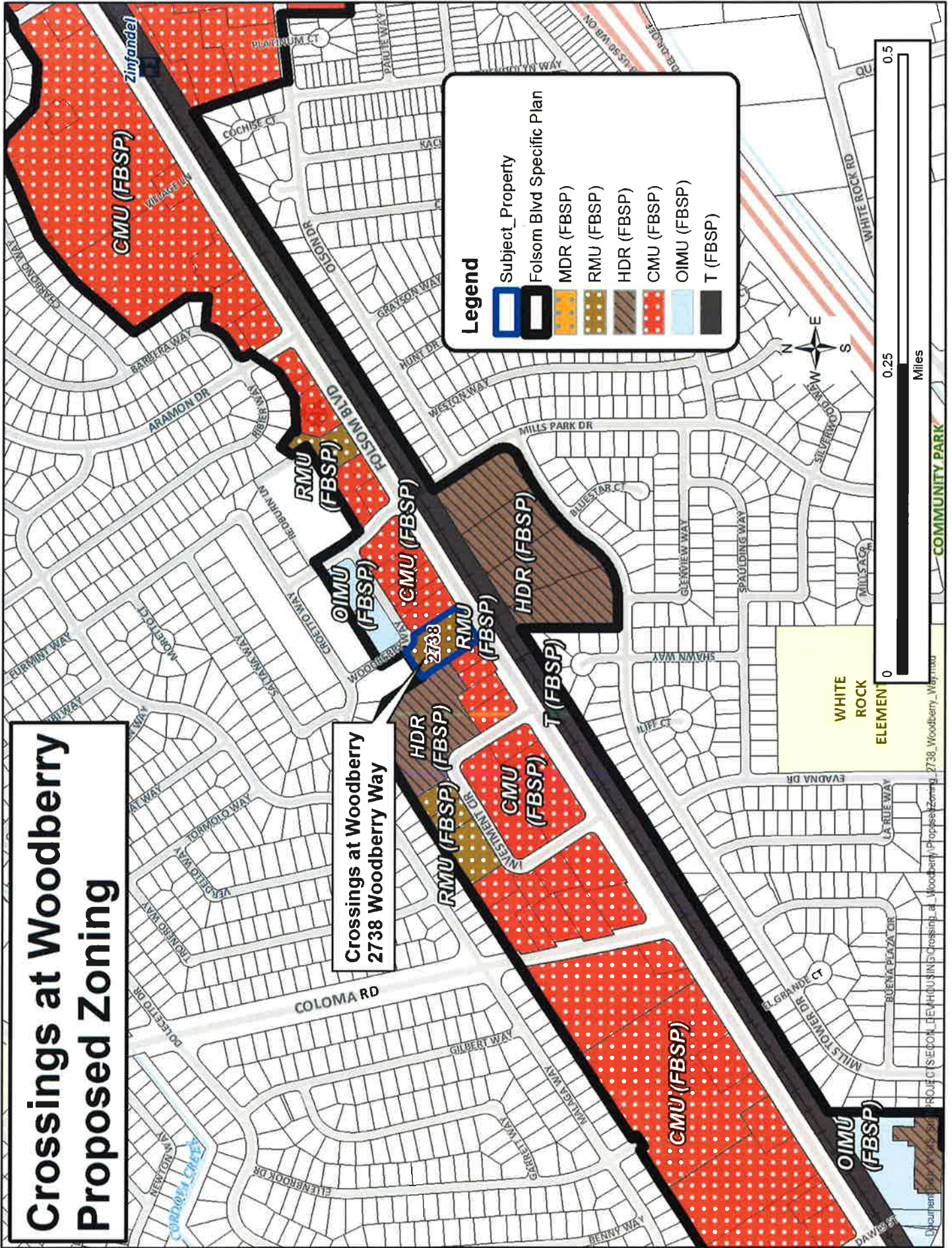
ATTEST:

Mindy Cuppy, MMC, City Clerk
2782858.1

EXHIBIT 1A

Crossings at Woodberry Proposed Zoning

Crossings at Woodberry
2738 Woodberry Way



CITY OF RANCHO CORDOVA

RESOLUTION NO. 35-2017

**A RESOLUTION OF THE CITY COUNCIL
APPROVING A MAJOR DESIGN REVIEW AND PARKING EXCEPTION FOR
THE CROSSINGS AT WOODBERRY WAY, PROJECT DD9683**

WHEREAS, Urban Housing Communities, Santa Ana (hereinafter referred to as Applicant) filed an application with the City of Rancho Cordova to approve a Major Design Review and parking exception for three three-story multi-family buildings for a 28-unit affordable housing project, known as the Crossings at Woodberry Way; and

WHEREAS, the Major Design Review application submitted included three three-story multi-family buildings with 28 units, parking, landscaping, and play area on a 0.97- acre site located within the Folsom Boulevard Specific Plan. The Major Design Review included a parking exception and was submitted with an application for a site rezone; and

WHEREAS, the City Council is the appropriate authority to hear and take action on this project; and

WHEREAS, the City Council of the City of Rancho Cordova has conducted a properly noticed public hearing on February 21, 2017 pursuant to Government Code section 65090 and has duly considered all written and verbal testimony presented during the hearing.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
HEREBY RESOLVES AS FOLLOWS:**

- A. City Council determines that the project assessment is adequate and complete according to the Guidelines of the California Environmental Quality Act.

Finding: The project site has been analyzed in compliance with the California Environmental Quality Act. Evidence: None of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed project does not represent a substantial change in the original Folsom Boulevard Specific Plan project and no major revisions to the previous Folsom Boulevard Specific Plan MND, adopted by Resolution No. 81-2005, are required. The Folsom Boulevard Specific Plan MND adequately analyzed the potential impacts of developing the project site as proposed. Therefore, no further environmental review is required. The multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.

- B. City Council approves the Major Design Review, subject to the Project Plans (**Exhibit 2A**) and the Conditions of Approval (**Exhibit 2B**); supported by the following Findings and Evidence, as required by Zoning Code Section 23.141.050:

1. Finding: *The proposed project is consistent with the objectives of the General Plan, complies with applicable zoning regulations, Specific Plan provisions, and Special Planning Area provisions, and is consistent with the applicable Rancho Cordova Design Guidelines.*

Evidence: The General Plan designation is the Folsom Boulevard Specific Plan and the project site zoning of Residential Mixed Use (RMU) is contingent upon the final approval of the zoning map amendment. The proposed project density of 28.9 is consistent with the zoning designation of RMU which allows multi-family with a density of up to 40 units per acre which is consistent with the proposed project density of 28.9. The proposed

ATTACHMENT 2.

project has been designed to meet the applicable regulations of the Folsom Boulevard Specific Plan and City Design Guidelines, including setbacks, height regulations, and density for this site contingent on the approval of the final approval of the zoning map amendment.

2. *Finding: The proposed architecture, site design, and landscape are suitable for the purposes of the building and the site and will enhance the character of the neighborhood and community.*

Evidence: The applicant has provided a design package that illustrates the composition and form of the new units. The multi-family buildings are located near the perimeter of the site with the interior area being used for vehicle access and parking. The roof structure is designed to give the appearance of a full roof, however a mechanical equipment well has been provided to screen the A/C units (see roof plan, **Exhibit 2A**). The plan emulates characteristics of the Craftsman style and uses complementary materials and colors to coordinate with the "Crossings" project to the north. The buildings are treated with a veneer of stucco on the ground floor and a combination of vertical siding and stucco panels to accent the wall panels. The unit floor plans provide an opportunity to create offsets to the exterior walls of the building and the projecting balcony structure adds to the articulation of the structure. The Applicant has submitted preliminary landscape plans with the Design Review package (**Exhibit 2A**). A condition has been placed on the project that will require approval from the Community Development Director, in order to accommodate refinements to the site improvement plans and the pedestrian connection, prior to approval of the improvement plans and refinements to the building prior to the issuance of building permits. Therefore, the proposed architecture, site design, and landscape are suitable for the purposes of a multi-family housing project and the site will enhance the character of the neighborhood and the community by bringing a well-designed project to a vacant parcel in an area with many dated and some blighted structures

3. *Finding: The architecture, including the character, scale, and quality of the design, relationship with the site and other buildings, building materials, screening of exterior appurtenances, exterior lighting and signing, and similar elements establishes a clear design concept and is compatible with the character of existing or anticipated buildings on adjoining and nearby properties.*

Evidence: The architectural style is distinctive in mass and in its details in that the colors and material palettes are complementary to the adjacent Crossings project, which include stucco, vertical metal sidings, and heavy timber balcony railings to add to the overall design of the building. The building wall mass is offset to provide greater articulation to the vertical mass, along with changing roof line to break the monotony of a single ridge roof system.

4. *Finding: The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation.*

Evidence: The units and site configuration have been designed to provide dedicated pedestrian walkways from the units to the public sidewalk. The on-site parking lot is appropriately configured to serve the units and reduce the conflict between vehicle and pedestrian movement by limiting vehicle access to Woodberry Way rather than Folsom Boulevard. The project will also be linked to a more accessible path to Folsom Boulevard and the commercial businesses and transit opportunities along the corridor. A 15-foot wide pedestrian connection has been provided along the eastern property line from Woodberry Way to Folsom Boulevard.

ATTACHMENT 2.**ABSTAIN:**

Donald Terry, Mayor**ATTEST:**

Mindy Cuppy, MMC, City Clerk
2782867.1



1. Name of applicant and date of the project	Lot Number: 10447 Address: 10447 Folsom Blvd., Rancho Cordova, CA 95670 Parcel Number: 05702210220000 APN: 057-0221-010 Urban Housing Communities - Santa Ana 2000 E. Fourth Street, Suite 205 Santa Ana, CA 92705
2. Applicant's name, address, phone number, and e-mail address	Mark Wang Urban Housing Communities 2000 E. Fourth Street, Suite 205 Santa Ana, CA 92705
3. Owner's name, address, phone number, and e-mail address	Urban Housing Communities 2000 E. Fourth Street, Suite 205 Santa Ana, CA 92705
4. Contract purchase name, address, phone, fax, and e-mail address	Urban Housing Communities 2000 E. Fourth Street, Suite 205 Santa Ana, CA 92705
5. Address of the property	10447 Folsom Blvd., Rancho Cordova, CA 95670
6. Current General Plan Map Designation	Urban Housing Communities - Santa Ana
7. Proposed General Plan Map Designation	Urban Housing Communities - Santa Ana
8. Acreage of the property	0.17 Acre
9. Easements and proposed gross square footage of building	Existing: N/A Proposed: 28,547 SF
10. Proposed gross square footage of lot area by use	Residential: 28,547 SF
11. Requested front, side, and rear yard setbacks	Front: 10' Side: 10' (all around) Rear: 10' (all around)
12. Proposed height of the building and number of stories	4 stories
13. Number of parking spaces required	45 Spaces Required
14. Total number of existing and proposed number of parking spaces	45 Spaces Provided (Combination of Garage, Carport, Open)
15. Number of handicapped spaces provided	5
16. Amount and percentage of built-up area allowed	60% maximum FAR
17. Amount and percentage of built-up area proposed	60% maximum FAR
18. Indicate if the site contains a FEMA designated 100 year floodplain	No
19. Gross square footage and percent of Open Space required	Not a FEMA site
20. Gross square footage and percent of Open Space provided	Not a FEMA site
21. The proposed type of construction	Residential
22. Whether or not an alternative site location is proposed	No



Urban Housing Communities
2000 E. Fourth Street, Suite 205
Santa Ana, CA 92705

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888-458-5849
http://www.ktgy.com

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2016-008

CONCEPTUAL DESIGN
JANUARY 31, 2017

SHEET INDEX

A0.1

ARCHITECTURE

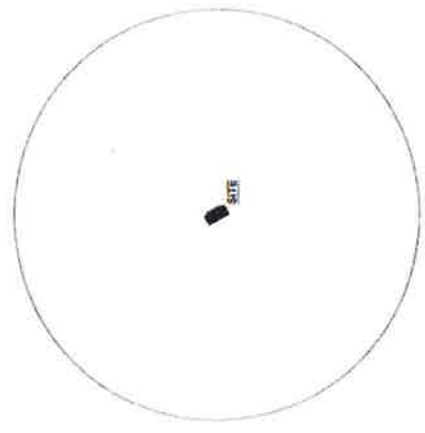
- A0.1 SHEET INDEX / PROJECT DATA
- A1.0 SITE PLAN
- A1.1 FIRE ACCESS EXHIBIT
- A2.0 ELEVATIONS - BUILDING A
- A2.1 ELEVATIONS - BUILDING B
- A2.2 ELEVATIONS - BUILDING C
- A3.0 BUILDING PLANS - BUILDING A
- A3.1 BUILDING PLANS - BUILDING B
- A3.2 BUILDING PLANS - BUILDING C
- A5.0 UNIT PLANS
- A6.0 PERSPECTIVE - SITE AERIAL
- A6.1 PERSPECTIVE - VIEW FROM FOLSOM BLVD
- A7.0 DETAIL SHEET - TRASH ENCLOSURE
- A8.0 MATERIAL BOARD

PHOTOMETRICS

- EP1.10 PHOTOMETRIC SITE PLAN

LANDSCAPE

- LANDSCAPING PLAN



CONTEXT MAP NTS (SHOWN WITH A 1/2 MILE RADIUS)

EXHIBIT 2A

SITE SUMMARY

Site Area 0.87 AC
Units 28 DU
Density 28.9 DU/AC

UNIT SUMMARY

Plan	BD	EA	Unit	Deck	Total
			NSF	NSF	Units
Plan 2	2	2	543	56	19
Plan 3	3	2	1,043	63	10
					28
					100%

BUILDING SUMMARY

Building	Plan 2	Plan 3	Total	Total
			Buildings	Units
Building A	8	0	1	8
Building B	10	0	1	10
Building C	0	10	1	10
			3	28
				1,940 SF

Leasing/Amenities

OPEN SPACE SUMMARY

Open Space Required 0 SF*

*No minimum per Folsom Boulevard Specific Plan Land Use Plan, PB-CMU

Open Space Provided

Common 9,564 SF

PARKING SUMMARY

Parking Required

1 Spaces/Unit at 2- & 3-bedroom units	28 Spaces
0.6 Spaces/Unit for Guest Parking	17 Spaces
	45 Spaces*

*Up to 50% of the net number of parking spaces may be used for compact cars

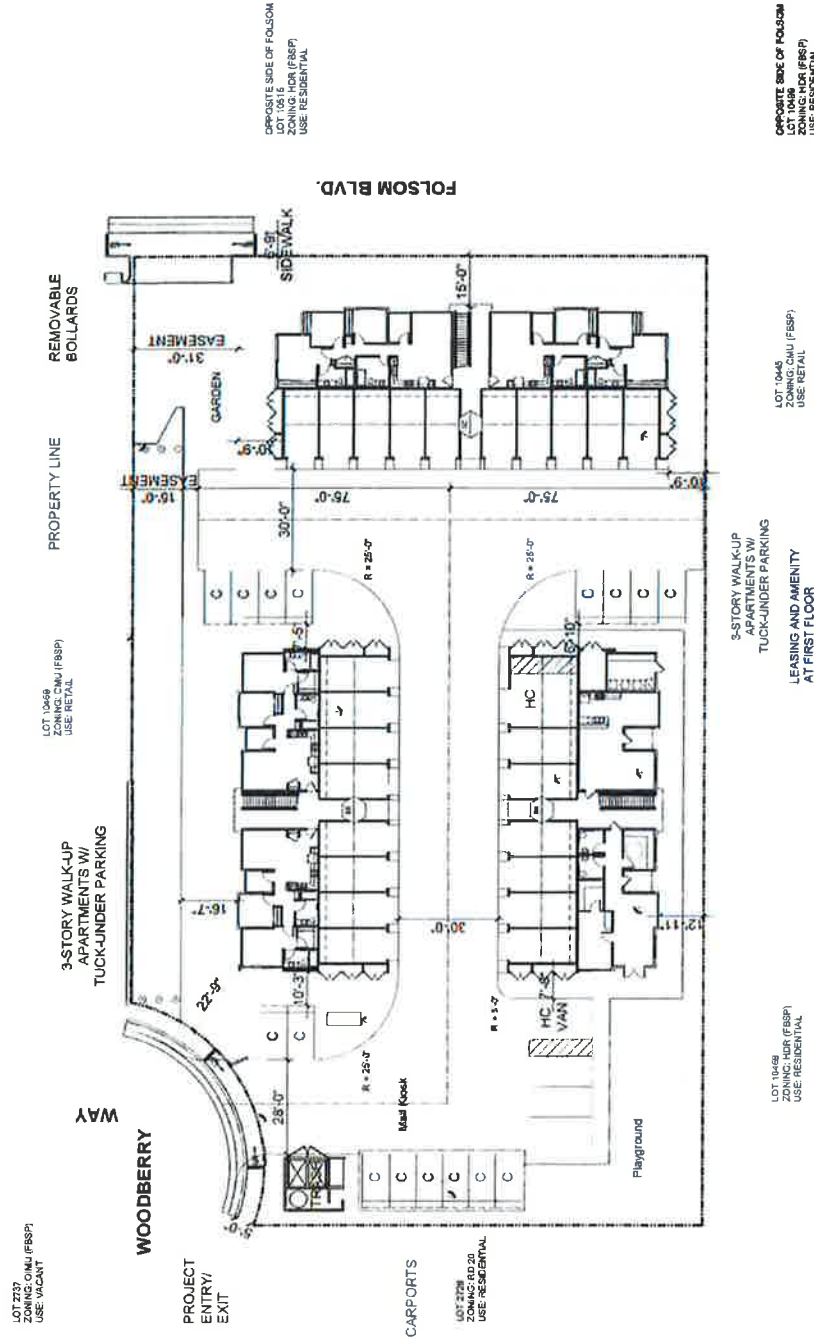
Parking Provided	Quantity	Dimensions	%
Compact (Tuck-Under)	24	10'-0" x 20'-2"	53%
Compact (Tuck-Under)	1	Van Accessible 20'-0" x 20'-2"	2%
Compact (Freestanding)	6	Compact 8'-0" x 18'-0"	13%
Open Space	10	Compact 8'-0" x 16'-0"	22%
Open Space	3	Standard 9'-0" x 18'-0"	7%
Open Space*	1	Van Accessible 12'-0" x 9'-0"	2%
	45 Spaces	1,611 Square Feet	100%

*Accessible

COMMON OPEN SPACE PROVIDED

A1.0

SITE PLAN



NOTES:
* HVAC UNITS TO BE LOCATED IN ROOF WELLS REFER TO SHEET A7.0 FOR DETAIL
* REFER TO CIVIL AND LANDSCAPE SHEETS FOR BASEMENT, HARDSCAPE UTILITY
* ALL SITE INFORMATION NOT SHOWN HERE

*FIELD VERIFY

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

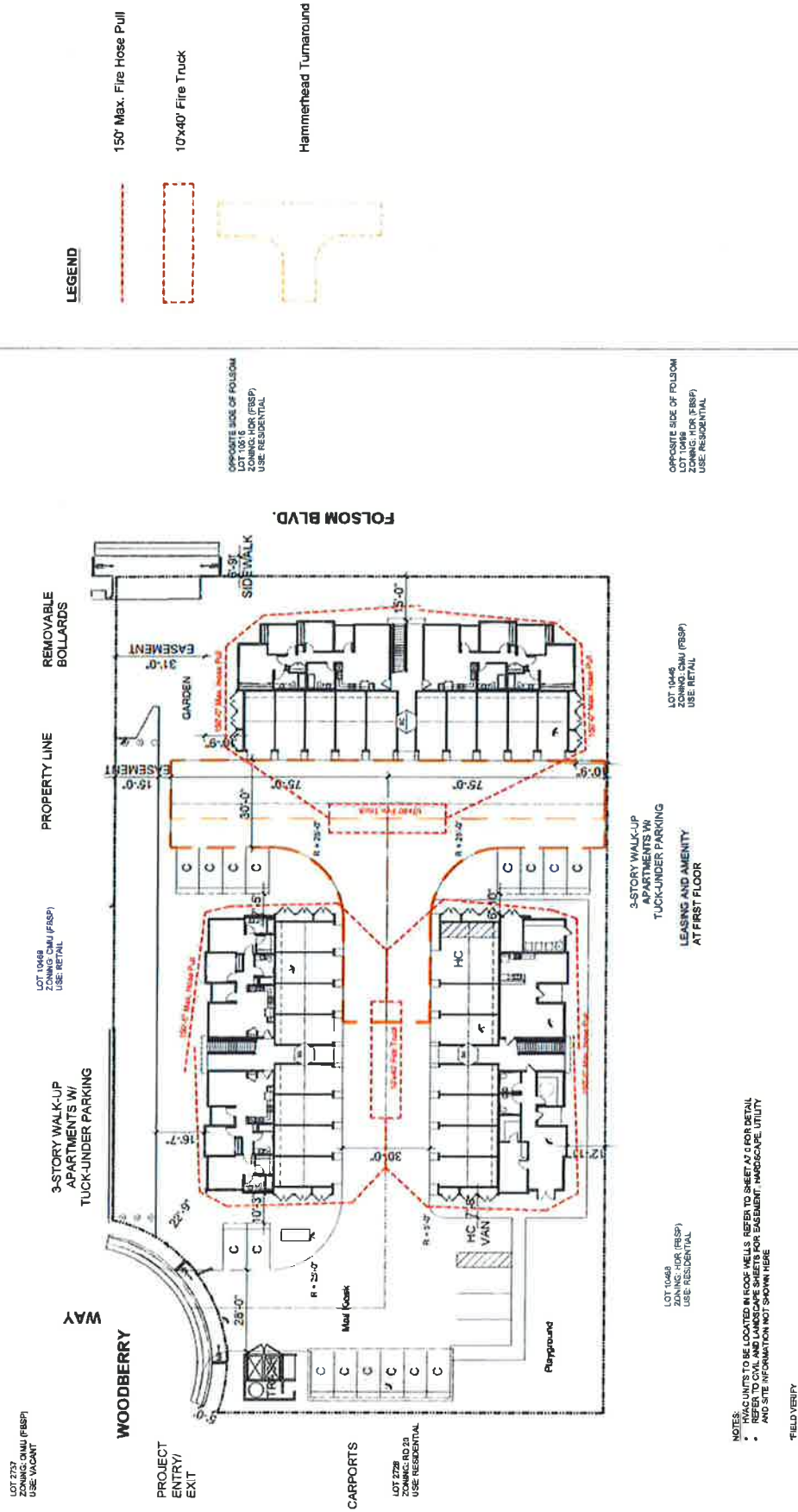
CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA #2019-0608

UHC 00275 Rancho Cordova, L.P.
2000 E. Fourth Street, Suite 205
Sacramento, CA 95811

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EXHIBIT 2A



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860 450 5449
ktp.com

UHC 00576 Rancho Cordova, L.P.
2000 E Fourth Street, Suite 205
Sacramento, CA 95833

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA 95833

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

FIRE ACCESS EXHIBIT

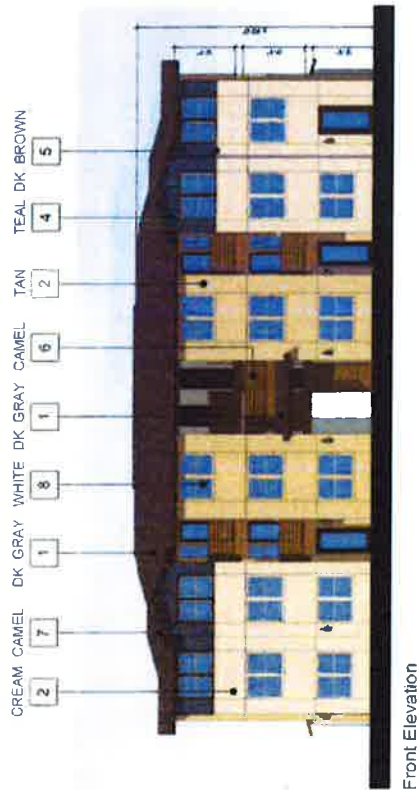
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EXHIBIT 2A

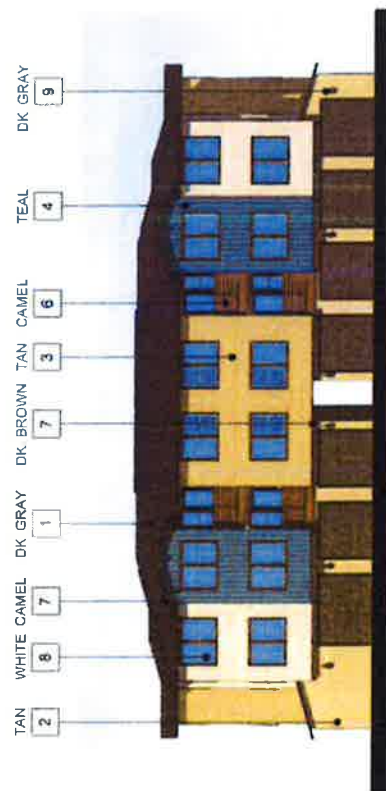
Type	V-1 Hr. Construction	Building A
L1 - Garage		1,785
L1 - Utilities		104
L1 - Laundry		168
L1 - Storage		102
L1 - Leasing/Amenities		1,543
L1 - Residential		0
L2 - Residential		4,037
L3 - Residential		4,037
Total SF		11,774
Total Residential		8,074

Material Legend

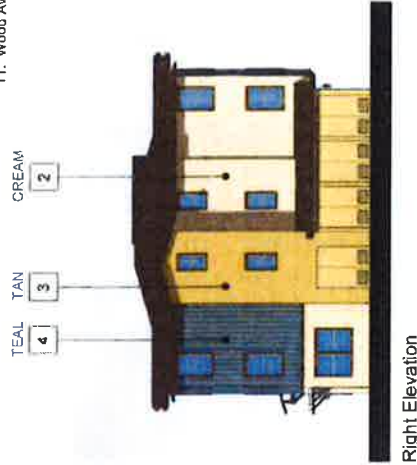
1. Concrete Roof Tiles
2. Cementitious Panel
3. Cementitious Horizontal Siding
4. Cementitious Board and Batten
5. Cementitious Trim
6. Horizontal Railing
7. Decorative Corbel
8. Vinyl Window
9. Light Fixture
10. Metal Sectional Garage Door
11. Wood Awning



Front Elevation



Rear Elevation



Right Elevation



Left Elevation



Architectural - Planning
KAY CON

UHC 00378 Ranch Cordova, LP
2016-2017
Santa Ana, CA 92705

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA
2016-0035

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

ELEVATIONS
BUILDING A

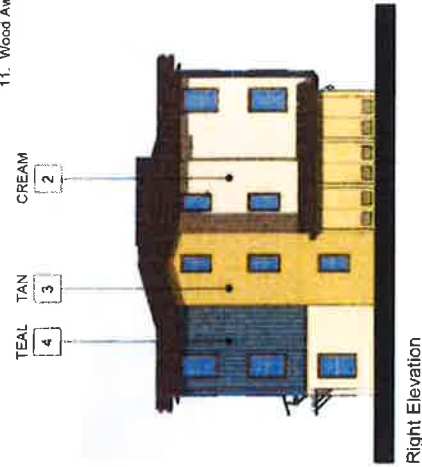
A2.0

EXHIBIT 2A

Type	V-1 Hr. Construction	Building B
L1 - Garage		1,785
L1 - Utilities		104
L1 - Laundry		0
L1 - Storage		0
L1 - Leasing Amenities		0
L1 - Residential		1,918
L2 - Residential		4,037
L3 - Residential		4,037
Total SF		11,881
Total Residential		9,992

Material Legend

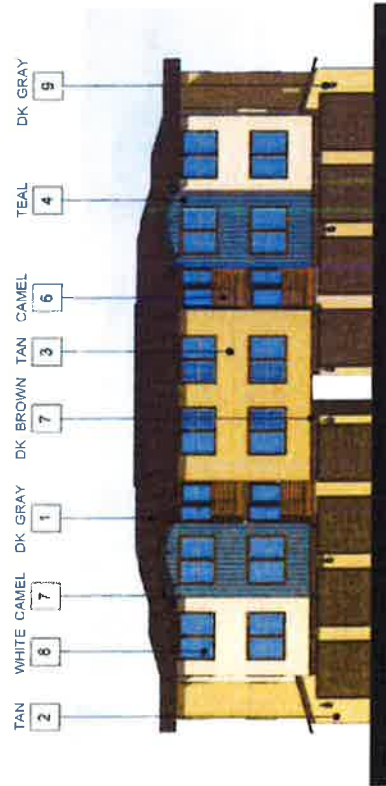
- Concrete Roof Tiles
- Cementitious Panel
- Cementitious Horizontal Siding
- Cementitious Board and Batten
- Cementitious Trim
- Horizontal Railing
- Decorative Corbel
- Vinyl Window
- Light Fixture
- Metal Sectional Garage Door
- Wood Awning



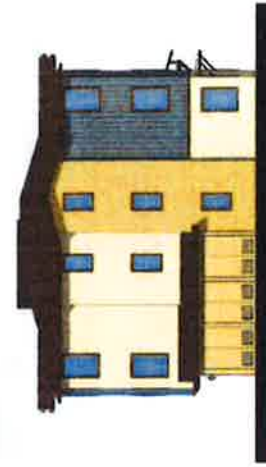
Right Elevation



Front Elevation



Rear Elevation



Left Elevation



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UIC 00276 Rancho Cordova, LP
2000 E. 10th St.
Santa Ana, CA 92705

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA #2016-0038

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

ELEVATIONS
PAGE 02 OF 02



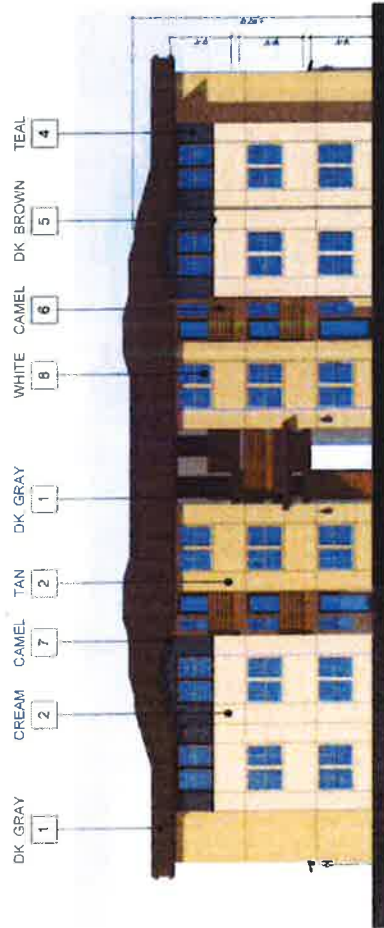
A2.1

EXHIBIT 2A

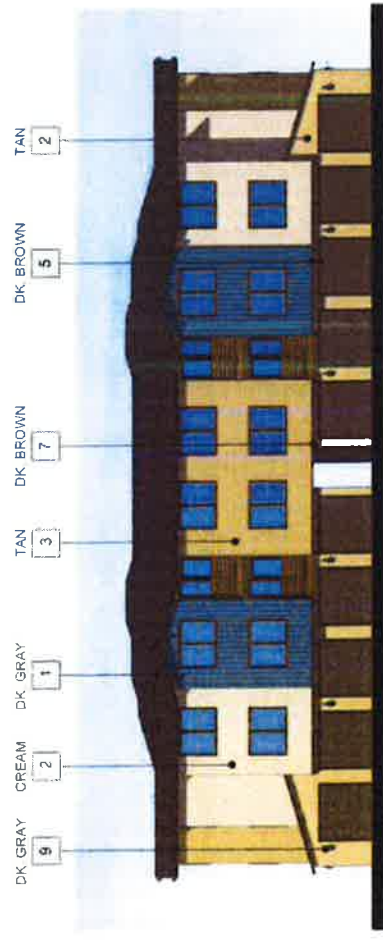
Type	V-1 Hr. Construction	Building C
L1 - Garage		2,221
L1 - Utilities		105
L1 - Amenities		0
L1 - Residential		2,318
L2 - Residential		4,844
L3 - Residential		4,844
Total SF		14,332
Total Residential		12,006

Material Legend

- Concrete Roof Tiles
- Stucco
- Foam Trim
- Cementitious Siding
- Cementitious Trim
- Horizontal Railing
- Decorative Corbel
- Vinyl Window
- Light Fixture
- Metal Sectional Garage Door



Front Elevation



Rear Elevation



Right Elevation



Left Elevation



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444 434 5444
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LUIC 00574 Rancho Cordova, LP
2000 E. Fourth Street, Suite 205
Santa Ana, CA 92705

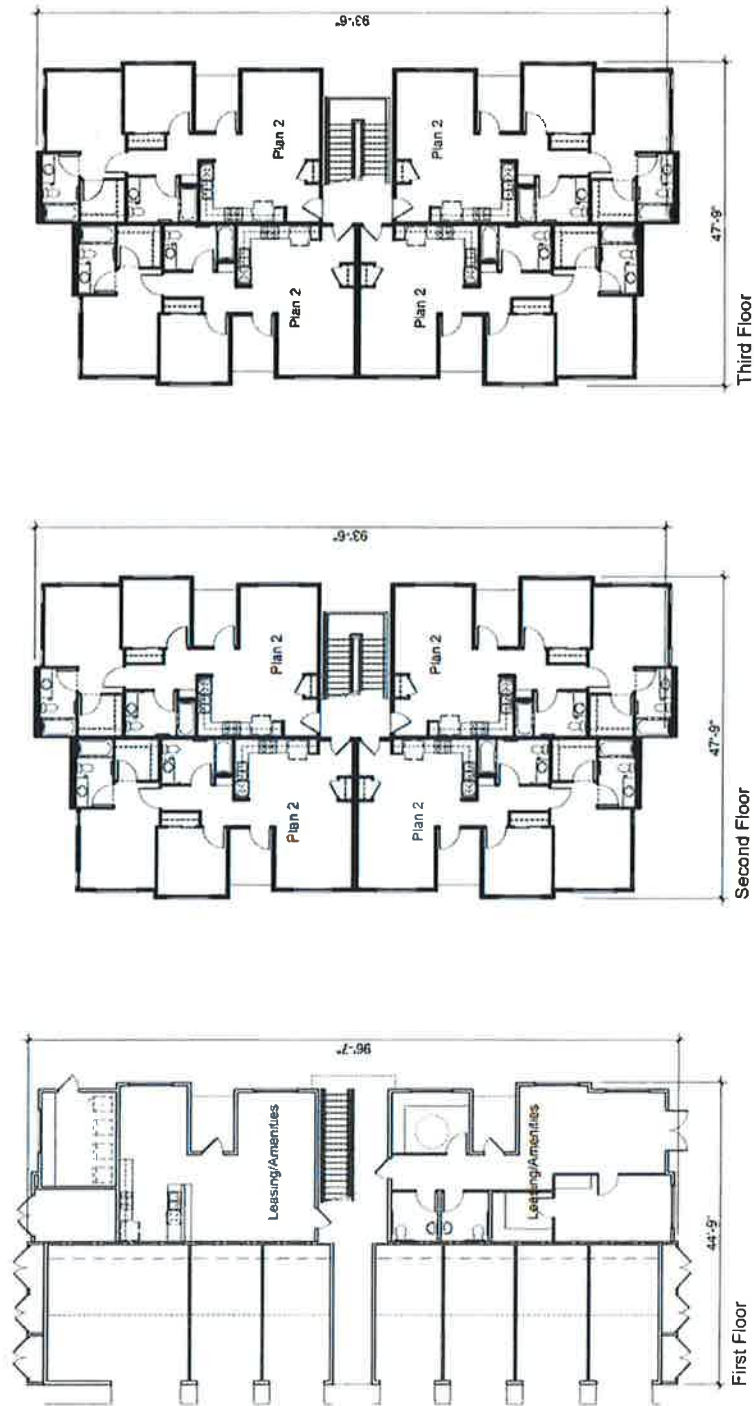
CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA # 2010-0609

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

ELEVATIONS
BUILDING C

A2.2

EXHIBIT 2A



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884 051 5418
401 1001

URS 50075 Marlene Cornejo, L.P.
2000 E. Fourth Street, Suite 205
Santa Ana, CA 92703

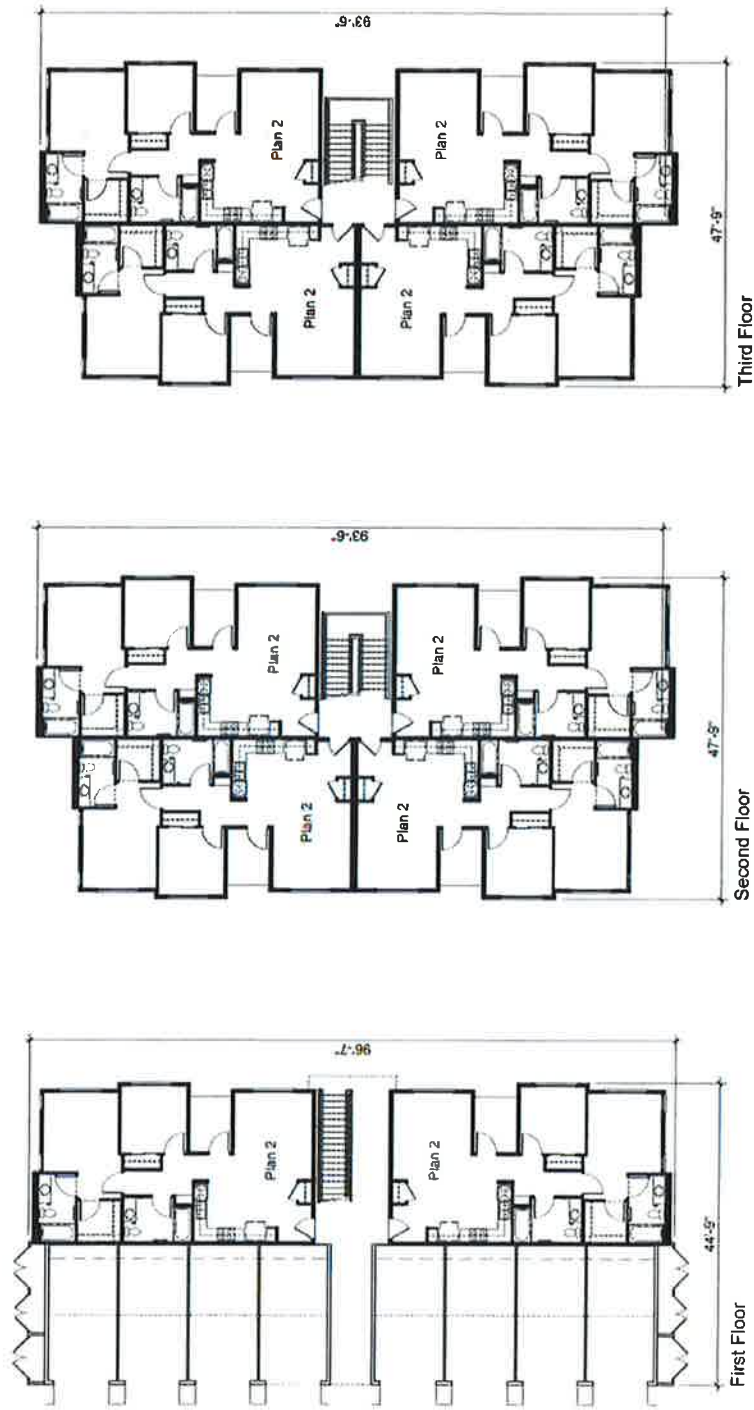
CROSSINGS AT WOODBERRY WAY
IRVING, CALIFORNIA, CA # 2016-0003

CONCEPTUAL DESIGN
FEBRUARY 10, 2017

BUILDING PLANS
BUILDING A

A3.0

EXHIBIT 2A



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305.606.5646
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UNIC CONSULTING CORP., L.P.
2000 E. Fourth Street, Suite 200
San Mateo, CA 94406

CROSSINGS AT WOODBERRY WAY
SAN MATEO, CALIFORNIA
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CONCEPTUAL DESIGN
FEBRUARY 10, 2017

BUILDING PLANS
BUILDING B



A3.1

EXHIBIT 2A



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UNIC 00075 Rancho Cordova, L.P.
2000 E. Fourth Street, Suite 200
Rancho Cordova, CA 95721

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA #2016-0365

CONCEPTUAL DESIGN
FEBRUARY 12, 2017

BUILDING PLANS
BUILDING C

A3.2

EXHIBIT 2A



Plan 2 - Alt. Entry



Plan 3 - Alt. Entry



Plan 2
Gross Area: 807 SF
Net Area: 543 SF
Deck: 48 SF



Plan 3
Gross Area: 1,108 SF
Net Area: 1,043 SF
Deck: 56 SF

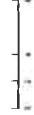


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LMC 50075 RANCHO CORTONA, L.P.
2000 E. Fourth Street, Suite 200
Santa Ana, CA 92705

CROSSINGS AT WOODBERRY WAY
RANCHO CORTONA, CA # 2015-0008

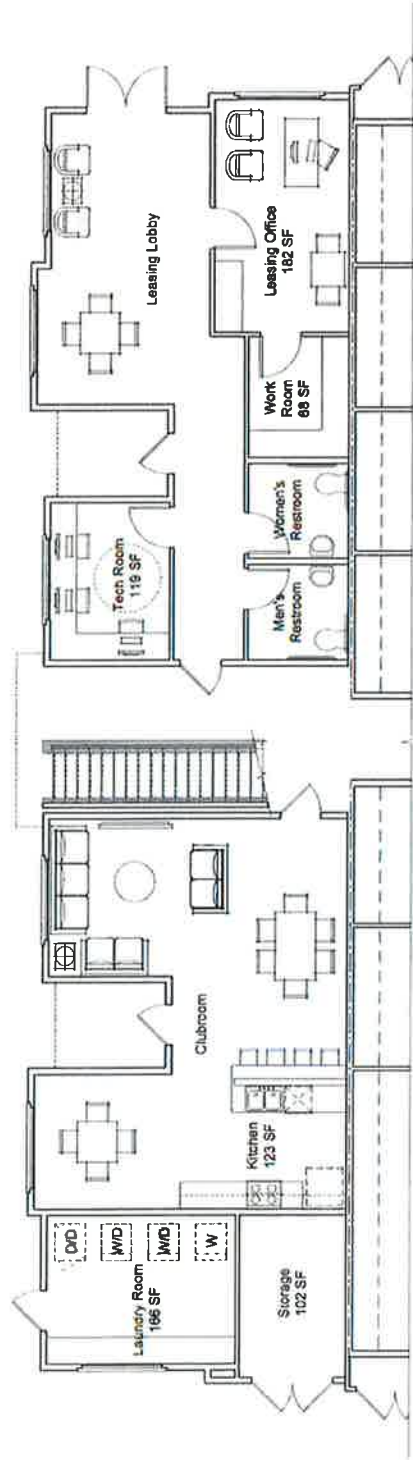
CONCEPTUAL DESIGN
FEBRUARY 10, 2017



UNIT PLANS

A5.0

EXHIBIT 2A



Laundry Room 3 Washers 4 Dryers	166 SF
Storage	102 SF
Leasing/Amenities Excluding Laundry Room and Storage	1,543 SF



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1000 E. Fourth Street, Suite 205
San Jose, CA 95128
408.281.1234

UNIC 00015 Rancho Cordova, L.P.
2000 E. Fourth Street, Suite 205
San Jose, CA 95128
408.281.1234

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA #2010-0001

CONCEPTUAL DESIGN
FEBRUARY 19, 2017



LEASING/AMENITY PLANS
BUILDING A

A5.1

EXHIBIT 2A

CARPORTS

TRASH ENCLOSURE

MAIL KIOSK

3-STORY WALKUP APARTMENTS
W/ TUCK UNDER PARKING

GARDEN



PLAYGROUND

LEASING/AMENITIES AT
FIRST FLOOR



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Urban Housing Consultants
2000 E Fourth Street, Suite 203
Santa Ana, CA 92705

CROSSINGS AT WOODBERRY WAY
RANCHO CORDOVA, CA #2016-0836

CONCEPTUAL DESIGN
JANUARY 31, 2017

PERSPECTIVE
SITE/ANAL

A6.0

EXHIBIT 2A



Architecture - Planning
455 5th St
San Francisco, CA 94103

Urban Housing Communities
2000 E. Fourth Street, Suite 205
San Francisco, CA 94114

CROSSINGS AT WOODBERRY WAY
SAN FRANCISCO, CA #219-0000

CONCEPTUAL DESIGN
JANUARY 31, 2017

PERSPECTIVE
VIEW FROM FOLLOM BLVD

A6.1



TYPICAL HVAC SCREENING AT ROOF WELL OCCURS AT BUILDINGS A, B, C)



TRASH ENCLOSURE



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2000 E. Fourth Street, Suite 205
Santa Ana, CA 92705

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CONCEPTUAL DESIGN
FEBRUARY 10, 2017

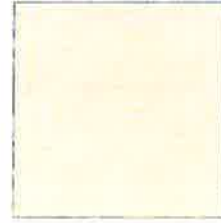


DETAIL SHEET
ROOF WELL TRASH ENCLOSURE

A7.0



BUILDING C FRONT PERSPECTIVE SHOWN



CREAM
OCCURS AT BODY



TAN
OCCURS AT BODY



TEAL
OCCURS AT CEMENTITIOUS
SIDING



CAMEL
OCCURS AT HORIZONTAL
RAILING, METAL SECTIONAL
GARAGE DOOR, DECORATIVE
CORBELS



DARK BROWN
OCCURS AT FASCIA, WINDOW
AND/OR DOOR TRIM



DARK GREY
OCCURS AT ROOF



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800-455-5449
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Urban Planning Consultants
2000 E. Fourth Street, Suite 215
Petaluma, CA 94952

CROSSINGS AT WOODBERRY WAY
RANCHO CONCORDIA, CA #2016-0008

CONCEPTUAL DESIGN
JANUARY 31, 2017

MATERIAL BOARD

A8.0

EXHIBIT 2A

[illegible]

Abscissa

1000



Conclusion

CROSSINGS AT
WOODBERRY WAY
RANCHO CORDOVA, CA

1

URBAN HOUSING
COMMUNITIES

2000 E. FOURTH STREET, SUITE 205
SANTA ANA, CA 92705

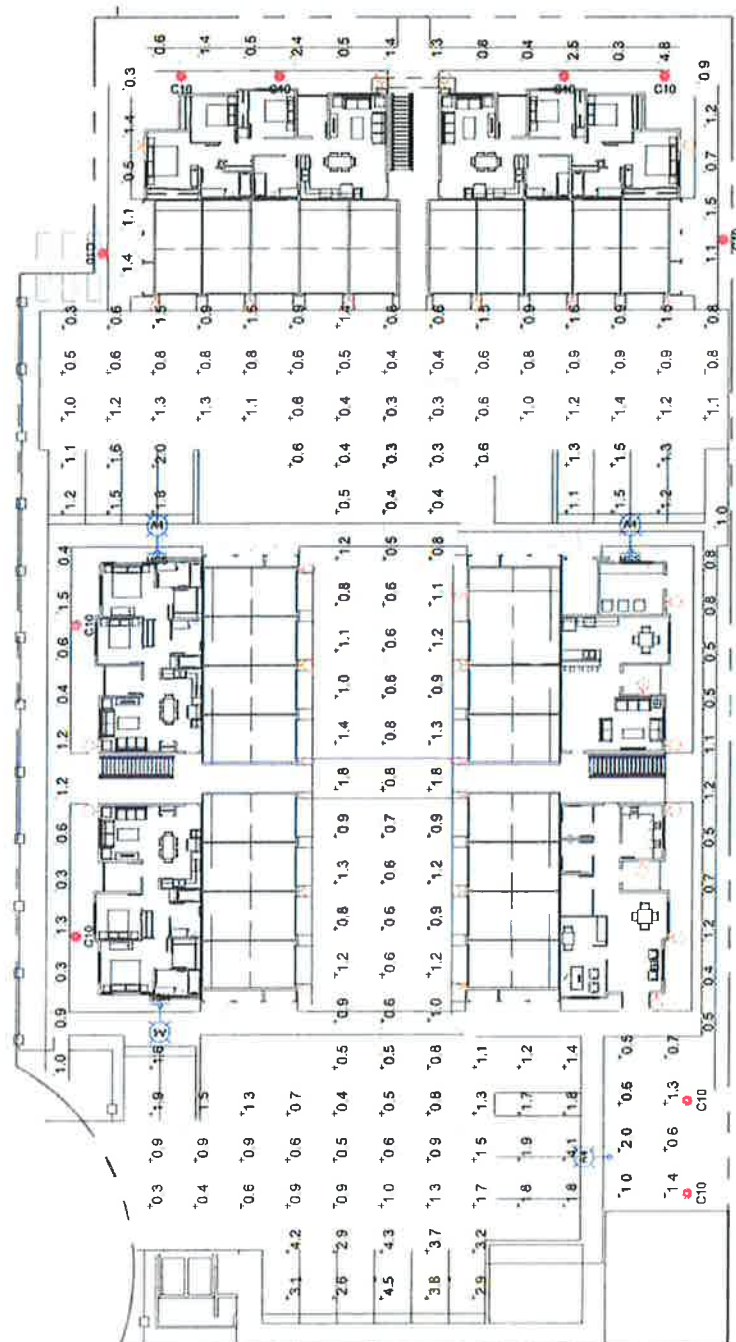
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PHOTOMETRIC
SITE PLAN

1997

EP1.10

DOI: 10.1002/for



PHOTOMETRIC SITE PLAN

1	2000
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EXHIBIT 2A



Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
General Conditions				
1.	The approved entitlement is for a Rezone from CMU and HDR to RMU, Folsom Boulevard Specific Plan Amendment, parking exception, and Major Design Review to construct three 3-story Multi-family affordable apartments to include a total of 28 units, with understructure and surface parking, play area, and garden, as described in the City Council staff report dated February 21, 2017 and Project Plans (Exhibit 2A) with the conditions herein, for project number DD9683.	On-Going	Planning	
2.	The Applicant shall hold harmless the City, its Council Members, officers, agents, employees, and representatives from liability for any award, damages, costs and fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to approval of this permit. Applicant further agrees to provide a defense for the City in any such action.	On-Going	Planning	
3.	Any future alteration to the buildings, change in use, intensification of the site, or modification to the parking and landscaped area must be reviewed by the City to ensure compliance with all local, state, and federal regulations. Minor modifications that are found to be in substantial conformance with the approved plans such as colors, or plant materials, may be approved administratively. Major modifications shall be approved by the applicable decision making body.	On-Going	Planning/ Building	
4.	Applicant/Developer shall not carry a negative account balance with the City for the processing of the project. If a negative account balance occurs, it will be the developer's responsibility to pay the balance due, in order to avoid delays in the processing of future permits or recordation of maps. Please email the Finance Department at billings@cityoffranchocordova.org for the status of	On-Going	Finance	

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
5.	Construction	On-Going	Public Works	
6.	Construction	On-Going	Planning/ Building	
7.	Construction	On-Going	Planning/ Building	
8.	Compliance	On-Going	Planning/ Police	
9.	General	On-Going	Planning	
10.	General	On-going	Public Works	

your account with the City.

Applicant shall be responsible for all damage to City streets associated with construction of the project and shall repair any damage as soon as possible to the satisfaction of the Public Works Director.

Noise sources associated with construction, repair, remodeling, demolition, paving and/or grading of any real property must adhere to the development standards outlined within the City's Noise Element and RCMC 6.68.

In the event of the encounter of subsurface materials suspected to be of an archaeological or paleontological nature or if any human remains are found, all grading and/or excavation shall cease, the find shall be left untouched, and the City Planning Department shall be immediately notified. This requirement shall be noted on the Grading and Building Plans, prior to issuance of permits. A qualified professional archaeologist certified by the Register of shall be responsible for all damage to City streets egree(s) in paleontology or geology, to evaluate and make recommendations as to disposition, mitigation and/or salvage. The recommendation shall be implemented before work may proceed.

Should any formal complaints be submitted in regards to any unforeseen impacts of this facility, the Applicant/Developer will work with City staff to re-evaluate any operational characteristics to mitigate these impacts. This could include increase security and/or security monitoring devices, property manager contact list, or other items agreed upon by all parties.

All trash receptacles shall be screened and hidden and placed within the enclosure during non-trash pick-up days.

Applicant shall be responsible for all damage to City streets associated with construction of the project and shall repair any damage as soon as possible

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
At Improvement Plans/Grading Permit Issuance				
11.	The applicant, planning staff, and staff from the Police Department shall design the pedestrian connection area that is along the eastern property line to include a path, low landscaping, and lighting utilizing Crime Prevention Through Environmental Design (CPTED) principals to the satisfaction of the Community Development Director.	Design	Prior to Issuance of Improvement Plan	Planning
12.	Applicant shall photo-document the condition of adjacent streets, sidewalks and infrastructure to the satisfaction of the Public Works Department.	General	Prior to Issuance of Improvement Plan	Public Works
13.	Number, size, and location of driveways are subject to approval by the Public Works Department.	Infrastructure	Prior to Issuance of Improvement Plan	Public Works
14.	Enter into a frontage agreement and bond for construction of public improvements per the approved Public Works plans if applicable to the satisfaction of the Public Works Department.	Infrastructure	Prior to approval of improvement plans	Public Works
15.	If the total area of the developed or redeveloped impervious surfaces (building rooftop, flat work, parking areas, or other disturbed areas cumulative for all phases of the work) equals or exceeds 1.0 acres, Incorporate permanent storm water quality treatment measures into the site improvement plans in conformance with applicable County ordinances & standards, and state and federal law.	Storm Water	Prior to approval of improvement plans	Public Works
16.	Incorporate permanent storm water quality treatment measures into the site improvement plans in conformance with applicable City ordinances & standards, and state and federal law.	Storm Water	Prior to Issuance of Improvement Plan	Public Works

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
17.	Pay applicable drainage fees.	Drainage	Prior to Issuance of Improvement Plan	Public Works	
18.	The Developer/applicant shall include additional small trees along Folsom Boulevard to the satisfaction of the Community Development Director.	Landscaping	Prior to Issuance of Improvement Plan	Planning	
19.	Developer/applicant shall submit landscaping plans demonstrating conformance with the City's water use and conservation provisions. Plans for frontage landscaping and other landscaping associated with City facilities shall be prepared to the satisfaction of the Public Works Department. A final landscape plan shall be submitted in conjunction with improvement plan and or building permit submittal and approved by the Planning and Public Works Departments prior to issuance of permits and/or any installation of landscape materials RCMC 23.716.020. The final landscape planting and irrigation plan shall be prepared by a registered licensed landscape architect and include the following items per RCMC 22.180.060: • Planting plan to scale that indicate slope • Irrigation Plan • Soils Test • Water Use Calculations • Irrigation Schedule	Landscaping	Prior to Issuance of Improvement Plan	Planning/ Public Works	
20.	SMUD conditions as follows: a) All structural setbacks shall be a minimum of 14-feet from the edge of the roadway right-of-way. Structural setbacks less than 14-feet may create clearance issues with SMUD facilities and the facilities of other utilities.	Utilities	Prior to Issuance of Improvement Plan	SMUD	

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
	b) The Applicant shall provide proper setbacks from existing electrical facilities. Prior to project approval, the Applicant shall prepare and submit the dimensions of the proposed North East building with respect to the existing overhead electrical lines for SMUD's review and comment. c) The Applicant shall not alter existing SMUD facilities on the subject property. If the Applicant requires the relocation or removal of existing SMUD facilities, the Applicant shall coordinate with SMUD. The Applicant shall be responsible for the cost of relocation or removal. d) SMUD reserves the right to use any portion of its easements on or adjacent to the subject property that it reasonably needs and shall not be responsible for any damages to the developed property within said easement that unreasonably interferes with those needs. e) The Applicant shall not place any building foundations within 5-feet of any SMUD trench to maintain adequate trench integrity. The Applicant shall verify specific clearance requirements for other utilities (e.g., Gas, Telephone, etc.). f) The Applicant shall dedicate and provide all-weather vehicular access for service vehicles that are up to 26,000 pounds. At a minimum: (a) the drivable surface shall be 20-feet wide; and (b) all SMUD underground equipment and appurtenances shall be within 15-feet from the drivable surface). g) Any necessary future SMUD facilities located on the Applicant's property shall require a dedicated SMUD			

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
21.	The applicant shall contact the applicable water company that provides domestic and fire protection water service to the project. Dependent on project demands and in accordance with CPUC Rule 15, any modifications to the onsite or offsite water systems to accommodate any changes in fire protection requirements or increased water demands will be at the owner's expense. • SASD Design Standards apply to any sewer construction and/or modification. • Each parcel with a sewage source shall have a separate connection to the SASD public sewer system. If there is more than one building in any single parcel and the parcel is not proposed for split, then each building on that parcel shall have a separate connection to a private on-site sewer line or SASD public sewer line. • Applicant should contact Permit Services Unit at (916) 876-6100 for sewer impact fee information.	Utilities	Prior to Issuance of Improvement Plan	Water Company
22.	• SASD Design Standards apply to any sewer construction and/or modification.	Utilities	SASD	
23.	• Ensure that the hammerhead turn around meets the specific requirements for Metro Fire vehicle turnaround. • Metro Fire turning radii are 50' outside and 25' inside • Dimension lines showing that all exterior portions of the buildings are within 150' hoed reach of the fire lane. This dimension shall be shown along an approved route suitable for fire fighter access. • Any gate or barriers across fire access lanes shall require a separate plan submittal, review and approval prior to installation per the Sacramento County Gate Standard.	Safety General	Prior to Issuance of Improvement Plan	Metro Fire
24.	• Show on the plans how Fire Lanes will be marked. Fire Lane identification shall be provided along the required	Safety General	Prior to Issuance of	Metro Fire

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
fire access roadway. Fire Lane identification shall be in accordance with the Sacramento Metro Fire Districts Fire Prevention Standard #3 and the California Vehicle Code. Vehicle parking is prohibited on any street less than 28 feet in width. Vehicle parking is permitted on both sides of streets 36 feet or more in width. Roadway widths shall be measured between the gutter-line or edge of pavement on opposite sides of the road. Identification of fire apparatus access roadways may be required on private roads. • Provide a note on the plan that reads, "Fire access roadways shall be built to bear a minimum of 80,000 pounds and meet the Sacramento County Public Works Standards for roadways. A report, prepared by a registered geotechnical engineer, verifying the ability of the road to bear the required minimum weight, shall be submitted with any plan indicating construction of roadway. Verification of constructed roadway shall be provided by a registered geotechnical engineer prior to final of the project." Required Private streets and fire apparatus access roads shall be installed to the "first lift," (Up to the last one inch of pavement) identified, and verified by SMFD prior to any construction, (including foundations) or on-site storage of combustible materials. • Show the location of the required fire hydrants for this project on the improvement plans. Approved fire hydrants capable of providing the required fire flow for the protection of any and all structures shall be located along the fire apparatus access roadway. The required fire hydrants shall be installed and operational prior to any construction, (including foundations) or on-site storage of combustible materials. The minimum required		Improvement Plan		

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

		<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
	fire flow for the protection of commercial developments is 1,500 gallons per minute (gpm) at a pressure of 20 pounds per square inch (psi) for a two-hour duration.				
Prior to Issuance of Building Permits					
25.	Applicant shall complete improvement plans to the satisfaction of the Public Works Department. Improvement plans shall include, but shall not be limited to: • All onsite civil improvements. • Civil plan shall include an ADA access plan • All facilities, including but not limited to, sidewalk, driveways, etc. shall be upgraded to meet current ADA requirements and City Standards. Sidewalk on entire property frontage does not conform to ADA guidelines. Remove and replace all sidewalk on Folsom Boulevard and remove and replace all Sidewalk, curb and gutter on Woodberry Way per City Standard. Any obstructions to the sidewalk shall be relocated behind back of walk. • Utility laterals • Replacement of damaged pavement along property frontage to the satisfaction of the Public Works Department. • Public improvement plans shall clearly delineate all transitions to existing improvements. All improvements to be designed and constructed to the satisfaction of the Public Works Department.	Infrastructure/ Improvements	Prior to Issuance of Building Permits	Public Works	
26.	As-built reproducible grading and improvement plans (1 full size and 1 half size hard copy), as well as a compact disc containing said plans in AutoCAD and pdf format, and a GIS shape file, or equivalent to the satisfaction of the City Engineer shall be submitted and approved by the Public Works Department.	Mapping	Prior to Issuance of Building Permits	Public Works	

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
27.	Maintenance	Prior to Issuance of Building Permits	Public Works	
	Property Owner/Applicant shall participate in or provide a funding mechanism for maintenance services for the project's stormwater drainage and flood protection system. This may be accomplished through annexation to the City's Stormwater Utility Fee District, or other financial mechanism as may be proposed and provided by the Property Owner for the same purpose of providing a financial mechanism to fund the operation and maintenance of the Project's stormwater drainage and flood protection system. Costs associated with the annexation shall be borne by the Property Owner/Applicant through payment of fair share costs of the SWU annexation not to exceed \$7,000 per annexation.			
28.	Bicycle Parking	Prior to Issuance of Building Permits	Planning	
	Bicycle Parking shall be installed in accordance with RCMC 23.719.115. The design and location of the bicycle parking shall be consistent with the approved plans and approved by the Community Development Director prior to construction.			
29.	Architectural	Prior to Issuance of Building Permits	Planning	
	Additional architecture elements shall be included on the entrance area of the buildings to the satisfaction of the Community Development Director.			
30.	Architectural	Prior to Issuance of Building Permits	Planning	
	Vents, gutters, downspouts, flashing, electrical conduits, etc., shall be painted to match the color of the adjacent surface, unless otherwise approved by the Planning Department.			
31.	Architectural	Prior to Issuance of Building Permits	Planning	
	Construction plans must include all windows and final architectural element details to be reviewed and approved by the Planning Department. This includes all building fixtures, exterior lighting, walkway lighting, parking lot lighting, and street lights on the Site, Utility, Landscape, and Building Plans, prior to the issuance of any permits. The height and style of fixtures shall be shown. Energy-saving fixtures shall be used and noted on the plans and all illumination shall be installed in a manner that is glare shielded and directed away from adjacent properties and right-of-ways.			

City Council
February 21, 2017

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Crossings at Woodberry Way Apartments

Crossings at Woodberry Way Apartments Conditions of Approval

EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
32.	Architectural	Prior to Issuance of Building Permits	Planning	
33.	Lighting	Prior to Issuance of Building Permits	Planning/ Building	
34.	Architectural	Prior to Issuance of Building Permits	Planning/ Building/ Public Works	
35.	Architectural	Prior to Issuance of Building Permits	Planning/ Building	
36.	Construction	Prior to Issuance of Building Permits	Planning/ Building	
37.	Security	Prior to Issuance of Building Permits	Planning	

Crossings at Woodberry Way Apartments Conditions of Approval

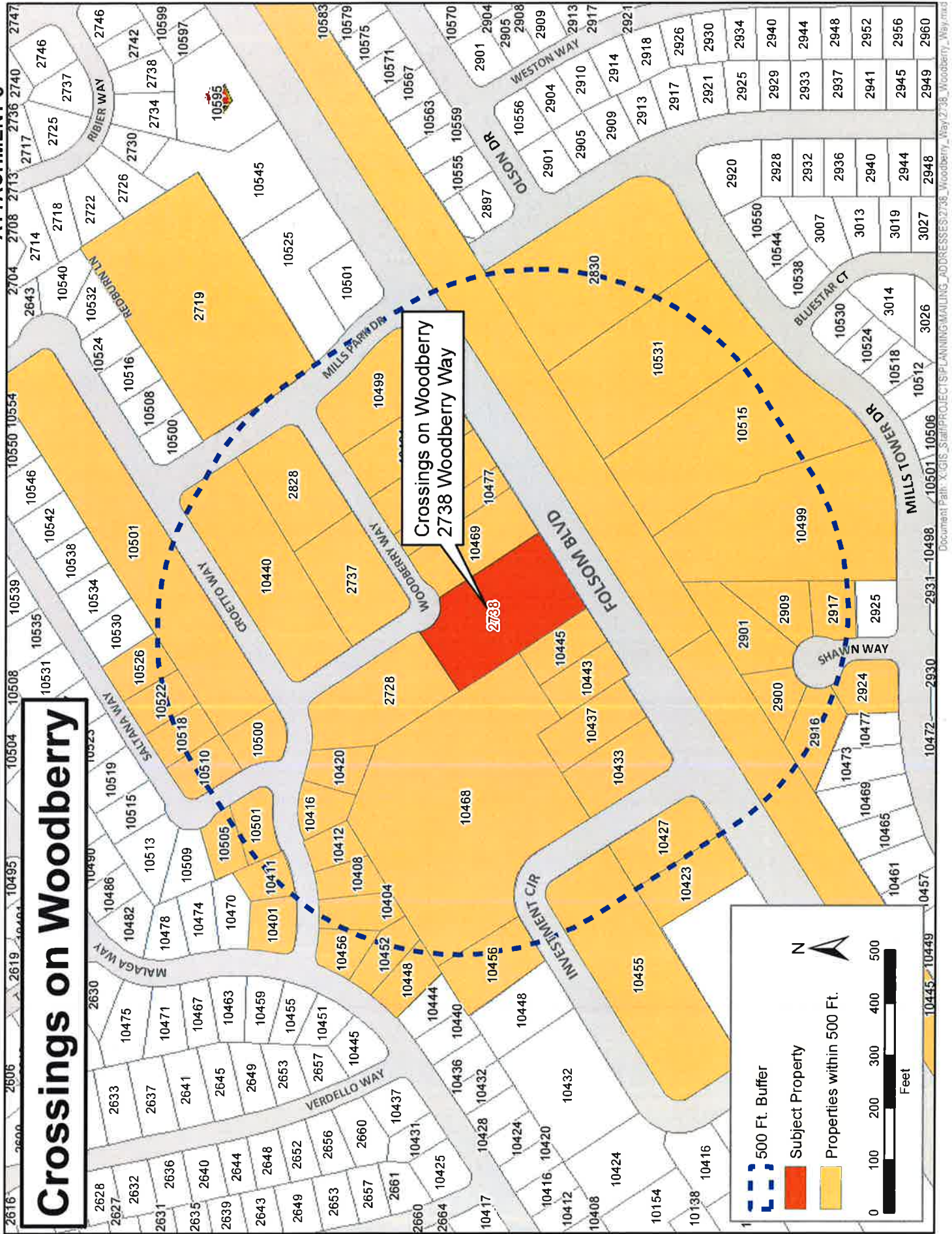
EXHIBIT 2B

	<u>Category</u>	<u>Timing/ Implementation</u>	<u>Enforcement/ Monitoring</u>	<u>Verification (date & Signature)</u>
42.	Funding	Prior to Certificate of Occupancy	Planning/ Public Works	
43.	Enforcement	Prior to Certificate of Occupancy/On- going	Planning	

discontinue water service per RCMC 22.180.090. Upon receipt of the certificate of compliance and site inspection from City staff, the landscaping performance bond will be released.

Applicant shall pay any outstanding staff costs associated with the review and approval of the construction plans.

The applicant shall provide the City with its tenant rules and regulations for the property prior to occupancy. Any violations of such rules or regulations affecting the external appearance of the property or behavior of tenants on the property, is enforceable by the City as a violation of the specific planning area standards and these conditions of approval.



Document Path: X:\GIS_Staff\PROJECTS\PLANNING\MAILING_ADDRESSES\2738_Woodberry_Way.mxd

ATTACHMENT 3

MAYS ANDREW
10401 CROETTO WAY
RANCHO CORDOVA, CA 95670

PORTER ADAM J
10404 CROETTO WAY
RANCHO CORDOVA, CA 95670

BOWDEN ALVIN
10408 CROETTO WAY
RANCHO CORDOVA, CA 95670

CHAVEZ J ALBERTO
10412 CROETTO WAY
RANCHO CORDOVA, CA 95670

MOSS OLIVIA
10416 CROETTO WAY
RANCHO CORDOVA, CA 95670

MCCLURE JUDY M
10448 MALAGA WAY
RANCHO CORDOVA, CA 95670

NEUBAUER BARBARA
10452 MALAGA WAY
RANCHO CORDOVA, CA 95670

GORDON BLDG LLC
10499 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OLEFIR YELENA
10501 SALTANA WAY
RANCHO CORDOVA, CA 95670

EVANS ZACHARY A
10505 SALTANA WAY
RANCHO CORDOVA, CA 95670

PHILLIPS KAREN L
10510 SALTANA WAY
RANCHO CORDOVA, CA 95670

DURBIN JEFFREY STEVEN
10518 SALTANA WAY
RANCHO CORDOVA, CA 95670

SIGL LIVING TRUST
10522 SALTANA WAY
RANCHO CORDOVA, CA 95670

NALBANDYAN ALENA
10526 SALTANA WAY
RANCHO CORDOVA, CA 95670

HICKOK ARTHUR R
2900 SHAWN WAY
RANCHO CORDOVA, CA 95670

GIBBS JAMES
2901 SHAWN WAY
RANCHO CORDOVA, CA 95670

MARTINEZ MARIA D
2909 SHAWN WAY
RANCHO CORDOVA, CA 95670

JULIA CZAPLA REVOCABLE TRUST
100 SANDPIPER LN
CRESCENT CITY, CA 95531

MEHRSHAHI HOOSHANG
100 VINICOLA CT
EL DORADO HILL, CA 95762

BRITTON REVOCABLE LIVING TRUST
11030 MAMMOTH RIVER CT
RANCHO CORDOVA, CA 95670

7777 GREENBACK LLC
1300 NATIONAL DR 100
SACRAMENTO, CA 95834

LONG LY/KIM TO REVOCABLE TRUST
1322 SOUZA DR
EL DORADO HLS, CA 95670

WEBER HOMES INC
1401 BIRCHWOOD LN
SACRAMENTO, CA 95822

2013 1 IH BORROWER LIMITED
PARTNERSHIP
1717 MAIN ST STE 2000
DALLAS, TX 75201

SAERON PV LLC
2 MIRA FLORES LN
BELVEDERE TIBU, CA 94920

UHC 00516 RANCHO CORDOVA LP
2000 E 4TH ST 205
SANTA ANA, CA 92705

CENTER OF PRAISE MINISTRIES INC
2150 CAPITOL AVE
SACRAMENTO, CA 95816

ANJARE LLC
24632 OLIVE TREE LN
LOS ALTOS HILL, CA 94024

COMMUNITY REDEV AGENCY CITY OF
RANCHO CORDOVA
2729 PROSPECT PARK DR
RANCHO CORDOVA, CA 95670

CONTRERAS GLORIA
3000 ATLAS AVE A
SACRAMENTO, CA 95820

ATTACHMENT 3

MUNYER DOUGLAS CLARK
324 SPRIG CIR
FOLSOM, CA 95630

LING JING ENTERPRISES L P
3336 BORDEAUX DR
EL DORADO HILL, CA 95762

PARKWEST LIMITED PARTNERSHIP
3545 RIVERVIEW DR
REDDING, CA 96001

WANG PETER C
358 VIEW ST
MOUNTAIN VIEW, CA 94041

THE ARBORS OF RANCHO CORDOVA
LLC
39270 PASEO PADRE PKWY
FREMONT, CA 94538

SAMI BLAYDAN
4126 MYSTIC VIEW CT
HAYWARD, CA 94542

BETTY KAY LOUIE REVOCABLE TRUST
500 N ST 405
SACRAMENTO, CA 95814

CHRISTOPHER J ANTHONY REVOCABLE
LIVING TRST
5001 CRESTVIEW DR
CARMICHAEL, CA 95608

MUHAREB MICHAEL A
6831 BOA NOVA DR
ELK GROVE, CA 95757

JOO SOON H
7816 38TH AVE
SACRAMENTO, CA 95824

BACA LIVING TRUST
8082 WINDWARD KEY DR
CHESAPEAKE BEA, MD 20732

SAC-PLCRVLE TRANSPORTATION CORR
JOINT POWERS AUTHO
PO BOX 2110
SACRAMENTO, CA 95812

FERNANDEZ A FAMILY TRUST
PO BOX 347455
SAN FRANCISCO, CA 94134

MOSES F JARDIN JR REVOCABLE TRUST
PO BOX 905
FAIR OAKS, CA 95628

OCCUPANT
2916 SHAWN WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10500 SALTANA WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10456 MALAGA WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
2737 WOODBERRY WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10477 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10469 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10485 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10423 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10411 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10501 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10420 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
2728 WOODBERRY WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10455 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
10440 CROETTO WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10447 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10443 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

ATTACHMENT 3

OCCUPANT
10437 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2828 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10515 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10531 MILLS TOWER DR
RANCHO CORDOVA, CA 95670

OCCUPANT
2830 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10468 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
2719 MILLS PARK DR
RANCHO CORDOVA, CA 95670

OCCUPANT
10499 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10491 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10456 INVESTMENT CIR
RANCHO CORDOVA, CA 95670

OCCUPANT
10433 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
10445 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2917 SHAWN WAY
RANCHO CORDOVA, CA 95670

OCCUPANT
10427 FOLSOM BLVD
RANCHO CORDOVA, CA 95670

OCCUPANT
2924 SHAWN WAY
RANCHO CORDOVA, CA 95670

EXHIBIT H

**FORM OF THE
SECURED PROMISSORY NOTE**

SECURED PROMISSORY NOTE
(Permanent Loan)

\$ _____ .00

Rancho Cordova,
California
_____, 2017

FOR VALUE RECEIVED, UHC 00575 Rancho Cordova, L.P., a California limited partnership ("**Borrower**"), hereby promises to pay to the order of the City of Rancho Cordova, a California municipal corporation ("**City**"), in lawful money of the United States of America, the principal sum of Two Million Six Hundred Sixty- Six Thousand Two Hundred Dollars and No Cents Dollars (\$2,666,200.00) or so much thereof as may be advanced by City pursuant to the Disposition and Development Loan Agreement referred to below, together with interest on the outstanding principal balance in accordance with the terms and conditions described herein. Interest shall accrue on the outstanding principal balance of this Note at a rate equal to zero percent (0%) simple interest per annum, commencing upon the date of disbursement thereof. Interest shall be calculated on the basis of a year of 365 days, and charged for the actual number of days elapsed. This Secured Promissory Note (this "**Note**") has been executed and delivered pursuant to and in accordance with the Disposition and Development Loan Agreement, dated as of the date hereof and executed by and between Borrower and City (the "**DDLA**"), and is subject to the terms and conditions of the DDLA and the Regulatory Agreement by and between the Borrower and the City of even date hereof (the "Regulatory Agreement"), which are by this reference incorporated herein and made a part hereof. Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the DDLA.

This Note is secured by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("**Deed of Trust**") dated as of the date hereof, executed by Borrower for the benefit of City and encumbering the property described therein. City shall be entitled to the benefits of the security provided by the Deed of Trust and shall have the right to enforce the covenants and agreements contained herein, in the Deed of Trust, the DDLA, the Regulatory Agreement and the other City Documents. The Regulatory Agreement shall remain effective for the full term thereof and shall survive the repayment of this Note.

This Note evidences the obligation of Borrower to the City for the repayment of funds loaned to Borrower by the City for the purpose of assisting Borrower to develop a twenty-eight (28) unit multi-family rental housing project in the City of Rancho Cordova, as more fully described in the DDLA and the Regulatory Agreement (the "**Project**") and to be located on that particular property described in the Deed of Trust (the "**Property**").

1. PAYMENTS.

1.1 PAYMENT DATES; MATURITY DATE. No periodic payments are anticipated on this Note. In no event shall any amount due under this Note become subject to any rights, of offset, deduction or counterclaim on the part of Borrower. The entire outstanding principal

balance of this Note, together with interest accrued thereon (if any) and any other sums accrued hereunder shall be payable in full on the date (the “**Maturity Date**”) that is the fifty-fifth (55th) anniversary of the date upon which the City issues a final certificate of occupancy for the Project.

1.2 ANNUAL PAYMENTS FROM SURPLUS CASH. By no later than June 1 of each year following the issuance of a final certificate of occupancy for the Project, Borrower shall distribute Surplus Cash pursuant to Section 1.2.6 below.

No later than May 1 of each year following the issuance of a final certificate of occupancy for the Project, Borrower shall provide to City Borrower’s calculation of Surplus Cash for the previous calendar year, accompanied by such supporting documentation as City may reasonably request, including without limitation, an independent audit prepared for the Project by a certified public accountant in accordance with generally accepted accounting principles. No later than November 1 of each year following issuance of the final certificate of occupancy for the Project, Borrower shall provide to City a projected budget for the following calendar year which shall include an estimate of Surplus Cash.

1.2.1 “**Surplus Cash**” shall mean for each calendar year during the term hereof, the amount by which Gross Revenue (defined below) exceeds Annual Operating Expenses (defined below) for the Project. Surplus Cash shall also include net cash proceeds realized from any refinancing of the Project, less fees and closing costs reasonably incurred in connection with such refinancing, and any City-approved uses of the net cash proceeds of the refinancing. Surplus Cash shall not include any interest income earned on tenant security deposits and reserve accounts.

The amount of surplus cash available for distribution shall be determined and identified in the annual audit by a certified public accountant. In such report the qualified accountant shall also certify his or her conclusion as to the amount of Surplus Cash and provide the City with all documentation which supports the qualified accountant's conclusion. The report shall be due no later than ninety (90) days after the end of Borrower's fiscal year (or calendar year if applicable).

1.2.2 “**Gross Revenue**” shall mean for each calendar year during the term hereof, all revenue, income, receipts and other consideration actually received by Borrower from the operation and leasing of the Project. Gross Revenue shall include, but not be limited to: all rents, fees and charges paid by tenants; Section 8 payments or other rental subsidy payments received for the dwelling units; deposits forfeited by tenants; all cancellation fees, price index adjustments and any other rental adjustments to leases or rental agreements; proceeds from vending and laundry room machines; the proceeds of business interruption or similar insurance; the proceeds of casualty insurance not required to be paid to the holders of Approved Senior Loans (provided however, expenditure of such proceeds for repair or restoration of the Project shall be included within Annual Operating Expenses in the year of the expenditure); condemnation awards for a taking of part or all of the Property or the Improvements for a temporary period; and the fair market value of any goods or services provided to Borrower in consideration for the leasing or other use of any part of the Project. Gross Revenue shall include any release of funds from Replacement Reserve and other reserve accounts to Borrower other than for costs associated with the Project. Gross Revenue shall not include tenant security

deposits, loan proceeds, capital contributions or similar advances.

1.2.3 **“Annual Operating Expenses”** shall mean for each calendar year during term hereof, the following costs reasonably and actually incurred for the operation and maintenance of the Project to the extent that they are consistent with an annual independent audit performed by a certified public accountant using generally accepted accounting principles: Ten Thousand Dollars (\$10,000) to reimburse the City for annual monitoring of the Project; property taxes and assessments or payments in lieu thereof; debt service currently due and payable on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Project) on loans which have been approved by the City and which are secured by deeds of trust senior in priority to the Deed of Trust (**“Approved Senior Loans”**); property management fees and reimbursements shall be in amounts in accordance with industry standards for similar residential projects and that are consistent with the Financing Plan; premiums for property damage and liability insurance; utility service costs not paid for directly or indirectly by tenants; maintenance and repair costs; fees for licenses and permits required for the operation of the Project; organizational costs (e.g., annual franchise tax payments) and costs associated with accounting, tax preparation and legal fees of Borrower incurred in the ordinary course of business; expenses for security services; advertising and marketing costs; payment of deductibles in connection with casualty insurance claims not paid from reserves; tenant services; the amount of uninsured losses actually replaced, repaired or restored and not paid from reserves; cash deposits into reserves for capital replacements shall be in an amounts as are reasonably required by the holder of a City approved Loan or as required by a physical needs assessment prepared by a third-party selected or approved by City and prepared at Borrower’s expense; an asset management fee payable to the Limited Partner and other management fees as identified in the Financing Plan as set forth in the DDLA; any previously unpaid portion of the developer fee (without interest) due in accordance with the Financing Plan approved by City as set forth in the DDLA (the **“Approved Developer Fee”**);

1.2.4 **EXCLUSIONS FROM ANNUAL OPERATING EXPENSES.** Annual Operating Expenses shall exclude the following: developer fees and interest on any deferred developer fees (except as permitted pursuant to Section 1.2.3); contributions to Project Operating Reserve; debt service payments on any loan which is not a City approved Senior Loan, including without limitation, unsecured loans or loans secured by deeds of trust which are subordinate to the Deed of Trust; depreciation, amortization, depletion and other non-cash expenses; expenses paid for with disbursements from any reserve account; distributions to partners; and any amount paid to Borrower, any general partner of Borrower, or any entity controlled by the persons or entities in control of Borrower or any general partner of Borrower. Notwithstanding the foregoing limitation regarding payments to Borrower and related parties, the following fees shall be included in Annual Operating Expenses, subject to applicable limitations set forth in Section 1.2.3 above, even if paid to Borrower, an affiliate of Borrower, or a partner of Borrower: fees paid to a property management agent, resident services agent, or social services agent; partnership management fees, developer fees, asset management fees, and subject to Section 1.2.5, repayment of cash advances by Borrower or its partners to cover Project operating expense deficits or emergency cash needs of the Project.

1.2.5 **ADJUSTMENT TO OPERATING EXPENSES.** Notwithstanding anything to the contrary set forth herein, for the purpose of calculating Surplus Cash, Annual

Operating Expenses shall include: (a) the repayment of operating deficit loans provided by Borrower's limited partner(s) provided however, interest payable on such loans may be included in Annual Operating Expenses only in an amount equivalent to the lesser of (i) interest accrued at the actual interest rate charged for the loan, or (ii) interest accrued at a rate equal to three percent (3%) in excess of the rate of interest most recently announced by Bank of America, NT & SA (or its successor bank) at its San Francisco office as its "prime rate", and (b) the amount of any tax credit adjustor that is required to be paid from Project cash flow.

1.2.6 DISTRIBUTION OF SURPLUS CASH. If there is "**Surplus Cash**" from the Project as defined above, Borrower (or its successors and assigns who have been approved in writing by the City) shall be entitled to retain fifty percent (50%) of such Surplus Cash. The remaining fifty percent (50) of the Surplus Cash is to be applied to the repayment of the obligation which is derived from the loan sources described in this Note.

Any allowable operating expenses incurred which could not be included due to a deficit in the annual operating income during the fiscal year (or calendar year if applicable) shall be accrued, carried over and allowed as deductions in the Surplus Cash calculation for later fiscal years (or calendar year if applicable) in which there is sufficient operating income. For purposes of determining "operating expenses," the combination of the partnership accounting fee and the partnership management fee may not exceed the limit set forth in Section 1.2.3.

Also, to the extent that Borrower has not been paid its full developer fee from the initial Project capital sources (and, therefore, a portion of such developer fee has to be deferred), the deferred amount of the Borrower's developer fee shall be paid the Borrower before any Surplus Cash distributions and calculations under this Section 1.2.6.

Surplus Cash payments shall be paid once a year, one hundred twenty (120) days after the end of the fiscal year (or calendar year if applicable) for the prior fiscal year (or calendar year if applicable). If there are any later revisions or adjustments which increase the amount due hereunder, payments for same shall be due and payable within ten (10) days after Borrower is notified of the adjustments.

If any other lender requires payment of a portion of "residual receipts" or out of "surplus cash" (hereinafter a "**Surplus Cash Lender**"), the City will consent to a proration of the available fifty percent (50%) portion of the Surplus Cash between itself and the Surplus Cash Lender. The City's share shall, to the extent there is Surplus Cash as defined above, be that amount which is derived by multiplying the available Surplus Cash times a fraction, the denominator of which is the sum of all the original principal amounts of the loans of the Surplus Cash lender and the City, and the numerator of which is the original principal amount of this Note.

1.3 COST SAVINGS. If, upon completion of the Project development, there are "Cost Savings" as defined below, Borrower shall be entitled to retain twenty-five percent of such Cost Savings. The balance of seventy-five percent (75%) of such cost savings is to be applied, proportionally, to the repayment of the underlying City loan sources which are described in this Note, with such cost savings payments being applied first to interest then outstanding and then to principal.

"Cost Savings," as that term is used in this Note, is the difference between the total sources of funds and the total cost of development as shown in the Final Cost Certificate Report provided to the California Tax Credit Allocation Committee ("TCAC") at the end of the construction of the Project; provided, however, that Cost Savings must take into account the net costs saved by the Borrower, after adjusting for the loss of any equity investment due to an adjustment in the allowable tax credits (which in turn, reduces the total sources of funds upon which the Tax Credits are based); and provided, further, that the tax credit factor applied to the required equity contribution shall be as referenced in the limited partnership agreement executed by Borrower with respect to the Project; and provided, finally, that in no event shall the amount payable to the City under this Section be reduced or eliminated by reducing the amount of the first mortgage loan by the cost savings. Nothing contained herein is intended to prohibit Borrower from reducing its first mortgage loan. The City shall be entitled to review and approve the Final Cost Certification Report prior to its submission to the TCAC, to assure that cost savings have not been minimized or reallocated.

If the City has not responded to Borrower within sixty (60) days after receipt of the Final Cost Certification Report, the information in the Final Cost Certification Report shall be deemed approved by the City. The amount payable to the City under this Section shall be paid within one hundred twenty (120) days following issuance of the Final Cost Certification Report to the TCAC.

For purposes of this Section 1.3, and notwithstanding anything to the contrary contained herein, Construction period Change Orders equal to or less than Twenty Thousand Dollars (\$20,000) shall be deemed approved without prior approval of the City, but a complete description of such Change Orders shall be submitted to the City within fifteen (15) days of initiation of such work. Any Change Order exceeding Twenty Thousand Dollars (\$20,000) shall be submitted to the City for approval prior to commencement of the work described therein. City shall respond to such request for approval within ten (10) days of receipt of said Change Order and shall not withhold approval unreasonably. Except for emergencies, as reasonably determined by City, no work associated with a Change Order in excess of Twenty Thousand Dollars (\$20,000) will be eligible for payment if it has not been approved by City prior to initiation of the work. City shall be given immediate telephonic or electronic notice of emergency work anticipated to require a Change Order in an amount in excess of Twenty Thousand Dollars (\$20,000). To the maximum extent possible, a single Change Order must describe all related work associated with the condition causing the need for a Change Order.

1.3.1 LIMITATION ON PARTNERSHIP FEES. All fees paid to the general and the limited partners, including without limitation, fees designated for asset management, partnership accounting fees or partnership management fees, for any given year shall not exceed a total sum of Twenty One Thousand Dollars (\$21,000), as adjusted annually for the percentage change in the prior twelve (12) months in the United States Department of Labor, Bureau of Labor Statistics' Consumer Price Index for San Francisco-Oakland-San Jose, All Urban Consumers; provided, however, any increase for any single year shall not exceed four percent (4%). Notwithstanding the previous sentence, to the extent there is insufficient Surplus Cash in any given year to allow Borrower to pay the full amount of Partnership Fees of annual fees, any unpaid amounts may be paid from available Surplus Cash in future years, in addition to the

restricted earned fee for any future year. Any fees paid with respect to prior years shall be treated as eligible operating expenses for the current year and such amounts shall not be subject to the annual limitation for the current year. The foregoing accounting fee limitation does not include reimbursements to a partner for actual, normal and customary out of pocket expenses, such as tax return preparation fees or franchise tax payments. There is no limit on the amount by which a decrease adjustment may be made from year to year. The anniversary date for adjusting these fees shall be the first day of the first new year of the partnership, and annually thereafter on that date. If the Consumer Price Index utilized is replaced or discontinued, The City shall select a replacement index which achieves substantially the same purpose.

1.4 DUE ON SALE. The entire unpaid principal balance and all interest and other sums accrued hereunder shall be due and payable upon the Transfer (as defined in Section 8.2 of the DDLA) absent City consent, of all or any part of the Project or the Property or any interest therein other than a Transfer permitted without City consent pursuant to the DDLA. Without limiting the generality of the foregoing, this Note shall not be assumable without City's prior written consent, which consent may be granted or denied in City's sole discretion.

1.5 PREPAYMENT. Borrower may, without premium or penalty, at any time and from time to time, prepay all or any portion of the outstanding principal balance due under this Note, provided that each such prepayment is accompanied by accrued interest on the amount of principal prepaid calculated to the date of such prepayment. Prepayments shall be applied first to any unpaid late charges and other costs and fees then due, then to accrued but unpaid interest, and then to principal. The Regulatory Agreement shall remain in full force for the entire term thereof regardless of any prepayment of this Note.

1.6 MANNER OF PAYMENT. All payments of principal and interest on this Note shall be made to City at 2729 Prospect Park Drive, Rancho Cordova, California 95670 or such other place as City shall designate to Borrower in writing, or by wire transfer of immediately available funds to an account designated by City in writing. Special Repayment Provision. A portion of this Loan has been made with grant proceeds from the Local Housing Trust Fund Program (LHTFP) created by California State Assembly Bill 2638 of 2006 (Laird) which established Section 50843.5 of the California Health & Safety Code. In the event that the City Department of Housing and Community Development is no longer in operation, repayment of that portion of the Loan principal amount made from LHTFP monies shall be made to the State Department of Housing and Community Development, Local Housing Trust Fund Program, Division of Financial Assistance, P.O. Box 952054, MS 650, Sacramento, CA 94252-2054.

2. DEFAULTS AND REMEDIES.

2.1 EVENTS OF DEFAULT. The occurrence of any one or more of the following events shall constitute an event of default hereunder ("**Event of Default**"):

- (a) Borrower fails to pay when due the principal and interest payable hereunder and such failure continues for ten (10) days after City notifies Borrower thereof in writing.
- (b) Borrower fails to use Loan Proceeds in accordance with Borrower's request for disbursement of Loan Proceeds.

(c) Pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors (“**Bankruptcy Law**”), Borrower or any general partner thereof (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against Borrower or any general partner thereof in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator or similar official for Borrower or any general partner thereof; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due.

(d) A court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against Borrower or any general partner thereof in an involuntary case, (ii) appoints a trustee, receiver, assignee, liquidator or similar official for Borrower or any general partner thereof or substantially all of such entity’s assets, (iii) orders the liquidation of Borrower or any general partner thereof, or (iv) issues or levies a judgment, writ, warrant of attachment or similar process against the Property or the Project, and in each case the order or decree is not released, vacated, dismissed or fully bonded within sixty (60) days after its issuance.

(e) The occurrence of a Transfer in violation of Article VIII of the DDLA.

(f) A default arises under any debt instrument secured by a mortgage or deed of trust on the Project or the Property and remains uncured beyond any applicable cure period such that the holder of such instrument has the right to accelerate payment thereunder.

(g) Borrower fails to maintain insurance on the Property and the Project as required pursuant to the City Documents and Borrower fails to cure such default within ten (10) days.

(h) Subject to Borrower’s right to contest the following charges pursuant to the City Documents, if Borrower fails to pay taxes or assessments due on the Property or the Project or fails to pay any other charge that may result in a lien on the Property or the Project, and Borrower fails to cure such default within thirty (30) days, but in all events before the imposition of any such tax or other lien.

(i) If any representation or warranty contained in any City Document, or any certificate furnished in connection therewith, or in connection with any request for disbursement of the proceeds of the Loan proves to have been false or misleading in any material adverse respect when made and continues to be materially adverse to the City.

(j) An Event of Default shall have been declared under the DDLA, the Regulatory Agreement or any other City Document and remains uncured beyond the expiration of the applicable cure period.

2.2 REMEDIES. Upon the occurrence of an Event of Default hereunder, City may, at its option (i) by written notice to Borrower, declare the entire unpaid principal balance of this Note, together with all accrued interest thereon and all sums due hereunder, immediately due and payable regardless of any prior forbearance, (ii) exercise any and all rights and remedies available to it under applicable law, and (iii) exercise any and all rights and remedies available to City under this Note and the other City Documents, including without limitation the right to pursue foreclosure under the Deed of Trust. Borrower shall pay all reasonable costs and

expenses incurred by or on behalf of City including, without limitation, reasonable attorneys' fees, incurred in connection with City's enforcement of this Note and the exercise of any or all of its rights and remedies hereunder and all such sums shall be a part of the indebtedness secured by the Deed of Trust. The rights and remedies of City under this Note shall be cumulative and not alternative.

2.3 DEFAULT RATE. Upon the occurrence of an Event of Default, interest shall automatically be increased without notice to the rate of the lesser of ten percent (10%) per annum or the maximum rate permitted by law (the "**Default Rate**"); provided however, if any payment due hereunder is not paid when due, the Default Rate shall apply commencing upon the due date for such payment. When Borrower is no longer in default, the Default Rate shall no longer apply, and the interest rate shall once again be the rate specified in the first paragraph of this Note. Notwithstanding the foregoing provisions, if the interest rate charged exceeds the maximum legal rate of interest, the rate shall be the maximum rate permitted by law. The imposition or acceptance of the Default Rate shall in no event constitute a waiver of a default under this Note or prevent City from exercising any of its other rights or remedies.

2.4 LIMITED PARTNERS RIGHT TO CURE. Borrower's limited partners shall have the right to cure any default of Borrower hereunder upon the same terms and conditions afforded to Borrower. The City shall provide any notice of default hereunder to the limited partners concurrently with the provision of such notice to Borrower at the following address (or such alternate address as the limited partners may designate from time to time in a written notice to the City);

As to the limited partners, the cure periods specified herein shall commence upon the date of delivery of such notice in accordance with Section 9.3 of the DDLA.

3. MISCELLANEOUS.

3.1 WAIVERS; AMENDMENTS; BORROWER'S WAIVERS. No waiver by City of any right or remedy under this Note shall be effective unless in writing signed by City. Neither the failure nor any delay in exercising any right, power or privilege under this Note will operate as a waiver of such right, power or privilege, and no single or partial exercise of any such right, power or privilege by City will preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. No waiver that may be given by City will be applicable except in the specific instance for which it is given. No notice to or demand on Borrower will be deemed to be a waiver of any obligation of Borrower or of the right of City to take further action without notice or demand as provided in this Note. There shall be no amendment to or modification of this Note except by written instrument executed by Borrower and City.

To the maximum extent permitted by applicable law Borrower hereby waives presentment, demand, protest, notices of dishonor and of protest and all defenses and pleas on the grounds of any extension or extensions of the time of payment or of any due date under this Note, in whole or in part, whether before or after maturity and with or without notice.

3.2 NOTICES. Any notice required or permitted to be given hereunder shall be given in accordance with Section 13.3 of the DDLA.

3.3 SEVERABILITY. If any provision in this Note is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Note will remain in full force and effect. Any provision of this Note held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

3.4 GOVERNING LAW; VENUE. This Note shall be governed by the laws of the State of California without regard to principles of conflicts of laws. Any legal action filed in connection with this Note shall be filed in the Superior Court of Sacramento County, California, or in the Federal District Court for the Eastern District of California.

3.5 PARTIES IN INTEREST. This Note shall bind Borrower and its successors and assigns and shall accrue to the benefit of City and its successors and assigns.

3.6 SECTION HEADINGS, CONSTRUCTION. The headings of Sections in this Note are provided for convenience only and will not affect its construction or interpretation.

3.7 RELATIONSHIP OF THE PARTIES. The relationship of Borrower and City under this Note is solely that of borrower and lender, and the loan evidenced by this Note and secured by the Deed of Trust will in no manner make City the partner or joint venturer of Borrower.

3.8 TIME IS OF THE ESSENCE. Time is of the essence with respect to every provision of this Note.

3.9 NONRECOURSE. Except as expressly provided in this Section 3.9, neither Borrower nor its partners shall have personal liability for payment of the principal of, or interest on, this Note, and the sole recourse of City with respect to the payment of the principal of, and interest on, this Note shall be to the Project, the Property and any other collateral held by City as security for this Note; provided however, nothing contained in the foregoing limitation of liability shall:

(A) impair the enforcement against all such security for the Loan of all the rights and remedies of the City under the Deed of Trust and any financing statements City files in connection with the Loan as each of the foregoing may be amended, modified, or restated from time to time;

(B) impair the right of City to bring a foreclosure action, action for specific performance or other appropriate action or proceeding to enable City to enforce and realize upon the Deed of Trust, the interest in the Project and the Property created thereby and any other collateral given to City in connection with the indebtedness evidenced hereby and to name the Borrower as party defendant in any such action;

(C) be deemed in any way to impair the right of the City to assert the unpaid principal amount of the Loan as a demand for money within the meaning of Section 431.70 of the California Code of Civil Procedure or any successor provision thereto;

(D) constitute a waiver of any right which City may have under any bankruptcy law to file a claim for the full amount of the indebtedness owed to City hereunder or to require that the Project and the Property shall continue to secure all of the indebtedness owed to City hereunder in accordance with this Note and the Deed of Trust; or

(E) limit or restrict the ability of City to seek or obtain a judgment against Borrower to enforce against Borrower and its general partners to:

(1) recover under those sections of the DDLA that pertain to Borrower's indemnification obligations), or

(2) recover from Borrower and its general partners compensatory damages as well as other costs and expenses incurred by City (including without limitation attorney's fees and expenses) arising as a result of the occurrence of any of the following:

(a) any fraud or material misrepresentation on the part of the Borrower, any general partner thereof, or any officer, director or authorized representative of Borrower or any general partner thereof in connection with the request for or creation of the Loan, or in any City Document, or in connection with any request for any action or consent by City in connection with the Loan;

(b) any failure to maintain insurance on the Property and the Project as required pursuant to the City Documents;

(c) failure to pay taxes, assessments or other charges which may become liens on the Property or the Project;

(d) the presence of Hazardous Materials on the Property or other violation of the Borrower's obligations under Article X of the DDLA or Section 7.11 of the Deed of Trust (pertaining to environmental matters);

(e) the occurrence of any act or omission of Borrower that results in waste to or of the Project or the Property and which has a material adverse effect on the value of the Project or the Property;

(f) the material misapplication of the Loan proceeds;

(g) the removal or disposal of any personal property or fixtures or the retention of rents, insurance proceeds, or condemnation awards in violation of the Deed of Trust;

(h) the material misapplication of the proceeds of any insurance policy or award resulting from condemnation or the exercise of the power of eminent domain or by reason of damage, loss or destruction to any portion of the Project or the Property; and

(i) the failure of Borrower to pay all amounts payable under this Note in full if Borrower transfers the Property in violation of the DDLA.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, Borrower has executed and delivered this Note as of the date first written above.

BORROWER:

UHC 00575 Rancho Cordova, L.P.,
a California limited partnership

By:

EXHIBIT I

**FORM OF THE
DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

The City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: City Manager

EXEMPT FROM RECORDING FEES
PER GOVERNMENT CODE §§ 6103,27383

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("**Deed of Trust**") is made as of _____, 2017, by UHC 00575 Rancho Cordova, L.P., a California limited partnership ("**Trustor**") to Fidelity National Title Company as trustee ("**Trustee**"), for the benefit of the City of Rancho Cordova, a California municipal corporation ("**Beneficiary**").

RECITALS

A. Trustor owns fee simple title to the land described in Exhibit A attached hereto and incorporated herein by this reference (the "**Land**"). The Land is located within the Rancho Cordova Redevelopment Project ("**Project Area**"). Trustor intends to construct, own and operate a Twenty-eight (28) - unit multifamily rental housing project on the Land (the "**Project**").

B. Beneficiary and Trustor have entered into a Disposition and Development and Loan Agreement dated as of _____, 2017 (the "**DDLA**") pursuant to which Beneficiary will provide a permanent loan to Trustor in the amount of Two Million Six Five Hundred Sixty-Six Thousand Two Hundred Dollars and No Cents (\$2,666,200.00) (the "**Loan**" or "**Permanent Loan**") for the purpose of partially financing the Project. Trustor has issued to Beneficiary a secured promissory note dated as of the date hereof (the "**Note**") to evidence Trustor's obligation to repay the Permanent Loan.

C. As a condition precedent to the making of the Permanent Loan, Beneficiary has required that Trustor enter into this Deed of Trust and grant to Trustee for the benefit of Beneficiary, a lien and security interest in the Property (defined below) to secure repayment of the Note and performance of Trustor's obligations under the Permanent Loan Documents (defined below).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows.

1. Grant in Trust. In consideration of the foregoing and for the purpose of securing payment and performance of the Secured Obligations defined and described in Section 2, Trustor hereby irrevocably and unconditionally grants, conveys, transfers and assigns to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest which Trustor now has or may later acquire in and to the Land, and all of the following, whether presently owned or hereafter acquired:

a. All buildings, structures, and improvements, now or hereafter located or constructed on the Land ("**Improvements**");

b. All appurtenances, easements, rights of way, pipes, transmission lines or wires and other rights used in connection with the Land or the Improvements or as a means of access thereto, whether now or hereafter owned or constructed or placed upon or in the Land or Improvements and all existing and future privileges, rights, franchises and tenements of the Land, including all minerals, oils, gas and other commercially valuable substances which may be in, under or produced from any part of the Land, and all water rights, rights of way, gores or strips of land, and any land lying in the streets, ways, and alleys, open or proposed, in front of or adjoining the Land and Improvements (collectively, "**Appurtenances**");

c. All machinery, equipment, fixtures, goods and other personal property of the Trustor, whether moveable or not, now owned or hereafter acquired by the Trustor and now or hereafter located at or used in connection with the Land, the Improvements or Appurtenances, and all improvements, restorations, replacements, repairs, additions or substitutions thereto (collectively, "**Equipment**");

d. All existing and future leases, subleases, licenses, and other agreements relating to the use or occupancy of all or any portion of the Land or Improvements (collectively, "**Leases**"), all amendments, extensions, renewals or modifications thereof, and all rent, royalties, or other payments which may now or hereafter accrue or otherwise become payable thereunder to or for the benefit of Trustor, including but not limited to security deposits (collectively, "**Rents**");

e. All insurance proceeds and any other proceeds from the Land, Improvements, Appurtenances, Equipment, Leases, and Rents, including without limitation, all deposits made with or other security deposits given to utility companies, all claims or demands relating to insurance awards which the Trustor now has or may hereafter acquire, including all advance payments of insurance premiums made by Trustor, and all condemnation awards or payments now or later made in connection with any condemnation or eminent domain proceeding ("**Proceeds**");

f. All revenues, income, rents, royalties, payments and profits produced by the Land, Improvements, Appurtenances and Equipment, whether now owned or hereafter acquired by Trustor ("**Gross Revenues**");

g. All architectural, structural and mechanical plans, specifications, design documents and studies produced in connection with development of the Land and construction of the Improvements (collectively, “**Plans**”); and

h. All interests and rights in any private or governmental grants, subsidies, loans or other financing provided in connection with development of the Land and construction of the Improvements, excluding any low income housing tax credits awarded to Trustor in connection with the Project and any equity contributed to Trustor by Trustor's limited partners (collectively, “**Financing**”).

All of the above-referenced interests of Trustor in the Land, Improvements, Appurtenances, Equipment, Leases, Rents, Proceeds, Gross Revenues, Plans and Financing as hereby conveyed to Trustee or made subject to the security interest herein described are collectively referred to herein as the “**Property**.”

2. **Obligations Secured.** This Deed of Trust is given for the purpose of securing payment and performance of the following (collectively, the “**Secured Obligations**”): (i) all present and future indebtedness evidenced by the Note and any amendment thereof, including principal, interest and all other amounts payable under the terms of the Note; (ii) all present and future obligations of Trustor to Beneficiary under the Loan Documents (defined below); (iii) all additional present and future obligations of Trustor to Beneficiary under any other agreement or instrument acknowledged by Trustor (whether existing now or in the future) which states that it is or such obligations are, secured by this Deed of Trust; (iv) all obligations of Trustor to Beneficiary under all modifications, supplements, amendments, renewals, or extensions of any of the foregoing, whether evidenced by new or additional documents; and (v) reimbursement of all amounts advanced by or on behalf of Beneficiary to protect Beneficiary’s interests under this Deed of Trust or any other Permanent Loan Document as such may be modified, supplemented, amended, renewed or extended. The DDLA, the Note, the this Deed of Trust, and the Affordable Housing Regulatory Agreement and Declaration of Restrictive Covenants (“**Regulatory Agreement**”) dated as of the date hereof, executed by and between Trustor and Beneficiary and recorded substantially concurrently herewith are hereafter collectively referred to as the “**Permanent Loan Documents**.”

3. **Assignment of Rents, Issues, and Profits.** Trustor hereby irrevocably, absolutely, presently and unconditionally assigns to Beneficiary the Rents, royalties, issues, profits, revenue, income and proceeds of the Property. This is an absolute assignment and not an assignment for security only. Beneficiary hereby confers upon Trustor a license to collect and retain such Rents, royalties, issues, profits, revenue, income and proceeds as they become due and payable prior to any Event of Default hereunder. Upon the occurrence and during the continuance of any such Event of Default, Beneficiary may terminate such license without notice to or demand upon Trustor and without regard to the adequacy of any security for the indebtedness hereby secured, and may either in person, by agent, or by a receiver to be appointed by a court, enter upon and take possession of the Property or any part thereof, and sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys’ fees, to any indebtedness secured hereby, and in such order as Beneficiary may determine. Beneficiary’s right to the rents, royalties, issues, profits, revenue, income and proceeds of the Property does not depend upon

whether or not Beneficiary takes possession of the Property. The entering upon and taking possession of the Property, the collection of such rents, issues, and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and/or is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted hereunder. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Land or the Improvements, Beneficiary shall not be deemed to be a "mortgagee in possession," shall not be responsible for performing any obligation of Trustor under any Lease, shall not be liable in any manner for the Property, or the use, occupancy, enjoyment or operation of any part of it, and shall not be responsible for any waste committed by Trustor, lessees or any third parties, or for dangerous or defective condition of the Property or any negligence in the management, repair or control of the Property. Absent Beneficiary's written consent, Trustor shall not accept prepayment of Rents for any rental period exceeding one month.

4. Security Agreement. The parties intend for this Deed of Trust to create a lien on the Property, and an absolute assignment of the Rents and Leases, all in favor of Beneficiary. The parties acknowledge that some of the Property may be determined under applicable law to be personal property or fixtures. To the extent that any Property may be or be determined to be personal property, Trustor as debtor hereby grants to Beneficiary as secured party a security interest in all such Property to secure payment and performance of the Secured Obligations. This Deed of Trust constitutes a security agreement under the California Uniform Commercial Code, as amended or recodified from time to time (the "UCC"), covering all such Property. To the extent such Property is not real property encumbered by the lien granted above, and is not absolutely assigned by the assignment set forth above, it is the intention of the parties that such Property shall constitute "proceeds, products, offspring, rents, or profits" (as defined in and for the purposes of Section 552(b) of the United States Bankruptcy Code, as such section may be modified or supplemented) of the Land and Improvements.

5. Financing Statements. Pursuant to the UCC, Trustor, as debtor, hereby authorizes Beneficiary, as secured party, to file such financing statements and amendments thereof and such continuation statements with respect thereto as Beneficiary may deem appropriate to perfect and preserve Beneficiary's security interest in the Property and Rents, without requiring any signature or further authorization by Trustor. If requested by Beneficiary, Trustor shall pay all fees and costs that Beneficiary may incur in filing such documents in public offices and in obtaining such record searches as Beneficiary may reasonably require. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall not be construed as in any way derogating from or impairing this Deed of Trust or the rights or obligations of the parties under it.

Everything used in connection with the Property and/or adapted for use therein and/or which is described or reflected in this Deed of Trust is, and at all times and for all purposes and in all proceedings both legal or equitable shall be regarded as part of the estate encumbered by this Deed of Trust irrespective of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain equipment

items capable of being thus identified in a recital contained herein or in any list filed with Beneficiary, or (iii) any such item is referred to or reflected in any such financing statement so filed at any time. Similarly, the mention in any such financing statement of (1) rights in or to the proceeds of any fire and/or hazard insurance policy, or (2) any award in eminent domain proceedings for a taking or for lessening of value, or (3) Trustor's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the property conveyed hereby, whether pursuant to lease or otherwise, shall not be construed as in any way altering any of the rights of Beneficiary as determined by this instrument or impugning the priority of Beneficiary's lien granted hereby or by any other recorded document. Such mention in any financing statement is declared to be solely for the protection of Beneficiary in the event any court or judge shall at any time hold, with respect to the matters set forth in the foregoing clauses (1), (2), and (3), that notice of Beneficiary's priority of interest is required in order to be effective against a particular class of persons, including but not limited to the federal government and any subdivisions or entity of the federal government.

6. Fixture Filing. This Deed of Trust is intended to be and constitutes a fixture filing pursuant to the provisions of the UCC with respect to all of the Property constituting fixtures, is being recorded as a fixture financing statement and filing under the UCC, and covers property, goods and equipment which are or are to become fixtures related to the Land and the Improvements. Trustor covenants and agrees that this Deed of Trust is to be filed in the real estate records of Sacramento County and shall also operate from the date of such filing as a fixture filing in accordance with Section 9502 and other applicable provisions of the UCC. This Deed of Trust shall also be effective as a financing statement covering minerals or the like (including oil and gas) and accounts subject to the UCC, as amended. Trustor shall be deemed to be the "debtor" and Beneficiary shall be deemed to be the "secured party" for all purposes under the UCC.

7. Trustor's Representations, Warranties and Covenants; Rights and Duties of the Parties.

7.1 Representations and Warranties. Trustor represents and warrants that: (i) Trustor lawfully possesses and holds a fee simple interest in the Land and the Improvements, (ii) Trustor has good and marketable title to all of the Property; (iii) other than as limited by the Permanent Loan Documents and the Permitted Encumbrances, Trustor has the full and unlimited power, right and authority to encumber the Property and assign the Rents; (iv) subject only to encumbrances of record and senior liens permitted pursuant to the Permanent Loan Documents or otherwise approved in writing by Beneficiary ("**Permitted Encumbrances**"), this Deed of Trust creates a valid lien on Trustor's entire interest in the Property; (v) except with respect to Permitted Encumbrances, Trustor owns the Property free and clear of all deeds of trust, mortgages, security agreements, reservations of title or conditional sales contracts, (vi) there is no financing statement affecting the Property on file in any public office other than as disclosed in writing to Beneficiary; and (vii) the correct address of Trustor's chief executive office is specified in Section 10.2. Notwithstanding the foregoing, Beneficiary agrees that it will subordinate this Deed of Trust to deeds of trust provided for the benefit of commercial lenders identified in the Financing Plan approved in connection with the DDLA provided that the subordination agreement includes reasonable protections to the Beneficiary in the event of default.

7.2 Condition of Property. Trustor represents and warrants that except as disclosed to Beneficiary in writing, as of the date hereof: (i) Trustor has not received any notice from any governmental authority of any threatened or pending zoning, building, fire, or health code violation or violation of other governmental regulations concerning the Property that has not previously been corrected, and no condition on the Land violates any health, safety, fire, environmental, sewage, building, or other federal, state or local law, ordinance or regulation; (ii) no contracts, licenses, leases or commitments regarding the maintenance or use of the Property or allowing any third party rights to use the Property are in force; (iii) there are no threatened or pending actions, suits, or administrative proceedings against or affecting the Property or any portion thereof or the interest of Trustor in the Property; (iv) there are no threatened or pending condemnation, eminent domain, or similar proceedings affecting the Property or any portion thereof; (v) Trustor has not received any notice from any insurer of defects of the Property which have not been corrected; (vi) there are no natural or artificial conditions upon the Land or any part thereof that could result in a material and adverse change in the condition of the Land; (vii) all information that Trustor has delivered to Beneficiary, either directly or through Trustor's agents, is accurate and complete; and (viii) Trustor or Trustor's agents have disclosed to Beneficiary all material facts concerning the Property.

7.3 Authority. Trustor represents and warrants that this Deed of Trust and all other documents delivered or to be delivered by Trustor in connection herewith: (a) have been duly authorized, executed, and delivered by Trustor; (b) are binding obligations of Trustor; and (c) do not violate the provisions of any agreement to which Trustor is a party or which affects the Property. Trustor further represents and warrants that there are no pending, or to Trustor's knowledge, threatened actions or proceedings before any court or administrative agency which may adversely affect Trustor's ownership of the Property.

7.4 Payment and Performance of Secured Obligations. Trustor shall promptly pay when due the principal and any interest due on the indebtedness evidenced by the Note, and shall promptly pay and perform all other obligations of Trustor arising in connection with the Secured Obligations or the Permanent Loan Documents in accordance with the respective terms thereof.

7.5 Use of Permanent Loan Proceeds; Preservation and Maintenance of Property; Compliance with Laws. Trustor covenants that it shall use the Permanent Loan Proceeds solely for purposes authorized by the DDLA. Trustor covenants that it shall keep the Land and Improvements in good repair and condition, and from time to time shall make necessary repairs, renewals and replacements thereto so that the Property shall be preserved and maintained. Trustor covenants to comply with all federal, state and local laws, regulations, ordinances and rules applicable to the Property and the Project, including without limitation all applicable requirements of state and local building codes and regulations, and all applicable statutes and regulations relating to accessibility for the disabled. Trustor shall not remove, demolish or materially alter any Improvement without Beneficiary's consent, shall complete or restore promptly and in good and workmanlike manner any building, fixture or other improvement which may be constructed, damaged, or destroyed thereon, and shall pay when due all claims for labor performed and materials furnished therefor. Trustor shall use the Land and the Improvements solely for purposes authorized by the Permanent Loan Documents, shall not commit or allow waste of the Property, and shall not commit or allow any act upon or use of the Property which would violate any applicable law or order of any governmental authority, nor

shall Trustor bring on or keep any article on the Property or cause or allow any condition to exist thereon which could invalidate or which would be prohibited by any insurance coverage required to be maintained on the Property pursuant to the Permanent Loan Documents.

7.6 Restrictions on Conveyance and Encumbrance; Acceleration. It shall be an Event of Default hereunder if the Property, any part thereof, or interest therein is sold, assigned, conveyed, transferred, hypothecated, leased, licensed, or encumbered in violation of the DDLA or if any other Transfer (as defined in the DDLA) occurs in violation of the DDLA. If any such Transfer shall occur in violation of such requirements, without limiting the provisions of Section 8 hereof, all obligations secured by this Deed of Trust, irrespective of the maturity dates of such obligations, shall at the option of Beneficiary, and without demand, immediately become due and payable, subject to any applicable cure period.

7.7 Inspections; Books and Records. Beneficiary and its agents and representatives shall have the right at any reasonable time upon reasonable notice to enter upon the Land and inspect the Property to ensure compliance with the Permanent Loan Documents. Trustor shall maintain complete and accurate books of account and other records (including copies of supporting bills and invoices) adequate to document the use of the Permanent Loan Proceeds and the operation of the Property, together with copies of all written contracts, Leases and other instruments which affect the Property. The books, records, contracts, Leases and other instruments shall be subject to examination and inspection by Beneficiary at any reasonable time following two (2) business days prior notice.

7.8 Charges, Liens, Taxes and Assessments. Trustor shall pay before delinquency all taxes, levies, assessments and other charges affecting the Property that are (or if not paid may become) a lien on all or part of the Property. Trustor may, at Trustor's expense, contest the validity or application of any tax, levy, assessment or charge affecting the Property by appropriate legal proceedings promptly initiated and conducted in good faith and with due diligence, provided that (i) Beneficiary is reasonably satisfied that neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, or lost as a result of such contest, and (ii) Trustor shall have posted a bond or furnished other security as may reasonably be required from time to time by Beneficiary; and provided further that Trustor shall timely make any payment necessary to prevent a lien foreclosure, sale, forfeiture or loss of the Property.

7.9 Subrogation. Beneficiary shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Beneficiary in accordance with this Deed of Trust.

7.10 Hazard, Liability and Workers' Compensation Insurance. At all times during the term hereof, at Trustor's expense, Trustor shall keep the Improvements and personal property now existing or hereafter located on the Property insured against loss by fire, vandalism and malicious mischief by a policy of standard fire and extended all-risk insurance. The policy shall be written on a full replacement value basis and shall name Beneficiary as loss payee as its interest may appear. The full replacement value of the improvements to be insured shall be determined by the company issuing the policy at the time the policy is initially obtained. Not more frequently than once every two (2) years, either the Trustor or the Beneficiary shall have the right to notify the other party that it elects to have the replacement value redetermined by the

insurance company. Subject to the rights of any senior lienholder, the proceeds collected under any insurance policy may be applied by Beneficiary to any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

7.10.1 Prior to initiating work on the Project and continuing through the issuance of the Certificate of Completion, Developer and all contractors working on behalf of Developer on the Project shall maintain a commercial general liability policy in the amount of Two Million Dollars (\$2,000,000) each occurrence, Four Million Dollars (\$4,000,000) annual aggregate, together with Three Million Dollars (\$3,000,000) excess liability coverage, or such other policy limits as City may require in its reasonable discretion, including coverage for bodily injury, property damage, products, completed operations and contractual liability coverage. Such policy or policies shall be written on an occurrence basis and shall name the Indemnitees as additional insureds.

7.10.2 Until issuance of the Certificate of Completion, Developer and all contractors working on behalf of Developer shall maintain a comprehensive automobile liability coverage in the amount of One Million Dollars (\$1,000,000), combined single limit including coverage for owned and non-owned vehicles and shall furnish or cause to be furnished to City evidence satisfactory to City that Developer and any contractor with whom Developer has contracted for the performance of work on the Property or otherwise pursuant to this Agreement carries workers' compensation insurance in an amount not less than One Million Dollars. Automobile liability policies shall name the Indemnitees as additional insureds.

7.10.3 Upon commencement of construction work and continuing until issuance of a Certificate of Completion, Developer and all contractors working on behalf of Developer shall maintain a policy of builder's all-risk insurance in an amount not less than the full insurable cost of the Project on a replacement cost basis naming City as loss payee. Such insurance shall include coverage for risks of direct physical loss or damage, excluding the perils of earthquake, flood, and earth movement.

7.10.4 Upon completion of construction, Developer shall maintain property insurance covering all risks of loss (other than earthquake and flood) for one hundred percent (100%) of the replacement value of the Project with deductible, if any, in an amount acceptable to City, naming City as loss payee.

7.10.5 Trustor shall file with Beneficiary prior to the commencement of the term hereof, certificates (or such other proof as Beneficiary may require, including without limitation, copies of the required insurance policies) evidencing each of the insurance policies and endorsements thereto as required by this Section, and such certificates (or policies) shall provide that at least thirty (30) days' prior written notice shall be provided to Beneficiary prior to the expiration, cancellation or change in coverage under each such policy.

7.10.6 If any insurance policy required hereunder is canceled or the coverage provided thereunder is reduced, Trustor shall, within fifteen (15) days after receipt of written notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with Beneficiary a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, Beneficiary may, without further notice and at its option, procure such insurance coverage at Trustor's expense, and Trustor shall promptly reimburse Beneficiary for such expense upon receipt of billing from Beneficiary.

7.10.7 The insurance policies required hereunder shall be issued by insurance companies authorized to do business in the State of California with a financial rating of at least A VII status as rated in the most recent edition of Best's Key Rating Guide. Each policy of insurance shall contain an endorsement requiring the insurer to provide at least thirty (30) days' written notice to Beneficiary prior to change in coverage, cancellation or expiration thereof. If any insurance policy required pursuant to the Bridge Loan Documents is canceled or the coverage provided thereunder is reduced, Trustor shall, within ten (10) days after receipt of written notice of such cancellation or reduction in coverage, but in no event later than the effective date of cancellation or reduction, file with Beneficiary a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon failure to so file such certificate, Beneficiary may, without further notice and at its option, procure such insurance coverage at Trustor's expense, and Trustor shall promptly reimburse Beneficiary for such expense upon receipt of billing from Beneficiary.

7.11 Hazardous Materials. Trustor represents and warrants that except as disclosed to Beneficiary in writing, as of the date hereof to the best knowledge of Trustor: (i) the Land is free and has always been free of Hazardous Materials (as defined below) and is not and has never been in violation of any Environmental Law (as defined below); (ii) there are no buried or partially buried storage tanks located on the Land; (iii) Trustor has received no notice, warning, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice alleging that conditions on the Land are or have ever been in violation of any Environmental Law or informing Trustor that the Land is subject to investigation or inquiry regarding Hazardous Materials on the Land or the potential violation of any Environmental Law; (iv) there is no monitoring program required by the Environmental Protection Agency or any other governmental agency concerning the Land; (v) no toxic or hazardous chemicals, waste, or substances of any kind have ever been spilled, disposed of, or stored on, under or at the Land, whether by accident, burying, drainage, or storage in containers, tanks, holding areas, or any other means; (vi) the Land has never been used as a dump or landfill; and (vii) Trustor has disclosed to Beneficiary all information, records, and studies in Trustor's possession or reasonably available to Trustor relating to the Land concerning Hazardous Materials.

Trustor shall not cause or permit any Hazardous Material (as defined below) to be brought upon, kept, stored or used in, on, under, or about the Land by Trustor, its agents, employees, contractors or invitees except for incidental supplies ordinarily used in connection with the construction, rehabilitation, repair, and operation of residential developments and in compliance with all applicable laws, and shall not cause any release of Hazardous Materials into, onto, under or through the Land. If any Hazardous Material is discharged, released, dumped, or spilled in, on, under, or about the Land and results in any contamination of the Land or adjacent

property, or otherwise results in the release or discharge of Hazardous Materials in, on, under or from the Land, Trustor shall promptly take all actions at its sole expense as are necessary to comply with all Environmental Laws (as defined below).

Trustor shall indemnify, defend (with counsel reasonably acceptable to Beneficiary), and hold Beneficiary and its elected and appointed officials, officers, agents and employees (collectively, “**Indemnitees**”) harmless from and against any and all loss, claim, liability, damage, demand, judgment, order, penalty, fine, injunctive or other relief, cost, expense (including reasonable fees and expenses of attorneys, expert witnesses, and other professionals advising or assisting Beneficiary), action, or cause of action (all of the foregoing, hereafter individually “**Claim**” and collectively “**Claims**”) arising in connection with the breach of Trustor’s covenants and obligations set forth in this Section 7.11 or otherwise arising in connection with the presence or release of Hazardous Materials in, on, under, or from the Property, except to the extent that Claims arise as a result of the gross negligence or willful misconduct of Indemnitees. The foregoing indemnity includes, without limitation, all costs of investigation, assessment, containment, removal, remediation of any kind, and disposal of Hazardous Materials, all costs of determining whether the Land is in compliance with Environmental Laws, all costs associated with bringing the Land into compliance with all applicable Environmental Laws, and all costs associated with claims for damages or injury to persons, property, or natural resources.

Without limiting the generality of the foregoing, Trustor shall, at Trustor’s own cost and expense, do all of the following:

- a. pay or satisfy any judgment or decree that may be entered against any Indemnitee or Indemnites in any legal or administrative proceeding incident to any matters against which Indemnites are entitled to be indemnified under this Deed of Trust;
- b. reimburse Indemnites for any expenses paid or incurred in connection with any matters against which Indemnites are entitled to be indemnified under this Deed of Trust; and
- c. reimburse Indemnites for any and all expenses, including without limitation out-of-pocket expenses and fees of attorneys and expert witnesses, paid or incurred in connection with the enforcement by Indemnites of their rights under this Deed of Trust, or in monitoring and participating in any legal or administrative proceeding.

Trustor’s obligation to indemnify the Indemnites shall not be limited or impaired by any of the following, or by any failure of Trustor to receive notice of or consideration for any of the following: (i) any amendment or modification of any Permanent Loan Document; (ii) any extensions of time for performance required by any Permanent Loan Document; (iii) any provision in any of the Permanent Loan Documents limiting Beneficiary’s recourse to property securing the Secured Obligations, or limiting the personal liability of Trustor, or any other party for payment of all or any part of the Secured Obligations; (iv) the accuracy or inaccuracy of any representation and warranty made by Trustor under this Deed of Trust or by Trustor or any other party under any Permanent Loan Document, (v) the release of Trustor or any other person, by Beneficiary or by operation of law, from performance of any obligation under any Permanent Loan Document; (vi) the release or substitution in whole or in part of any security for the

Secured Obligations; and (vii) Beneficiary's failure to properly perfect any lien or security interest given as security for the Secured Obligations.

The provisions of this Section 7.11 shall be in addition to any and all other obligations and liabilities that Trustor may have under applicable law, and each Indemnitee shall be entitled to indemnification under this Section without regard to whether Beneficiary or that Indemnitee has exercised any rights against the Property or any other security, pursued any rights against any guarantor or other party, or pursued any other rights available under the Permanent Loan Documents or applicable law. The obligations of Trustor to indemnify the Indemnitees under this Section shall survive any repayment or discharge of the Secured Obligations, any foreclosure proceeding, any foreclosure sale, any delivery of any deed in lieu of foreclosure, and any release of record of the lien of this Deed of Trust.

Without limiting any of the remedies provided in this Deed of Trust, Trustor acknowledges and agrees that each of the provisions in this Section 7.11 is an environmental provision (as defined in Section 736(f)(2) of the California Code of Civil Procedure) made by Trustor relating to real property security (the "**Environmental Provisions**"), and that Trustor's failure to comply with any of the Environmental Provisions will be a breach of contract that will entitle Beneficiary to pursue the remedies provided by Section 736 of the California Code of Civil Procedure ("**Section 736**") for the recovery of damages and for the enforcement of the Environmental Provisions. Pursuant to Section 736, Beneficiary's action for recovery of damages or enforcement of the Environmental Provisions shall not constitute an action within the meaning of Section 726(a) of the California Code of Civil Procedure or constitute a money judgment for a deficiency or a deficiency judgment within the meaning of Sections 580a, 580b, 580d, or 726(b) of the California Code of Civil Procedure.

"**Hazardous Materials**" means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a "hazardous substance", "hazardous material", "hazardous waste", "toxic waste", "toxic pollutant", "toxic substance", "solid waste" or "pollutant or contaminant" in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. Section 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any "**Superfund**" or "**Superlien**" law, or any Environmental Law; or (v) any other

substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

“Environmental Law” means all federal, state or local statutes, ordinances, rules, regulations, orders, decrees, judgments or common law doctrines, and provisions and conditions of permits, licenses and other operating authorizations regulating, or relating to, or imposing liability or standards of conduct concerning (i) pollution or protection of the environment, including natural resources; (ii) exposure of persons, including employees and agents, to any Hazardous Material (as defined above) or other products, raw materials, chemicals or other substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities; (iv) the manufacture, use or introduction into commerce of chemical substances, including without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal; or (v) the use, release or disposal of toxic or hazardous substances or Hazardous Materials or the remediation of air, surface waters, groundwaters or soil, as now or may at any later time be in effect, including but not limited to the Toxic Substances Control Act [15 U.S.C. 2601, et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, et seq.], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, et seq.], the Resource Conservation and Recovery Act [42 U.S.C. 6901, et seq.], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, et seq.], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, et seq.], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, et seq.], the California Hazardous Waste Act [California Health and Safety Code Section 25100, et seq.], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, et seq.], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, et seq.], as they now exist or are hereafter amended, together with any regulations promulgated thereunder.

7.12 Notice of Claims; Defense of Security; Reimbursement of Costs.

a. Notice of Claims. Trustor shall provide written notice to Beneficiary of any uninsured or partially uninsured loss affecting the Property through fire, theft, liability, or property damage in excess of an aggregate of Fifty Thousand Dollars (\$50,000) within three (3) business days of the occurrence of such loss. Trustor shall ensure that Beneficiary shall receive timely notice of, and shall have a right to cure, any default under any other financing document or other lien affecting the Property and shall use best efforts to ensure that provisions mandating such notice and allowing such right to cure shall be included in all such documents. Within three (3) business days of Trustor's receipt thereof, Trustor shall provide Beneficiary with a copy of any notice of default Trustor receives in connection with any financing document secured by the Property or any part thereof.

b. Defense of Security. At Trustor's sole expense, Trustor shall protect, preserve and defend the Property and title to and right of possession of the Property, the security of this Deed of Trust and the rights and powers of Beneficiary and Trustee created under it, against all adverse claims.

c. Compensation; Reimbursement of Costs. Trustor agrees to pay all reasonable fees, costs and expenses charged by Beneficiary or Trustee for any service that Beneficiary or Trustee may render in connection with this Deed of Trust, including without limitation, fees and expenses related to provision of a statement of obligations or related to a reconveyance. Trustor further agrees to pay or reimburse Beneficiary for all costs, expenses and other advances which may be incurred or made by Beneficiary or Trustee in any efforts to enforce any terms of this Deed of Trust, including without limitation any rights or remedies afforded to Beneficiary or Trustee or both of them under Sections 7.16 and 8.2, whether or not any lawsuit is filed, or in defending any action or proceeding arising under or relating to this Deed of Trust, including reasonable attorneys' fees and other legal costs, costs of any disposition of the Property under the power of sale granted hereunder or any judicial foreclosure, and any cost of evidence of title.

d. Notice of Changes. Trustor shall give Beneficiary prior written notice of any change in the address of Trustor and the location of any Property, including books and records pertaining to the Property.

7.13 Indemnification. Trustor shall indemnify, defend (with counsel reasonably acceptable to Beneficiary), and hold harmless the Trustee and the Indemnitees (as defined in Section 7.11) from and against all Claims arising directly or indirectly in any manner in connection with or as a result of (a) any breach of Trustor's covenants under any Permanent Loan Document, (b) any representation by Trustor in any Permanent Loan Document which proves to be false or misleading in any material respect when made, (c) injury or death to persons or damage to property or other loss occurring on the Land or in any improvement located thereon, whether caused by the negligence or any other act or omission of Trustor or any other person or by negligent, faulty, inadequate or defective design, building, construction or maintenance or any other condition or otherwise, (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnatee which relates to or arises out of the Property, or any Permanent Loan Document or any transaction contemplated thereby, or any failure of Trustor to comply with all applicable state, federal and local laws and regulations applicable to the Property, provided that no Indemnatee shall be entitled to indemnification under this Section for matters caused by such Indemnatee's gross negligence or willful misconduct. The obligations of Trustor under this Section shall survive the repayment of the Permanent Loan and shall be secured by this Deed of Trust. Notwithstanding any contrary provision contained herein, the obligations of Trustor under this Section shall survive any foreclosure proceeding, any foreclosure sale, any delivery of a deed in lieu of foreclosure, and any release or reconveyance of this Deed of Trust.

7.14. Limitation of Liability. Beneficiary shall not be directly or indirectly liable to Trustor or any other person as a consequence of any of the following: (i) Beneficiary's exercise of or failure to exercise any rights, remedies or powers granted to Beneficiary in this Deed of Trust; (ii) Beneficiary's failure or refusal to perform or discharge any obligation or liability of Trustor under any agreement related to the Property or under this Deed of Trust; (iii) any waste committed by Trustor, the lessees of the Property or any third parties, or any dangerous or defective condition of the Property; or (iv) any loss sustained by Trustor or any third party resulting from any act or omission of Beneficiary in managing the Property after an Event of Default, unless the loss is caused by the willful misconduct, gross negligence, or bad faith of

Beneficiary. Trustor hereby expressly waives and releases all liability of the types described in this Section 7.14 and agrees that Trustor shall assert no claim related to any of the foregoing against Beneficiary.

7.15 Insurance and Condemnation Proceeds. Subject to the rights of any senior lienholders, any award of damages in connection with any condemnation for public use of, or injury to the Property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply such moneys to any indebtedness secured hereby in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Notwithstanding the foregoing, so long as the value of Beneficiary's lien is not impaired, insurance and/or condemnation proceeds may be used to repair and/or restore the Project.

7.16 Release, Extension, Modification. At any time and from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note for endorsement, Trustee may release or reconvey all or any part of the Property, consent to the making of any map or plat of the Land or part thereof, join in granting any easement or creating any restriction affecting the Property, or join in any extension agreement or other agreement affecting the lien or charge hereof. At any time and from time to time, without liability therefor and without notice, Beneficiary may (i) release any person liable for payment of any Secured Obligation, (ii) extend the time for payment or otherwise alter the terms of payment of any Secured Obligation; (iii) accept additional real or personal property of any kind as security for any Secured Obligation, or (iv) substitute or release any property securing the Secured Obligations.

7.17 Reconveyance. Upon written request of Beneficiary stating that all of the Secured Obligations have been paid in full, and upon surrender of this Deed of Trust, and the Note, Trustee shall reconvey, without warranty, the Property or so much of it as is then held under this Deed of Trust. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustor shall pay all fees of Trustee and all recordation fees related to such reconveyance.

7.18 Cure; Protection of Security. Either Beneficiary or Trustee may cure any breach or default of Trustor, and if it chooses to do so in connection with any such cure, Beneficiary or Trustee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Beneficiary or Trustee under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Beneficiary's or Trustee's sole judgment is or may be senior in priority to this Deed of Trust, such judgment of Beneficiary or Trustee to be conclusive as among Beneficiary, Trustee and Trustor; obtaining insurance and/or paying any premiums or charges for insurance required to be carried hereunder; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary or Trustee. Beneficiary and Trustee may take any of the actions permitted under this Section 7.18 either with or without giving notice, except for notices required under applicable

law. Any amounts disbursed by Beneficiary pursuant to this paragraph shall become additional indebtedness secured by this Deed of Trust.

7.19 Limited Partners Right to Cure. Trustor's limited partners shall have the right to cure any default of Trustor hereunder upon the same terms and conditions afforded to Trustor. Beneficiary shall provide any notice of default hereunder to the limited partners concurrently with the provision of such notice to Trustor, at the following address (or such alternate address as the limited partners may designate from time to time in a written notice to the City):

As to the limited partners, the cure periods specified herein shall commence upon the date of delivery of such notice in accordance with Section 10.2.

8. Default and Remedies.

8.1 Events of Default. Trustor acknowledges and agrees that an Event of Default shall occur under this Deed of Trust upon the occurrence of any one or more of the following events:

a. Beneficiary's declaration of an Event of Default under any Permanent Loan Document, subject to the expiration of any applicable cure period set forth in such document;

b. Trustor fails to perform any monetary obligation which arises under this Deed of Trust, and does not cure that failure within ten (10) days following written notice from Beneficiary or Trustee;

c. If Trustor's interest in the Property or any part thereof is voluntarily or involuntarily sold, transferred, leased, encumbered, or otherwise conveyed in violation of Section 7.6 hereof or if any other Transfer occurs in violation of the DDLA and Trustor fails to rescind such conveyance or otherwise cure such breach within the time period specified in paragraph j below;

d. Trustor fails to maintain the insurance coverage required hereunder or otherwise fails to comply with the requirements of Section 7.10 hereof and Trustor fails to cure such default within the time specified in Section 7.10;

e. Subject to Trustor's right to contest such charges as provided herein, Trustor fails to pay taxes or assessments due on the Land or the Improvements or fails to pay any other charge that may result in a lien on the Land or the Improvements, and Trustor fails to cure such default within ten (10) days.

f. Any representation or warranty of Trustor contained in or made in connection with the execution and delivery of this Deed of Trust or in any certificate or statement furnished pursuant hereto or in any other Permanent Loan Document proves to have been false or misleading in any material adverse respect when made;

g. If, pursuant to or within the meaning of the United States Bankruptcy Code or any other federal or state law relating to insolvency or relief of debtors ("**Bankruptcy**

Law”), Trustor or any general partner thereof (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against Trustor or any general partner thereof in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator or similar official for Trustor or any general partner thereof; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due.

h. If a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against Trustor or any general partner thereof in an involuntary case, (ii) appoints a trustee, receiver, assignee, liquidator or similar official for Trustor or any general partner thereof or substantially all of such entity’s assets, (iii) orders the liquidation of Trustor or any general partner thereof, or (iv) issues or levies a judgment, writ, warrant of attachment or similar process against the Property or the Project, and in each case the order or decree is not released, vacated, dismissed or fully bonded within sixty (60) days after its issuance.

i. The holder of any other debt instrument secured by a mortgage or deed of trust on the Property or part thereof declares an event of default thereunder and exercises a right to declare all amounts due under that debt instrument immediately due and payable, subject to the expiration of any applicable cure period set forth in such holder’s documents; or

j. Trustor fails to perform any obligation arising under this Deed of Trust other than one enumerated in this Section 8.1, and does not cure that failure either within ten (10) days after written notice from Beneficiary or Trustee in the event of a monetary default, or within thirty (30) days after such written notice in the event of a nonmonetary default, provided that in the case of a nonmonetary default that in Beneficiary’s reasonable judgment cannot reasonably be cured within thirty (30) days, an Event of Default shall not arise hereunder if Trustor commences to cure such default within thirty (30) days and thereafter prosecutes such cure to completion with due diligence and in good faith and in no event later than sixty (60) days following receipt of notice of default.

8.2 Remedies. Subject to the applicable notice and cure provisions set forth herein, at any time after an Event of Default, Beneficiary and Trustee shall be entitled to invoke any and all of the rights and remedies described below, and may exercise any one or more or all, of the remedies set forth in any Permanent Loan Document, and any other remedy existing at law or in equity or by statute. All of Beneficiary’s rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies. Beneficiary shall be entitled to collect all expenses incurred in pursuing the remedies provided hereunder, including without limitation reasonable attorneys’ fees and costs.

a. Acceleration. Beneficiary may declare any or all of the Secured Obligations, including without limitation all sums payable under the Note and this Deed of Trust, to be due and payable immediately.

b. Receiver. Beneficiary may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property.

c. Entry. Beneficiary, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Beneficiary may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: taking and possessing copies of all of Trustor's or the then owner's books and records concerning the Property; entering into, enforcing, modifying, or canceling Leases on such terms and conditions as Beneficiary may consider proper; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Trustor; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Beneficiary so requests, Trustor shall assemble all of the Property that has been removed from the Land and make all of it available to Beneficiary at the site of the Land. Trustor hereby irrevocably constitutes and appoints Beneficiary as Trustor's attorney-in-fact to perform such acts and execute such documents as Beneficiary in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Trustor's name on any instruments.

d. UCC Remedies. Beneficiary may exercise any or all of the remedies granted to a secured party under the UCC.

e. Judicial Action. Beneficiary may bring an action in any court of competent jurisdiction to foreclose this Deed of Trust in the manner provided by law for foreclosure of mortgages on real property and/or to obtain specific enforcement of any of the covenants or agreements of this Deed of Trust.

f. Power of Sale. Under the power of sale hereby granted, Beneficiary shall have the discretionary right to cause some or all of the Property, including any Property which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

8.3 Power of Sale. If Beneficiary elects to invoke the power of sale hereby granted, Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of its election to cause the Property to be sold to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the Recorder of each County wherein the Property or some part thereof is situated as required by law and this Deed of Trust.

Prior to publication of the notice of sale, Beneficiary shall deliver to Trustee this Deed of Trust and the Note or other evidence of indebtedness which is secured hereby, together with a written request for the Trustee to proceed with a sale of the Property, pursuant to the provisions of law and this Deed of Trust.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in the notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may, and at Beneficiary's request shall, postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may

postpone such sale by public announcement at the time and place fixed by the preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees, and expenses of Trustee and of the trust hereby created, including reasonable attorneys' fees in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums advanced or expended by Beneficiary or Trustee under the terms hereof and all outstanding sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

Without limiting the generality of the foregoing, Trustor acknowledges and agrees that regardless of whether or not a default has occurred hereunder, if an Event of Default has occurred under the Permanent Loan Documents, and if in connection with such Event of Default Beneficiary exercises its right to foreclose on the Property, then: (i) Beneficiary shall be entitled to declare all amounts due under the Note immediately due and payable, and (ii) the proceeds of any sale of the Property in connection with such foreclosure shall be used to pay all Secured Obligations, including without limitation, the outstanding principal balance and all other amounts due under the Note.

At any foreclosure sale, any person, including Trustor, Trustee or Beneficiary, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Beneficiary may settle for the purchase price by crediting the sales price of the property against the following obligations:

a. First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Trustor is obligated to pay or reimburse Beneficiary or Trustee under Section 7.12(c); and

b. Second, the remaining balance of all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose.

8.4 Trustor's Right to Reinstate. Notwithstanding Beneficiary's acceleration of the sums secured by this Deed of Trust, Trustor shall have the right to have any proceedings begun by Beneficiary to enforce this Deed of Trust discontinued at any time prior to five days before sale of the Property pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of a judgment enforcing this Deed of Trust if: (a) Trustor pays Beneficiary all sums which would be then due under the Permanent Loan Documents if the Secured Obligations had no acceleration provision; (b) Trustor cures all breaches of any other covenants or agreements of Trustor contained in this Deed of Trust; (c) Trustor pays all reasonable expenses incurred by Beneficiary and Trustee in enforcing the covenants and agreements of Trustor contained in this Deed of Trust, and in enforcing Beneficiary's and Trustee's remedies as provided herein, including, but not limited to, reasonable attorney's fees; and (d) Trustor takes such action as Beneficiary may reasonably require to assure that the lien of this Deed of Trust, Beneficiary's interest in the Property and Trustor's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Trustor, this Deed of Trust and the

obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

9. Trustor's Waivers. To the fullest extent permitted by law, Trustor waives: (a) all statutes of limitations as a defense to any action or proceeding brought against Trustor by Beneficiary; (b) the benefit of all laws now existing or which may hereafter be enacted providing for any appraisement, valuation, stay, extension, redemption or moratorium; (c) all rights of marshalling in the event of foreclosure; and (d) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Deed of Trust and of the existence, creation, or incurring of new or additional indebtedness, and demands and notices of every kind.

10. Miscellaneous Provisions.

10.1 Additional Provisions. The Permanent Loan Documents grant further rights to Beneficiary and contain further agreements and affirmative and negative covenants by Trustor which apply to this Deed of Trust and the Property.

10.2 Notices. Trustor requests that a copy of notice of default and notice of sale be mailed to Trustor at the address set forth below. That address is also the mailing address of Trustor as debtor under the UCC. Beneficiary's address set forth below is the address for Beneficiary as secured party under the UCC. Except for any notice required under applicable law to be given in another manner, all notices to be sent pursuant to this Deed of Trust shall be made in writing, and sent to the parties at their respective addresses specified below or to such other address as a party may designate by written notice delivered to the other parties in accordance with this Section. All such notices shall be sent by:

- a. personal delivery, in which case notice shall be deemed delivered upon receipt;
- b. certified or registered mail, return receipt requested, in which case notice shall be deemed delivered two (2) business days after deposit, postage prepaid in the United States mail;
- c. nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) day after deposit with such courier; or
- d. facsimile transmission, in which case notice shall be deemed delivered on transmittal, provided that a transmission report is generated reflecting the accurate transmission thereof.

Beneficiary:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attention: City Manager and Housing Services Administrator

Trustor: UHC 00575 Rancho Cordova, L.P.
 2000 E. Fourth Street, Suite 205
 Santa Ana, CA 92705
 Attention: Chief Operating Officer

Trustee: Fidelity National Title Company
 8950 Cal Center Drive, Building 3, Suite 100
 Sacramento, CA 95826
 Attn: Paul Avila

10.3 Binding on Successors. The terms, covenants and conditions of this Deed of Trust shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, transferees, and assigns of the Trustor, Beneficiary and Trustee; provided however this Section 10.3 does not waive the provisions of Section 7.6.

10.4 Substitution of Trustee. Beneficiary may from time to time or at any time substitute a trustee or trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of Sacramento County, it shall be conclusive evidence of the appointment of such trustee or trustees, and such new trustee or trustees shall succeed to all of the powers and duties of the Trustee named herein.

10.5 Attorneys' Fees and Costs. In any action or proceeding to foreclose this Deed of Trust or to enforce any right of Beneficiary or of Trustee, Trustor shall pay to Beneficiary and Trustee all costs of such action or proceeding, including reasonable attorneys' fees.

10.6 Governing Law; Severability; Interpretation. This Deed of Trust shall be governed by the laws of the State of California without regard to principles of conflicts of laws. Trustor agrees that any controversy arising under or in relation to this Deed of Trust shall be litigated exclusively in the jurisdiction where the Land is located (the "**Property Jurisdiction**"). The state and federal courts and authorities with jurisdiction in the Property Jurisdiction shall have exclusive jurisdiction over all controversies which shall arise under or in relation to the Permanent Loan Documents. Trustor irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation, and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. If any provision of this Deed of Trust is held unenforceable or void, that provision shall be deemed severable from the remaining provisions, and shall in no way affect the validity of this Deed of Trust. The captions used in this Deed of Trust are for convenience only and are not intended to affect the interpretation or construction of the provisions herein contained. In this Deed of Trust, whenever the context so requires, the singular number includes the plural.

10.7 Waiver, Modification and Amendment. Any waiver by Beneficiary of any obligation of Trustor hereunder must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Beneficiary or Trustee to take action on account of any default of Trustor. Consent by Beneficiary or Trustee to any act or omission by Trustor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's or Trustee's consent to be obtained in any future or other instance. No amendment to or modification of this Deed of Trust shall be

effective unless and until such amendment or modification is in writing, executed by Trustor and Beneficiary. Without limiting the generality of the foregoing, Beneficiary's acceptance of payment of any sum secured hereby after its due date shall not constitute a waiver by Beneficiary of its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

10.8 Action by Beneficiary. Except as may be otherwise specifically provided herein, whenever any approval, notice, direction, or consent by the Beneficiary is required or permitted under this Agreement, such action shall be in writing, and such action may be given, made or taken by Beneficiary's City Manager or by any person who shall have been designated by Beneficiary's City Manager, without further approval by the governing board of Beneficiary. Beneficiary shall use reasonable best efforts to respond to requests for any such approval, notice, direction, or consent in a timely manner. In any approval, consent, or other determination by Beneficiary required hereunder, Beneficiary shall act reasonably and in good faith.

10.9 Joint and Several Liability. If Trustor consists of more than one person or entity, each shall be jointly and severally liable for the faithful performance of all of Trustor's obligations under this Deed of Trust.

10.10 Time is of the Essence. Time is of the essence for each provision of this Deed of Trust.

10.11 Regulatory Agreement Controls. In the event of any inconsistencies between the terms set forth in the Regulatory Agreement and the terms of this Deed of Trust, the terms of the Regulatory Agreement shall control.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

TRUSTOR

UHC 00575 Rancho Cordova, L.P.,
a California limited partnership

By:

State of California)
)
 County of _____)

On _____, 20__, before me, _____, (here insert name and title of the officer), 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.

Signature _____ (Seal)

EXHIBIT A TO DEED OF TRUST

Legal Description

(Attach Legal Description.)

2286865.1

EXHIBIT J

**FORM OF THE
ASSIGNMENT OF AGREEMENTS, PLANS AND
SPECIFICATIONS**

ASSIGNMENT OF AGREEMENTS, PLANS AND SPECIFICATIONS

FOR VALUE RECEIVED, effective as of _____, 2017 (the “**Effective Date**”), UHC 00575 Rancho Cordova L.P., a California limited partnership (“**Assignor**”) hereby assigns to the City of Rancho Cordova, a California municipal corporation (“**City**”) and grants to City a security interest in all of its right, title and interest in and to the contracts and agreements listed in Exhibit A attached hereto and incorporated herein by reference and all of the items listed in the following paragraphs (A) and (B) (all of which hereafter shall collectively be referred to as the “**Assigned Documents**”). Other than as expressly stated herein, Assignor makes no express or implied representations or warranties in connection with the Assigned Documents. Capitalized terms used without definition herein shall have the meaning ascribed to such terms in the DDLA (defined below). City and Assignor are referred to herein as the “**Parties**.”

- (A) All architectural, design, engineering, consulting and construction contracts, and any and all amendments, modifications, supplements, addenda and general conditions thereto equaling or exceeding Five Thousand Dollars (\$5000) in cost (collectively “**Agreements**”), heretofore or hereafter entered into by Assignor and any architect, engineer, analyst, consultant, contractor or other person or entity (“**Contractor**”) in connection with the preparation of plans, specifications, studies, assessments, analyses, drawings or any other similar service related to the Property, the Project, or the improvements existing or to be installed or constructed on the Property (the “**Improvements**”); and
- (B) All permits, reports, analyses, studies, plans and specifications, shop drawings, working drawings, amendments, modifications, changes, supplements, general conditions and addenda thereto equaling or exceeding Five Thousand Dollars (\$5000) in cost (collectively “**Reports, Plans and Specifications**”) heretofore or hereafter obtained or prepared by or for Assignor or its agents, employees or any Contractor with respect to the Property, the Project or the Improvements.

As used herein, the term “**Assigned Documents**” shall also include all Agreements, Reports, Plans and Specifications to which beneficial interest or rights of use have been obtained by or assigned to Assignor.

In addition, the Parties agree as follows:

1. This Assignment of Agreements, Plans, and Specifications (this “**Assignment Agreement**”) is made pursuant to that certain Amended and Restated Disposition and Development and Loan Agreement executed by and between Assignor and City dated as of _____, 2017 (the “**DDLA**”).

2. This Assignment Agreement is made to secure payment to the City of all sums now or hereafter owing as “predevelopment financing” under the DDLA, and any and all advances, modifications, extensions, renewals and amendments thereof, and is made by Assignor for the benefit of City.

3. Assignor hereby irrevocably appoints City as its attorney-in-fact (which City is coupled with an interest) upon the occurrence of an Event of Developer Default under the DDLA or upon termination of the DDLA, to demand, receive, and enforce any and all of Assignor's rights with respect to the Assigned Documents, and to perform any and all acts in the name of Assignor or in the name of the City with the same force and effect as if performed by Assignor in the absence of this Assignment Agreement.

4. Assignor agrees to obtain from each Contractor whose contract equals or exceeds Five Thousand Dollars (\$5000) and deliver to City a duly executed Consent substantially in the form attached hereto as Exhibit B.

5. Assignor represents and warrants to City that no previous assignment of its respective rights or interest in or to any of the Assigned Documents has been made. So long as the City holds or retains any interest under the DDLA, Assignor agrees not to assign, sell, pledge, transfer, mortgage, or hypothecate its respective rights or interest in any of the Assigned Documents without prior written approval of the City; provided however, the City approves the Assignor's assignment of such rights and interests to other Project lenders, if any, approved pursuant to the Financing Plan as it may be updated.

6. This Assignment Agreement shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors-in-interest of Assignor and the City.

7. Unless an Event of Developer Default (as defined in the DDLA) shall have occurred or Assignor terminates the DDLA, Assignor shall be entitled (subject to the provisions of Section 5 above) to enjoy and enforce all of its rights under the Assigned Documents. If such an Event of Developer Default or termination occurs and City gives written notice (an "**Exercise Notice**") to any Contractor who is a party to any Assigned Document, which Exercise Notice refers to this Assignment Agreement, states that an Event of Developer Default or termination has occurred, and states that City intends to exercise its rights under this Assignment Agreement, then the City shall be entitled thereafter to enjoy and enforce all of the rights of Assignor under such Assigned Document and shall become bound to perform all future obligations of Assignor thereunder, it being understood that in no event shall City be liable for payments or costs relating to any work which any Contractor has performed prior to the date of City's delivery of such Exercise Notice. Unless and until such Exercise Notice is given, City shall not be obliged to perform any of the obligations of Assignor under the Assigned Documents.

8. Assignor represents and warrants that to the best of its knowledge after reasonable inquiry, there are no defaults under any Assigned Document by any party thereto.

9. Assignor further represents and warrants that all sums due and owing to any Contractor to date under any Assigned Document have been duly paid in full, except to the extent deferral of such sums is allowed pursuant to such Assigned Document.

10. As provided in this Section 10, City may assign its rights under this Assignment Agreement, and the Assigned Documents, and the rights and obligations of any assignee of City shall be the same as provided herein as to City and Contractor. City may, in its discretion, make any such assignment to a third party, with the consent of Assignor and the Contractor who is a

party to such Assigned Documents, provided the consent of Assignor and such Contractor shall not be unreasonably withheld, conditioned or delayed.

11. This Assignment Agreement shall not be deemed to release or affect in any way the obligations of Assignor to any Contractor under the Assigned Documents.

12. Assignor is executing this Assignment Agreement to induce City to enter into and disburse funds pursuant to the DDLA, and Assignor understands that City would not do so but for the execution and delivery of this Assignment Agreement by Assignor.

13. Notices. Except as otherwise specified herein, all notices to be sent pursuant to this Assignment Agreement shall be made in writing, and sent to the parties at their respective addresses specified below (or in the case of Contractor, to the address specified in the Consent attached hereto) or to such other address as a party may designate by written notice delivered to the other parties in accordance with this Section. All such notices shall be sent by:

(i) personal delivery, in which case notice is effective upon delivery;

(ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt;

(iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;

(iv) facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a nonbusiness day.

CITY:

ASSIGNOR:

14. Amendments. This Assignment Agreement may be modified only by a written instrument signed by the Parties.

15. Further Assurances; Consents. The Parties shall execute, acknowledge and deliver to the other such other documents and instruments, and take such other actions, as either shall reasonably request as may be necessary to carry out the intent of this Assignment Agreement.

16. Parties Not Co-Venturers. Nothing in this Assignment Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

17. Action by the City. Except as may be otherwise specifically provided herein, whenever any approval, notice, direction, consent or request by the City is required or permitted under this Agreement, such action shall be in writing, and such action may be given, made or taken by the City Manager or by any person who shall have been designated by the City Manager, without further approval by the City Council unless the City Manager determines that such matter requires the consent of same.

18. Non-Liability of City and City Officials, Employees and Agents. No member, official, employee or agent of the City of Rancho Cordova shall be personally liable to Assignor, or any successor in interest, in the event of any default or breach by the City, or for any amount of money which may become due to Assignor or its successor or for any obligation of City under this Assignment Agreement.

19. No Third Party Beneficiaries. There shall be no third party beneficiaries to this Assignment Agreement.

20. Headings; Construction. The headings of the sections and paragraphs of this Assignment Agreement have been inserted for convenience only and shall not be used to construe this Assignment Agreement. The language of this Assignment Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any Party. Time is of the essence in the performance of this Assignment Agreement.

21. Governing Law; Venue. This Assignment Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. The Parties consent to the jurisdiction of any federal or state court in the jurisdiction in which the Property is located (the "**Property Jurisdiction**"). Assignor agrees that any controversy arising under or in relation to this Assignment Agreement or the DDLA shall be litigated exclusively in courts having jurisdiction in the Property Jurisdiction. Assignor irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise.

22. Attorneys' Fees. If any claim, at law or otherwise is made by either Party, the prevailing party or the nondefaulting party, as the case may be, shall be entitled to its costs and reasonable attorneys' fees.

23. Severability. If any term of this Assignment Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties are materially altered or abridged by such invalidation, voiding or unenforceability.

24. Counterparts. This Assignment Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, Assignor and City have duly executed this Assignment Agreement effective as of the date first above written.

CITY:

By: _____

ATTEST:

By: _____

APPROVED AS TO FORM:

By: _____

ASSIGNOR:

By: _____

Its:

Exhibit A

CONTRACTS AND AGREEMENTS

(Attach List.)

Exhibit B

CONSENT

This Consent ("**Consent**") is executed effective as of _____, 20____, pursuant to that certain Assignment of Agreements, Plans and Specifications ("**Assignment Agreement**") executed by and between _____ ("**Assignor**") and _____ ("**City**") dated as of _____, 2017. Unless otherwise defined herein, capitalized terms used in this Consent shall have the meanings given them in the Assignment Agreement.

The undersigned consultant, architect, engineer, and/or contractor ("**Contractor**") hereby consents to the Assignment Agreement and the assignments contemplated thereby, and hereby waive all provisions in the Assigned Documents to which Contractor is a party which would impair, hinder or prevent the making of any such assignment by Assignor to City or the enforcement thereof by City.

Contractor agrees that if at any time, the City shall, pursuant to its rights under the Assignment Agreement, deliver an Exercise Notice to Contractor, then provided that Contractor has received, receives or continues to receive the compensation called for under the Assigned Documents to which Contractor is a party, the City may, at its option, use and rely upon the Reports, Plans and Specifications for the purposes for which they were prepared, and Contractor will continue to perform its obligations under the Assigned Documents to which Contractor is a party for the benefit and account of the City in the same manner as if performed for the benefit or account of Assignor in the absence of the Assignment Agreement. Contractor agrees that it shall rely conclusively upon any Exercise Notice given to Contractor by City, and Contractor agrees to be bound by such Exercise Notice.

By its execution of this Consent, Contractor agrees to look solely to Assignor and its successors in interest for performance of Assignor's obligations under the Assigned Documents to which Contractor is a party unless and until Contractor shall have received an Exercise Notice from City.

Contractor agrees that, notwithstanding anything hereinabove contained or contained in the Assigned Documents to the contrary, provided that Contractor has received, receives or continues to receive the compensation called for under the Assigned Documents to which Contractor is a party, City will have the right to receive and to use (without cost to City) any and all Reports, Plans and Specifications relating to the Property, the Project or the Improvements, as the same may be amended or modified from time to time, which Contractor may own or have the right to use and to grant others the right to use. Contractor further agrees that, upon the written request of City (whether or not any Event of Developer Default has occurred), it will execute and deliver a certification confirming City's rights with respect to such Reports, Plans, and Specifications as City from time to time may reasonably request.

Contractor agrees that for so long as the Assignment Agreement is effective, if Assignor defaults in making any required payment or in performing any other obligation under any Assigned Document to which Contractor is a party, Contractor shall give prompt written notice thereof to City. Unless and until such notice is given to City, and for a period of fifteen (15) business days thereafter, Contractor shall not exercise any of its rights or remedies against Assignor under the Assigned Documents (including, without limitation, the right to terminate any Assigned Document or to stop work thereunder). After such notice is given and for a period of fifteen (15) business days thereafter, City may, at its option, cure (but shall have no obligation to cure) any such default by Assignor and, if such default is so cured during such notice period, Contractor shall continue performance under the Assigned Documents to which such Contractor is a party.

Contractor represents and warrants that (i) the Assigned Documents to which Contractor is a party are in full force and effect, and to Contractor's knowledge there are no defaults thereunder by any party thereto; (ii) Contractor has made no assignment of any Assigned Document to which Contractor is a party or of its rights thereunder (other than to City); and (iii) there presently exists no unpaid claims presently due to Contractor, except as disclosed in writing to the City, arising in connection with the performance of Contractor's obligations under the Assigned Documents to which Contractor is a party. Contractor agrees that for so long as the Assignment Agreement is effective, absent the prior written consent of City, Contractor shall not assign its rights or interest in any of the Assigned Documents to any entity other than a lender whose loan is secured by the Property, the Project or the Improvements with the prior written approval of the City; provided however, the City approves of any assignment to the Project lenders approved pursuant to the Financing Plan as it may be updated.

IN WITNESS WHEREOF, Contractor has duly executed this Consent as of the date first written above.

CONTRACTOR

Name: _____

By: _____

Its: _____

Contractor's Address:

Telephone: _____

Facsimile: _____

2280293.1

EXHIBIT K

OPTION AGREEMENT

**RECORDING REQUESTED BY AND WHEN
RECORDED RETURN TO:**

City of Rancho Cordova ncy
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attention:

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

Space above this line for Recorder's use.

OPTION AGREEMENT

THIS OPTION AGREEMENT ("**Option Agreement**" or "**Agreement**") is entered into effective as of _____, 2017 ("**Effective Date**") by and between the City of Rancho Cordova, (the "**City**") and UHC 00575 Rancho Cordova L.P., A California limited partnership ("**Developer**"). Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Disposition, Development and Loan Agreement ("**DDLA**"). City and Developer are hereinafter collectively referred to as the "**Parties**."

WHEREAS, City and Developer have executed a DDLA dated as of the date hereof that establishes the rights and obligations of the Parties with respect to the disposition and development of the Property identified in the DDLA, as more particularly described in Exhibit A attached hereto, and at such time that Developer acquires the Property, this Option Agreement shall be recorded against the Property; and

WHEREAS, the DDLA provides for Developer's construction on the Property of a project (the "**Project**") as defined in the DDLA.

WHEREAS, pursuant to the DDLA executed by Developer and City, dated as of the date hereof and recorded concurrently herewith, Developer has agreed to provide the City with an option to purchase, enter and take possession of the Property or any portion thereof owned by Developer with all improvements thereon (the "**Option**") if, after conveyance of the Property to Developer, Developer fails to begin or complete construction of the Project by the times specified in the DDLA Schedule of Performance, as such dates may be extended by the Parties.

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

1. Grant of Option. Developer hereby grants to City (or City's assignee) the Option, as set forth above, to purchase the Property, or any portion thereof, owned by Developer, together with all improvements thereon, on the terms and conditions set forth herein.

2. Term. City shall have the right to exercise the Option if Developer fails to commence construction of the Project or to complete construction of the Project within the times set forth therefore in the Schedule of Performance, unless the time for such performance is excused as Enforced Delay as defined in the DDLA or extended in writing by the mutual agreement of City and Developer, and shall terminate upon City's issuance of a Certificate of Completion ("**Option Expiration Date**").

3. Purchase Price. The purchase price payable by City or its assignee to Developer on exercise of the Repurchase Option shall be cash in an amount equal to:

- (i) The purchase price paid to the City by the Developer for the Property; plus
- (ii) The fair market value of any new improvements existing on the Property at the time of exercise of the Option; less
- (iii) Any gains or income withdrawn or made by the Developer from the applicable portion of the Property or the improvements thereon; less
- (iv) The value of any liens or encumbrances on the applicable portion of the Property that the City assumes or takes subject to; less
- (v) Any damages to which the City is entitled under this Option Agreement by reason of Developer's default.

4. Method of Exercise. To exercise its Option, City shall provide Developer with written notice of its intent to exercise ("**Notice of Exercise**") prior to the expiration of such option which shall include a cure period, allowing the Developer to cure the basis for the Notice of Exercise as set forth in Section 2, of not less than 30 calendar days ("**Cure Period**").

5. Closing.

5.1 Escrow. Upon City's (or City's assignee's) exercise of the Option and expiration of the Cure Period if the basis for the Notice of Exercise is not cured, Developer and City shall establish an escrow with an escrow agent chosen by City. Developer and City shall execute all deeds, instructions, and other instruments required by the escrow agent in order to close City's purchase of the Property in accordance with this Option Agreement.

5.2 Time for Close of Escrow. Close of escrow shall occur no later than ninety (90) days following delivery of City's Notice of Exercise and expiration of the Cure Period if the basis for the Notice of Exercise is not cured, unless such time is extended in writing by mutual agreement of the Parties.

5.3 Prorations and Closing Costs. Real property taxes, assessments, interest on any financing and premiums on any hazard insurance assumed by the purchaser shall all be prorated as of the close of escrow. Developer and City (or City's assignee) shall each pay one-half of escrow charges, transfer taxes, recording costs and other closing costs. The cost of any

inspections City or its assignee undertakes in connection with the purchase shall be payable by City or its assignee.

5.4 State of Title. At close of escrow, Developer shall by grant deed convey to City or its assignee, fee simple title to the Property free and clear of all title defects, liens, encumbrances, deeds of trust, mortgages, leases, and rights of tenants except nondelinquent real property taxes and such exceptions to title as are approved in writing by City or City's assignee. City or its assignee shall procure a CLTA policy of title insurance in the amount of the purchase price of the Property showing title vested in City (or its assignee) subject only to the approved exceptions

5.5 Release. Upon close of escrow, Developer shall be released from all obligations and duties associated with the DDLA and this Agreement.

6. Miscellaneous Provisions.

6.1 Voidable Transfers. Any attempt to sell, convey, transfer, assign, lease, mortgage, or hypothecate the Property in violation of the terms of this Option Agreement shall be voidable at the election of City.

6.2 Assignment. City may assign its rights under this Option Agreement. In the event of any such assignment, City shall not be liable to Developer for any failure on the part of the assignee to consummate the purchase or to comply with the terms of this Option Agreement.

6.3 Notices. Except as otherwise specified in this Option Agreement, all notices to be sent pursuant to this Option Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other parties in accordance with this Section. All such notices shall be sent by:

(i) personal delivery, in which case notice shall be deemed delivered upon receipt;

(ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered two (2) business days after deposit, postage prepaid in the United States mail;

(iii) nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) day after deposit with such courier; or

(iv) facsimile transmission, in which case notice shall be deemed delivered on transmittal, provided that a transmission report is generated reflecting the accurate transmission thereof.

City: City of Rancho Cordova
Attn:
2729 Prospect Park Drive
Rancho Cordova, CA 95670

Phone Number: (916) 851-8800
 Fax Number: (916) 851-8787
 Email: @cityofranchocordova.org

Developer:

6.4 Attorneys' Fees. In any action at law or in equity, arbitration or other proceeding arising in connection with this Option Agreement, the prevailing party in such action shall be entitled to recover reasonable attorneys' fees and other costs, including but not limited to court costs and expert and consultants' fees incurred in connection with such action in addition to any other relief awarded, and such attorneys' fees shall be included in any judgment in such action.

6.5 Amendments. This Option Agreement may be amended only by a written instrument executed by the parties hereto or their successors in interest.

6.6 Severability. If any provision of this Option Agreement shall be held to be invalid, void or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

6.6 Waiver. A waiver by either Party of the performance of any covenant or condition herein shall not invalidate this Option Agreement nor shall it be considered a waiver of any other covenant or condition, nor shall the delay or forbearance by either Party in exercising any remedy or right be considered a waiver of, or an estoppel against, the later exercise of such remedy or right.

6.8 Entire Agreement. This Option Agreement, together with the DDLA and the exhibits to each, contains the entire Agreement between the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, documents and discussions pertaining thereto.

6.9 Remedies. Except as otherwise expressly stated in this Option Agreement, the rights and remedies of the Parties hereunder are cumulative, and the exercise or failure to exercise one or more of such rights or remedies by either Party shall not preclude the exercise by it, at the same time or different times, of any right or remedy for the same default or any other default. Upon the occurrence of a default hereunder, the Parties may pursue all remedies available at law or in equity, including without limitation, the remedy of specific performance.

6.10 Binding Effect; Due Authorization. This Option Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the parties hereto. Whenever a reference in this Option Agreement is made to Developer or City, such reference shall be deemed to also mean a reference to the successors in interest of each such Party (or Parties), as applicable, as if in every case so expressed. Developer hereby represents and warrants that all actions necessary on the part of Developer to authorize

the execution of this Option Agreement and to undertake the actions contemplated hereby have been undertaken and the person executing this Option Agreement on behalf of Developer have been duly authorized to do so.

6.11 Parties Not Co-Venturers; No Brokers. Nothing in this Option Agreement is intended to or does establish any of the parties as partners, co-venturers, or principal and agent with one another. Each Party represents and warrants to the other that no brokers have been retained or consulted in connection with the transactions contemplated hereby other than as disclosed in writing to the other Party. Each Party shall defend, indemnify, and hold the other Party harmless from any claim, expense, cost, loss or liability imposed by any party claiming a fee or commission in connection with this Option Agreement or the conveyance of any other interest in the Property, the Project or part thereof. This Section shall survive the expiration or termination of this Option Agreement.

6.12 Captions; Interpretation. The captions of the Sections of this Option Agreement are for convenience only and are not intended to affect the interpretation or construction of the provisions herein contained. The Parties acknowledge that this Option Agreement is the product of negotiation and compromise on the part of both Parties, and the Parties agree, that since both Parties have participated in the negotiation and drafting of this Option Agreement, this Option Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

6.13 Counterparts. This Option Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

6.14 Further Assurances; Recordation. The Parties agree to execute such instruments and to undertake such actions, as may be necessary to effectuate the intent of this Option Agreement. This Option Agreement shall be recorded against the Overall Property concurrently with recordation of a Memorandum of the DDLA, and at such time that Developer acquires the Property this Option Agreement shall be recorded against the Property.

6.15 Governing Law. This Option Agreement shall be interpreted under and pursuant to the laws of the State of California without regard to principles of conflict of laws.

6.16 Time is of the Essence. Time is of the essence for each condition, term, obligation and provision of this Option Agreement. When the time for performance of any obligation under this Option Agreement is to be measured from another event, such time period shall include the day of the other event. If the day of the time for performance is not a regular business day, then the time for such performance shall be by the regular business day following such day.

6.17 Action or Approval. Whenever action and/or approval by City is required under this Option Agreement, City's Executive Director or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the Executive Director determines in his or her discretion that such action or approval requires referral to City's Board for consideration.

6.18 Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of City or the City of Rancho Cordova shall be personally liable to Developer or its successors in interest in the event of any default or breach by City or for any amount which may become due to Developer or its successors in interest pursuant to this Option Agreement.

7. Future Enforcement By City. The Parties hereby agree that should the City cease to exist as an entity at any time during the term of this Option Agreement, the City of Rancho Cordova shall have the right to enforce all of the terms and conditions herein, unless the City has previously specified another entity to enforce this Option Agreement.

SIGNATURES ON FOLLOWING PAGE; SIGNATURES MUST BE NOTARIZED.

IN WITNESS WHEREOF, the City and Developer have executed this Option Agreement as of the date first written above.

CITY OF RANCHO CORDOVA,

By: _____

ATTEST:

By: _____
City Secretary

APPROVED AS TO FORM:

By: _____
City Counsel

UHC 00575 Rancho Cordova, L.P.

By: UHC 00575 Rancho Cordova Holdings LLC

By: _____

Name: _____

Title: _____

Exhibit A

PROPERTY
(Attach legal description)

[illegible]

On _____, 20____, before me, _____, 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.

Signature _____ (Seal) _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF SACRAMENTO)

On _____, 20____, before me, _____, 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.

Signature _____ (Seal) _____

1305354.1

CROSSINGS AT WOODBERRY WAY

Execution of a New Development, Disposition
and Loan Agreement

DDLA HISTORY ON STAGGER INN PARCEL

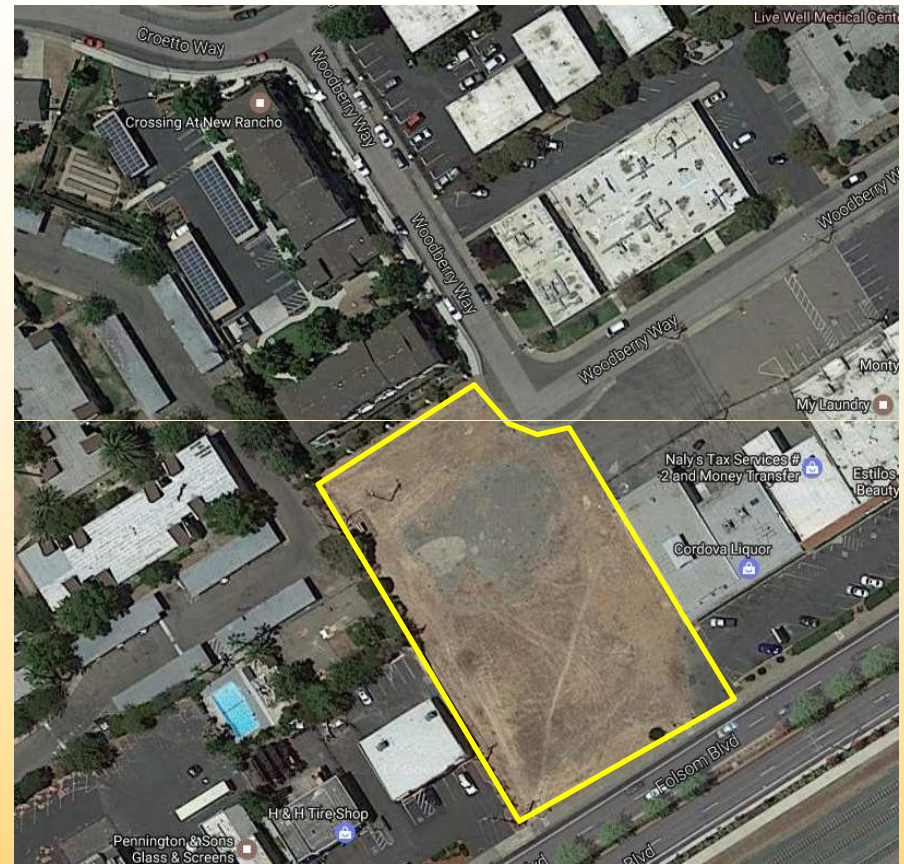
- 2008 Exclusive Negotiation Rights Agreement (ENRA) Signed for Seniors Project- Horizons at New Rancho
- 2013 Development and Disposition Agreement (DDA) Signed and ENRA Terminated
- Between 2013 and 2016 DDA was amended several times, became a DDLA with added Loan Agreement
- Today Terminating prior DDLAs and Executing a New DDLA for the Crossings at Woodberry Way

CROSSINGS AT WOODBERRY WAY

- 28 Units, 2 and 3 bedrooms, affordable housing for families
- Families more competitive than Seniors for Tax Credits
- Affordable housing for families project meets requirements for funding used to acquire the site and prepare the site
- As proposed, will maximize competitiveness with no additional funding required

PROJECT STATUS

- Tonight Receiving Design Review Approval, Zone Change, and Parking Exception
- With DDLA Approval, Developer Will Apply for Low Income Housing Tax Credits on March 1, 2017 for Final Funding
- If Awarded, Will Begin Construction Within 180 Days of Award (Estimated December, 2017)
- As Proposed, the Project Will Stay Within Previously Approved City Funding Limits



CITY FUNDING FOR CROSSINGS AT WOODBERRY WAY

- \$1,826,000 in Redevelopment 20% Set-Aside Funds, Very Low Income Housing Grant Funds, and CDBG
- \$1,000,000 Pass-Through from State Housing Trust Fund
- \$1,000,000 City Loan Approved as Match (Resolution 36-2012)
- \$1,000,000 City Loan Approved as Project Enhancement (Resolution 15-2015) - **of Which \$666,200 Remains**

The Inter-Fund Loan of \$2,162,200 Includes the
Two City Loans Above (Resolution 46-2015)

OTHER FUNDING LEVERAGED

- \$1,000,000 State Housing Trust Fund
- \$500,000 State Infrastructure Infill Grant
- \$341,000 Sale of Land to Developer
- \$250,000 Deferred Developer Fee
- \$7,100,000 State and Federal Tax Credits (approximate)
- \$60,000 Sacramento Sewer Credits

Total Other Funding: \$9,250,000

Total City Funding: \$2,666,200

Total Project Development Cost: \$12,000,000 (approximate)