

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Monday, March 18, 2024

5:30 PM – Regular Meeting

David B. Roberts Council Chambers

City Hall

2729 Prospect Park Drive, Rancho Cordova

How to Observe or Listen to the Meeting:

- Online via Zoom: <https://cityofranchocordova.zoom.us/j/81630466928>
Webinar ID: 816 3046 6928
- By phone: +1 669 900 6833 or +1 253 215 8782
Webinar ID: 816 3046 6928

Public Comment

Members of the public who wish to address the City Council may do so in person during the meeting by completing and submitting a Speaker Card to the City Clerk.

Members of the public who wish to provide public comment via email will need to submit comments to CityClerk@cityofranchocordova.org no later than 2:00 p.m. on Monday, March 18, 2024. Written comments received no later than 2:00 p.m. will be distributed to the Council, filed in the record, and will not be read aloud. All comments submitted later than 2:00 p.m. will be distributed to the Council.

If you have questions related to the City Council Meeting, please contact the City Clerk's Office at (916) 851-8720 before Monday, March 18, 2024, at 2:00 p.m.

AGENDA

1. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Siri Pulipati, Donald Terry, and Mayor

David Sander

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

Walter Little with St. John Vianney Catholic Church will give the invocation.

5. PRESENTATIONS

5.1. Update by the Sacramento Regional Family Justice Center.

5.2. Introduction of New Employee: Saige White, Management Analyst I by Lorianne Carl, Community Engagement Manager.

6. PUBLIC COMMENT

Members of the public wishing to address the Council for any matter 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 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

9. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

9.1. **Subject:** Meeting Minutes from the Special Meeting of February 27, 2024, and the Regular City Council Meeting of March 4, 2024.

Recommendation: Adopt the minutes.

9.2. **Subject:** Second Reading of an Ordinance of the City Council of the City of Rancho Cordova Amending Title 2 Administration and Personnel, Chapter 2.30 Planning Commission to Incorporate Additional Qualifications to At-Large Members (California Environmental Quality Act (CEQA) Exemption Found in Guideline Section 15061(B)(3)).

Recommendation: Waive the second reading and adopt the Ordinance.

9.3. **Subject:** Treasurer's Report - December 31, 2023.

Recommendation: This report is informational only. It is recommended that the City Council receive and file the December 31, 2023, Treasurer's Report.

9.4. **Subject:** A Resolution Authorizing the City Manager to Execute a Cooperative Agreement

with the County of Sacramento for the Acquisition of Rights-of-Way within the City of Rancho Cordova for the Hazel Avenue at U.S. 50 Interchange Project.

Recommendation: Adopt the Resolution.

- 9.5. **Subject:** A Resolution Authorizing the City Manager to Execute an Agreement with the University of California (UC), Davis Campus, School of Veterinary Medicine on Behalf of its Koret Shelter Medicine Program for a Two-Year Grant, not to Exceed \$200,000, to Support the City of Rancho Cordova Animal Service's Community Assistant Program in Connection with the California for All Animals Statewide Animal Shelter Assistance Program.

Recommendation: Adopt the Resolution.

10. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

None.

11. PUBLIC HEARING ITEMS

None.

12. REGULAR CALENDAR ITEMS

- 12.1. **Subject:** Mills Crossing Project Update.

Recommendation: Receive presentation, provide feedback.

- 12.2. **Subject:** A Resolution for a Forgivable Loan Agreement Between the City of Rancho Cordova and Phoenix Production Company, Doing Business as Rise-up Theatre Company, for the Construction of Tenant Improvements and Lease Payments for a Ninety-Nine (99) Seat Multi-Use Performing Arts Facility.

Recommendation: Review the proposed loan agreement and provide direction on the Resolution.

13. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

14. ADJOURN TO CLOSED SESSION

Mayor Sander will adjourn the meeting to closed session.

15. CLOSED SESSION CALL TO ORDER ROLL/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Siri Pulipati, Donald Terry, and Mayor David Sander

16. CLOSED SESSION

Council will meet in closed session to discuss the following items:

- 16.1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (pursuant to California Government Code Section 54956.9(d)(1)) Stone Creek Residents for Smart Growth, an unincorporated association v. City of Rancho Cordova, Respondent; Dermody Properties, and DOES 1-10 Real Parties in Interest. Sacramento Superior Court Case No. 23WM000026.
- 16.2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (pursuant to California Government Code Section 54956.9(d)(1)) Stone Creek Residents for Smart Growth, an unincorporated association v. City of Rancho Cordova, and DOES 1-10 Respondent; Dermody Properties, and DOES 11-20 Real Parties in Interest. Sacramento Superior Court Case No. 23WM000052.

- 16.3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (pursuant to California Government Code Section 54956.9(d)(1)) DPML Bear Hollow, LLC, a Delaware limited liability company and DPML Stonecreek, LLC, a Delaware limited liability company v. City of Rancho Cordova, City Council of Rancho Cordova, and DOES 1 through 25, inclusive. Sacramento Superior Court Case No. 23WM000122.

17. OPEN SESSION - REPORT FROM CLOSED SESSION

The City Attorney will report on action taken in closed session.

18. ADJOURNMENT

ADDITIONAL INFORMATION

Special Meetings listed below are subject to change/cancellation without further notice.

Unless the Council adopts a motion to extend the meeting, any item that is not initiated before 11:00 p.m. will be continued to the next day at 5:30 p.m. 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.

UPCOMING MEETINGS

March 26, 2024	5:30 PM Special Meeting/Work Session
April 2, 2024	4:00 PM Special Meeting/Regular Meeting
April 23, 2024	5:30 PM Special Meeting/Work Session
May 6, 2024	4:00 PM Special Meeting/Regular Meeting
May 20, 2024	5:30 PM Regular Meeting
May 28, 2024	5:30 PM Special Meeting/Work Session
June 3, 2024	4:00 PM Special Meeting/Regular Meeting
June 17, 2024	5:30 PM Regular Meeting

If you have any technical questions related to the agenda items, please contact City Hall at (916) 851-8700.

The Rancho Cordova City Council meeting 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 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, Stacy Leitner, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the March 18, 2024 Regular Meeting of the Rancho Cordova City Council was posted and available for review on March 14, 2024, 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.cityofranhocordova.org.

Signed March 14, 2024 at Rancho Cordova, California.



Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING
Tuesday, February 27, 2024

5:00 PM – Special Meeting
American River Room

City Hall
2729 Prospect Park Drive, Rancho Cordova

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Sander called the Special meeting to order in the American River Room at 5:06 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Siri Pulipati, Donald Terry, and Mayor David Sander

Council Members Absent: None

Staff Members Present: Stacy Leitner, Adam Lindgren, Persephonie Riley, and Micah Runner

2. PUBLIC COMMENT

Mayor Sander stated that public comment would be taken at the time the item on the agenda was heard.

3. SPECIAL MEETING

- 3.1. **Subject:** Discussion on Public School Educational Opportunities for Rancho Cordova Students and Process for School District Reorganization.

Recommendation: Receive an update on the educational opportunities in Rancho Cordova.

RECESS 6:24 p.m. – 6:30 p.m.

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Tuesday, February 27, 2024

ATTACHMENT 1

1. James Garcia
2. Jim Garcia
3. Amber Lindsay
4. Heidi Moore
5. Shauna Mandell
6. Madelaine Sanderson
7. Conrade Mayer
8. Andrea Thomas
9. Laura Fickle
10. Ashley
11. Victoria Monroe
12. Jim Garcia
13. Marilyn Metzger
14. Julie

Mayor Sander closed the public comment period.

ACTION: Motion to conduct a community poll and return to Council with an implementation study by Terry second by Gatewood;
Motion passed with a 5:0 vote.

ACTION: Motion to send a letter to the Elk Grove Unified School District requesting school facility and transportation needs of Rancho Cordova residents be addressed by Pulipati second by Terry;
Motion passed with a 5:0 vote.

4. ADJOURNMENT

Mayor Sander adjourned the meeting at 8:36 p.m.

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Monday, March 4, 2024

4:00 PM – Special Meeting/Closed Session

5:30 PM – Regular Meeting

David B. Roberts Council Chambers

City Hall

2729 Prospect Park Drive, Rancho Cordova

DRAFT MINUTES

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Mayor Sander called the Special meeting to order in the David B. Roberts Council Chambers at 4:09 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Siri Pulipati, and Mayor David Sander (participated via teleconference under just cause circumstances)

Council Members Absent: Donald Terry

Staff Members Present: Stacy Leitner, Adam Lindgren, Persephonie Riley, and Micah Runner

2. PUBLIC COMMENT

Mayor Sander stated that public comment would be taken at the time the items on the agenda were heard.

3. SPECIAL MEETING ITEMS

- 3.1. **Subject:** Appointment of Real Property Negotiators City Manager Micah Runner, and City Attorney Adam U. Lindgren, for the Following Property and Assessor's Parcel Number (APN): 10801 White Rock Road, 072-0610-091.

Recommendation: Approve appointment of Real Property Negotiators.

Mayor Sander opened the public comment period. Seeing no speakers, Mayor Sander closed the public comment period.

ACTION: Motion to approve item 3.1. by Budge second by Pulipati;

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, March 4, 2024

ATTACHMENT 2

Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

4. **ADJOURN TO CLOSED SESSION**

Mayor Sander adjourned the meeting to closed session at 4:13 p.m.

5. **CLOSED SESSION - CALL TO ORDER/ROLL CALL**

Mayor Sander called closed session to order at 4:13 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Siri Pulipati, and Mayor David Sander (participated via teleconference under just cause circumstances)

Council Members Absent: Donald Terry

Staff Members Present: Stacy Leitner, Adam Lindgren, Persephonie Riley, and Micah Runner

6. **CLOSED SESSION**

Council met in closed session to discuss the following items:

- 6.1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION** (pursuant to California Government Code Section 54956.9(d)(1)) 350 Sacramento, a California non-profit benefit corporation; and Oscar Balaguer v. City of Rancho Cordova, a general law city; City Council for the City of Rancho Cordova, and DOES 1 to 10, inclusive. Sacramento Superior Court Case No. 23WM000101.
- 6.2. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:** Pursuant to Government Code Section 54956.8: Property 10801 White Rock Road, Assessor's Parcel Number (APN): 072-0610-091, City Negotiators: Micah Runner, City Manager, and Adam U. Lindgren, City Attorney, Negotiating Parties: Brooks Erickson and Amy Brager. Under Negotiation: Price and Terms of Payment.

7. **OPEN SESSION - REPORT FROM CLOSED SESSION**

City Attorney Adam Lindgren reported that staff was given direction and no reportable action was taken in closed session.

8. **ADJOURNMENT TO REGULAR MEETING**

Mayor Sander adjourned closed session to the Regular meeting at 5:31 p.m.

9. **REGULAR MEETING - CALL TO ORDER/ROLL CALL**

Mayor Sander called the Regular meeting to order in the David B. Roberts Council Chambers at 5:31 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Siri Pulipati, and Mayor David Sander (participated via teleconference under just cause circumstances)

Council Members Absent: Donald Terry

Staff Members Present: Stacy Leitner, Adam Lindgren, Persephonie Riley, and Micah Runner

ITEM 9.1.

ATTACHMENT 2

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, March 4, 2024

10. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk read the meetings recordings and playback schedule.

11. PLEDGE OF ALLEGIANCE

Stacy Delaney led the pledge.

12. INVOCATION

Donny Burleson with Freedom Church gave the invocation.

13. PRESENTATIONS

- 13.1. Presentation of Proclamation to Soroptimist International of Rancho Cordova and Gold River for Women's History Month 2024.

14. PUBLIC COMMENT

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Larry Ladd
2. Valerie Knippschild

Mayor Sander closed the public comment period.

15. COUNCIL REPORTS

Council reported on events since the last meeting.

16. CITY MANAGER'S REPORT

City Manager Micah Runner gave his report.

17. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

Council Member Budge requested that item 17.2 be pulled for separate discussion.

Mayor Sander opened the public comment period. Seeing no speakers, Mayor Sander closed the public comment period.

ACTION: Motion to approve items 17.1 and 17.3 by Budge second by Pulipati;
Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

- 17.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of February 20, 2024.
Recommendation: Adopt the minutes.

- 17.2. **Subject:** Citywide Roundabout Feasibility Study and Implementation Plan.
Recommendation: Approve the Citywide Roundabout Feasibility Study and Implementation Plan.

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. David Crozier
2. Jennifer Garcia

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, March 4, 2024

ATTACHMENT 2

3. Valerie Knippschild
4. Jim Garcia
5. Jennifer Garcia
6. James Garcia

Mayor Sander closed the public comment period.

ACTION: Motion to approve item 17.2. by Budge second by Gatewood;
Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

- 17.3. **Subject:** A Resolution Authorizing the City Manager to Execute Contract Amendment No. 38-2019-2 with Roush Landscape Services to Extend the Contract Term from June 30, 2024, to June 30, 2026, Resulting in an Increase to the Contract Amount from \$2,396,000 to an Amount not to Exceed \$3,404,600 for Continued Landscape Maintenance Services.

Recommendation: Adopt the Resolution.

18. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Valerie Knippschild
2. James Garcia
3. James Garcia

Mayor Sander closed the public comment period.

ACTION: Motion to approve items 18.1 through 18.4 by Budge second by Pulipati;
Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

- 18.1. **Subject:** Second Reading of an Ordinance Amending Sections 10.50.010 and 10.50.020 of Chapter 10.50 of Title 10 of the Rancho Cordova Municipal Code to Establish Enforceable Speed Limits on the Roads Listed in the Ordinance.

Recommendation: Waive the second reading and adopt the Ordinance.

- 18.2. **Subject:** An Ordinance of the City Council of the City of Rancho Cordova Amending Title 2 Administration and Personnel, Chapter 2.30 Planning Commission to Incorporate Additional Qualifications to At-Large Members (CEQA Exempt pursuant to Section 15061(b)(3)).

Recommendation: Waive the first reading and introduce the Ordinance.

- 18.3. **Subject:** A Resolution Approving the Street Name Change of Poopenaut Court to Artist Point Court in the Sunridge Park Community

Recommendation: Adopt the Resolution.

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, March 4, 2024

ATTACHMENT 2

- 18.4. **Subject:** A Resolution Approving the 2023 Community Development Block Grant Consolidated Annual Performance Evaluation Report for Submittal to U.S. Department of Housing and Urban Development.

Recommendation: Adopt the Resolution.

19. PUBLIC HEARING ITEMS

- 19.1. **Subject:** Public Hearing to Receive Protests to the Proposed Stormwater Utility 1 Fee Increase and a Resolution to Submit the Question to a Vote of the Property Owners for Approval of the Proposed Stormwater Utility 1 Fee Increase.

Recommendation: Hold a noticed public hearing to consider protests to the proposed Stormwater Utility 1 increase and, if a majority protest is not received at the Protest Hearing, adopt the Resolution to submit the question of the proposed Stormwater Utility 1 Fee increase to a vote of the owners of the property subject to the proposed fee increase for approval.

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Larry Ladd
2. Jennifer Garcia
3. James Garcia
4. Jennifer Garcia
5. James Garcia

Mayor Sander closed the public comment period.

ACTION: Motion to approve item 19.1. by Budge second by Pulipati;
Motion passed with a 3:1 vote.

AYES: Budge, Pulipati, and Sander

NOES: Gatewood

ABSENT: Terry

ABSTAIN: None

20. REGULAR CALENDAR ITEMS

- 20.1. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2024-33 with either Atlas Disposal Industries or Allied Waste Services of North America for the Residential Solid Waste Services and Street Sweeping Services Contract Beginning January 1, 2025, through December 31, 2034.

Recommendation: Select the preferred contractor for the Residential Solid Waste Services and Street Sweeping Services contract beginning January 1, 2025, and adopt the Resolution authorizing the City Manager to execute the contract with either Atlas Disposal Industries or Allied Waste Services of North America (Republic Services).

RECESS 7:26 p.m. - 7:35 p.m.

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Sara Malone
2. Valerie Knippschild
3. Jennifer Garcia
4. Trysh O'Connor

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
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ATTACHMENT 2

5. Helen Whelan-Bashaw
6. James Garcia
7. Mackenzie Wieser
8. Marilyn Metzger
9. Sara Malone
10. Debbie Jernigan
11. Medline Sanderson
12. Tamara Stayton
13. Margrett Patton
14. Gina Pardo
15. Jennifer Garcia
16. James Garcia
17. Madelaine Sanderson
18. David Gieselman
19. Jim Garcia
20. Angel Ball
21. Karl Haas
22. Joyce Rosenberg
23. Steve Johns
24. Joyce Higdon
25. Jennfier Laret

Mayor Sander closed the public comment period.

ACTION: Motion to select Atlas Disposal Industries and adopt the Resolution by Budge second by Gatewood;
Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

20.2. **Subject:** Selection of Official City Flower.

Recommendation: Select the official City of Rancho Cordova flower.

Mayor Sander opened the public comment period. The following individuals addressed the Council or submitted public comment via email:

1. Larry Ladd

Mayor Sander closed the public comment period.

ACTION: Motion to select Baby Blue Eyes as the Official City Flower by Budge second by Pulipati;
Motion passed with a 4:0 vote.

AYES: Budge, Gatewood, Pulipati, and Sander

NOES: None

ABSENT: Terry

ABSTAIN: None

20.3. **Subject:** Rancho Cordova Police Department Update.

Recommendation: Receive information.

ITEM 9.1.

Rancho Cordova City Council - DRAFT MINUTES
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ATTACHMENT 2

Mayor Sander opened the public comment period. Seeing no speakers, Mayor Sander closed the public comment period.

RECESS 9:01 p.m. - 9:02 p.m.

ACTION: Input was received regarding the Rancho Cordova Police Department Update.

21. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

None.

22. ADJOURNMENT

Mayor Sander adjourned the meeting at 9:04 p.m.

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 9.2.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM: Darcy Goulart, Planning Manager
SUBJECT: **SECOND READING OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AMENDING TITLE 2 ADMINISTRATION AND PERSONNEL, CHAPTER 2.30 PLANNING COMMISSION TO INCORPORATE ADDITIONAL QUALIFICATIONS TO AT-LARGE MEMBERS (CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) EXEMPTION FOUND IN GUIDELINE SECTION 15061(B)(3))**

RECOMMENDATION

Waive the second reading and adopt the Ordinance.

RESULT OF RECOMMENDED ACTION

Adoption of the Ordinance would result in amendments to Title 2, Administration and Personnel, as further described in Attachment 2.

BACKGROUND

On March 4, 2024, the City Council waived the first reading and passed to a second reading of the Ordinance.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact.

ATTACHMENT(S)

1. Ordinance
2. Exhibit A to the Ordinance

CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2024

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA
AMENDING TITLE 2 (ADMINISTRATION AND PERSONNEL), CHAPTER 2.30 PLANNING
COMMISSION****Section 1. Purpose and Declarations.**

WHEREAS, the City Council sees a benefit of incorporating desired professional qualifications related to development for the two at-large Planning Commission members;

WHEREAS, the Municipal Code needs to be amended to include language into the code as it relates to desires professional qualifications for the at-large members;

WHEREAS, on March 4, 2024 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.** CEQA requires analysis of agency approvals of discretionary “projects.” A “project,” under CEQA, is defined as “the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.” (CEQA Guidelines, § 15378.) As reflected in State CEQA Guideline 15061 (b) (3), an activity is not subject to CEQA, “[where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment...” The proposed amendments are not a “project” within the meaning of CEQA because the amendments seek to provide clarification of qualifications to become an at-large Planning Commissioner. Because no expansion of uses or activities is reasonably anticipated, no possibility exists that the ordinance will result in a significant effect on the environment. Thus, the proposed ordinance is not subject to the requirements of CEQA. However, in the event that adoption of the ordinance is considered a CEQA project, it would nonetheless qualify for categorical exemptions as set forth below.

CEQA Guidelines Section 15061(b)(3) states that a project is exempt from CEQA “where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” The approval of the code amendments set forth in the proposed ordinance does not approve any physical development and it would not result in a direct or indirect physical changes in the environment. For these reasons, the proposed amendments would not have the potential to result in individually or cumulatively significant effects on the environment and these Municipal Code amendments are exempt from review under CEQA and no further environmental review is necessary.

- B. **The proposed amendments comply with applicable state law and local ordinances.** The proposed Municipal Code amendment complies with all other applicable requirements of state law and local ordinances. The establishment of the Planning Commission to fulfill Planning Agency obligations was established under Section 65100 of the Government

ITEM 9.2.

ATTACHMENT 1

Code of the state of California. Specific qualifications of the Planning Commission are established under the City of Rancho Cordova Zoning Code. Revisions to the Municipal Code implement and are consistent with both local and state regulations.

Section 3. Amendments to Title 2 Administration and Personnel

The City Council hereby adopts the amendments to Title 2 Administration and Personnel of the Rancho Cordova Municipal Code, as shown and incorporated in **Exhibit A** to this ordinance.

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 18th day of March 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

David Sander, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

Rancho Cordova Municipal Code
Chapter 2.30 PLANNING COMMISSION

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Chapter 2.30

PLANNING COMMISSION

Sections:

- 2.30.010 Establishment.
- 2.30.020 Membership.
- 2.30.030 Application, appointments, and terms of office.
- 2.30.040 Qualifications.
- 2.30.050 Removal from office.
- 2.30.060 Vacancies.
- 2.30.070 Duties and functions of the planning commission.
- 2.30.080 Rules.
- 2.30.090 Organization.
- 2.30.100 Meetings.
- 2.30.110 Voting.
- 2.30.120 Compensation.

Prior legislation: Ord. 18-2003.

2.30.010 Establishment.

Pursuant to Section 65100 of the Government Code of the state of California, there is hereby established a planning commission which shall have the powers and duties and serve the purposes enumerated in said Section 65100 and this chapter, and which shall have jurisdiction within the incorporated boundaries of the city of Rancho Cordova; provided, however: from the effective date of the ordinance codified in this section until March 1, 2023 (Phase 1), the planning commission shall only have the power to take action on the following applications, projects, approvals, permits and appeals related to:

A. Processing, considering, and approving tentative and final parcel maps under Chapter 22.20 RCMC.

B. Processing, considering, and approving major design review for new residential projects under RCMC 23.104.030 and Table 23.104-1.

C. All other planning commission responsibilities regarding applications, projects, approvals, permits, and appeals in the Rancho Cordova Municipal Code are suspended from the effective date of the ordinance codified in this section until March 1, 2023. During this time, all appeals which would otherwise be heard by the planning commission shall be heard by the city council.

And further provided, from March 1, 2023, until June 1, 2023 (Phase 2), in addition to all powers granted during Phase 1, the planning commission shall also have the power to take action on the following applications, projects, approvals, permits and appeals related to:

D. Processing, considering, and approving tentative and subdivision maps under Chapter 22.20 RCMC.

E. Processing, considering, and approving major design review for commercial and industrial projects under RCMC 23.104.030 and Table 23.104-1. [Ord. 15-2022 § 3; Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A); Ord. 5-2011 § 1; Ord. 56-2004 § 3].

2.30.020 Membership.

The planning commission shall consist of seven commission officers. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.030 Application, appointments, and terms of office.

Appointments to the planning commission shall be made by the city council as follows:

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

Rancho Cordova Municipal Code
Chapter 2.30 PLANNING COMMISSION

Page 2/3

A. An application period of three weeks shall be opened for any vacant planning commissioner seat. All applications shall be provided to individual members of the city council needing to fill the vacant seat for review and consideration for possible nomination.

B. Five commissioners shall be nominated by the individual members of the city council and confirmed by a majority vote prior to the first meeting of the council in February 2022. A commissioner's term for those council seats up for re-election in 2024 shall coincide with the term of the councilmember that nominated that commissioner. A commissioner's term for those council seats up for re-election in 2022 shall serve an initial two years. After the conclusion of the initial two-year term, the councilmember elected in 2022 shall have the ability to nominate a new commissioner for the remainder of the term if desired. Thereafter, following each election of the city council, re-elected or newly elected members of the council shall each nominate one member to serve on the planning commission within 90 days of taking office. All commissioners nominated by an individual member of the city council shall be confirmed by a majority vote of the city council.

C. Two commissioners shall be designated at-large members and shall be selected by the city council as a body from a pool of nominees. At-large members may be nominated by any member of the city council and confirmed by a majority vote prior to the first meeting of the council in February 2022. The term of the at-large commissioners will be terms of four years. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.040 Qualifications.

Minimum qualifications for the position of planning commissioner are as follows:

A. Must be at least 18 years of age.

B. Shall not be an elected or appointed official of another public entity whose jurisdiction includes any part of the city.

C. Shall reside within the incorporated boundaries of the city of Rancho Cordova.

D. Professional experience in a field closely related to development such as land use or environmental planner, surveyor or engineer, designer, architect, building contractor or other closely related professions is desired for the two at-large members.

[Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.050 Removal from office.

A planning commissioner may be removed from office by the city council without cause, notice or hearing. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.060 Vacancies.

Vacancies which occur within the commission shall be filled for the unexpired portions of the terms pursuant to RCMC 2.30.030. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.070 Duties and functions of the planning commission.

The planning commission shall have the duties and functions as specified below.

A. Serve as the approval authority as specified in Chapter 23.104 RCMC;

B. Promote public interest in, and understanding of, the general plan, specific plans, special planning areas, and regulations relating to such plans;

C. Consider and provide recommendations to the city council on amendments to the general plan, zoning code, specific plans and special planning areas;

D. Consider subdivision matters arising from the Subdivision Map Act and this code;

ITEM 9.2.

ATTACHMENT 2 Exhibit A to the Ordinance

Rancho Cordova Municipal Code
Chapter 2.30 PLANNING COMMISSION

Page 3/3

E. Consider appeals of the community development director;

F. Perform other powers and duties as directed by the city council. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.080 Rules.

The planning commission shall adopt, subject to city council approval, rules of procedure which shall govern the conduct of hearings and other business of the commission. Copies of the rules shall be published and shall be available with the city clerk's office. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.090 Organization.

At the initial meeting of the commission, and annually thereafter at the first meeting of the calendar year for the commission, the members of the commission shall select a chairperson and vice-chairperson and shall determine the time, place, and frequency of regular meetings. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.100 Meetings.

The planning commission shall meet at least twice a month at a regularly scheduled time and date, and at other such times as the chairperson deems necessary to perform the duties of the commission. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.110 Voting.

Four members of the seven-member planning commission shall constitute a quorum, and a quorum is required for the commission to take action on any item on its agenda. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

2.30.120 Compensation.

A. Each member of the planning commission shall receive compensation for services as follows: Each member of the commission shall receive \$75.00 compensation for each planning commission meeting attended, including regularly scheduled or special meetings.

B. The city may, at the discretion of the city manager, approve payment to a member for necessary and actual expenses incurred by a member acting in an official capacity as a member of the planning commission. [Ord. 2-2022 § 3 (Exh. A); Ord. 22-2021 § 3 (Exh. A)].

MEMORANDUM



ITEM 9.3.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM: Kim Juran-Karageorgiou, Administrative Services Director
SUBJECT: **TREASURER'S REPORT – DECEMBER 31, 2023**

RECOMMENDATION

This report is informational only. It is recommended that the City Council receive and file the December 31, 2023, Treasurer's Report.

RESULT OF RECOMMENDED ACTION

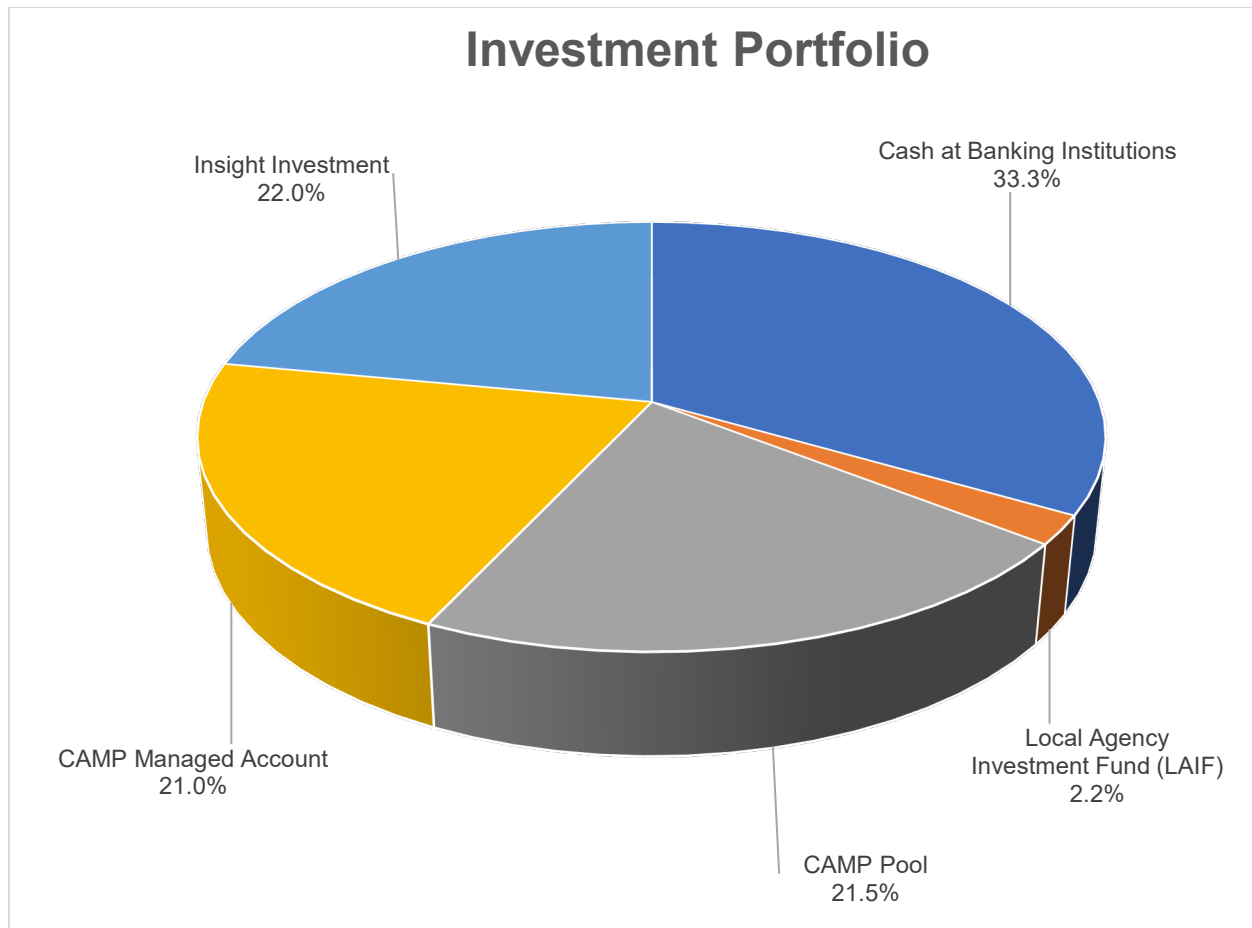
The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the Treasurer's Report is to update the City Council and the public on the status of the City's cash balances and investments and highlight material changes from one period to another. The scope of this report covers the fourth quarter of the 2023 calendar year ending December 31, 2023, and is in compliance with the State's reporting requirements.

BACKGROUND

Attachment 1 is the quarterly Treasurer's Report for the period ending December 31, 2023. Treasurer's Reports are provided to the City Council on a quarterly basis.

On September 30, 2023, the value of the City's total portfolio was \$279.4 million. Since that time, the City's cash balances increased by \$12.2 million with an ending balance of \$291.6 million as of December 31, 2023. The funds are held as follows:

Investment Distribution	Book Value	Market Value
Cash at Banking Institutions	97,183,690	97,183,690
Local Agency Investment Fund (LAIF)	6,419,043	6,419,043
CAMP Pool	62,603,053	62,603,053
CAMP Managed Account	62,288,780	61,276,596
Insight Investment	64,250,613	64,119,746
Total	292,745,179	291,602,129



The Federal Reserve (Fed) maintained the overnight target rate at 5.25%-5.5% during the fourth quarter. The Fed also messaged a more dovish policy stance for 2024 as its updated “dot plot” showed three 25 basis point rate cuts for the year, an increase over previous projections. This caused Treasury yields to move downward in Q4, although the inverted yield curve persisted through the quarter. Real GDP expanded at an annualized pace of 4.9% in Q3 2023, demonstrating the continued strength of the U.S. economy and credit spreads narrowed significantly on increased expectation for a soft landing.

The City’s cash balance as of December 31, 2023, was allocated by fund type/purpose as follows:

- General Fund: \$15.7 million
- Community Enhancement & Investment Fund (Measure H & R): \$17.9 million
- Sunrise Development Impact Fees (restricted for specific improvements needed as a result of development in the area): \$41.3 million
- Transportation Funds: \$84.9 million
- Storm Drain Fund: \$19.9 million
- Capital Projects/Grant/Special Revenue Funds: \$82.9 million
- Agency Funds (funds held for other entities): \$30.1 million

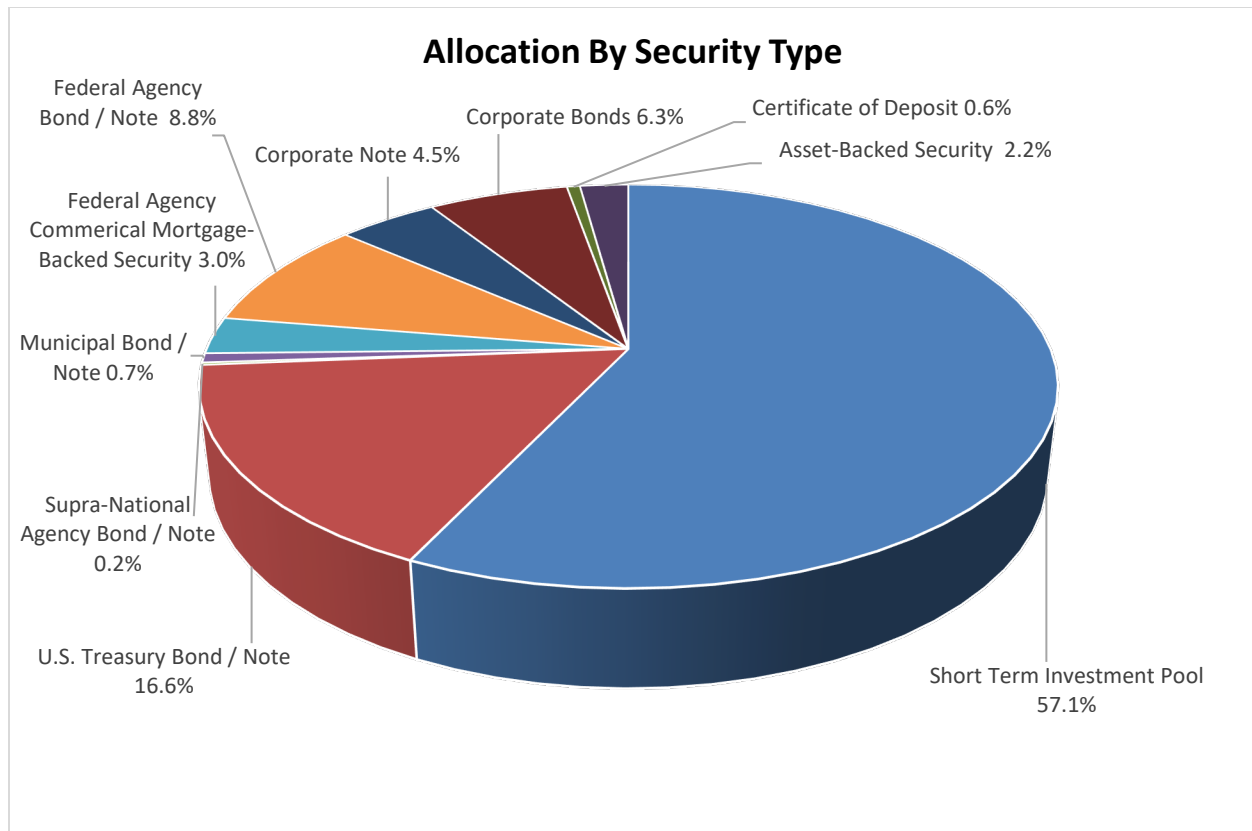
The overall portfolio is well diversified with \$126.5 million invested in marketable securities, \$69.0 million is invested in short-term investments that are considered liquid (LAIF, CAMP, and

money markets), and another \$97.2 million is on deposit with our banks, which includes \$5.5 million on deposit with one local bank as part of the City's participation in a local banking initiative. 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.

Staff thoroughly reviews investment statements and makes appropriate inquiries from its investment advisors to confirm the existence and viability of the City's assets. The City invests conservatively in investment policy options in accordance with the 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 distribution of investments are displayed in the following charts:





ATTACHMENT(S)

1. City of Rancho Cordova Treasurer's Report for the quarter ended December 31, 2023

**CITY OF RANCHO CORDOVA
TREASURER'S REPORT
FOR THE QUARTER ENDED December 31, 2023**

Security Held	Book Value	Market Value
Wells Fargo Bank	91,690,981	91,690,981
5 Star Bank	5,492,708	5,492,708
Local Agency Investment Fund (LAIF)	6,419,043	6,419,043
CAMP Pool	62,603,053	62,603,053
CAMP Managed Account	62,288,780	61,276,596
Insight Investment	64,250,613	64,119,746
Total	292,745,179	291,602,129



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,950,000.00	AA+	Aaa	06/07/21	06/08/21	2,049,175.79	0.33	107.14	1,966,056.19	1,919,226.66
US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	4,000,000.00	AA+	Aaa	06/18/21	06/21/21	4,184,375.00	0.46	219.78	4,030,200.79	3,936,875.20
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	475,000.00	AA+	Aaa	08/05/20	08/07/20	507,693.36	0.18	22.84	482,425.69	460,972.68
US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	800,000.00	AA+	Aaa	07/01/20	07/06/20	852,250.00	0.28	38.46	811,635.91	776,375.04
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	100,000.00	AA+	Aaa	03/01/21	03/04/21	98,589.84	0.58	0.69	99,512.38	93,906.25
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	425,000.00	AA+	Aaa	04/01/21	04/05/21	416,765.63	0.72	2.92	422,093.75	399,101.56
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	525,000.00	AA+	Aaa	05/04/21	05/06/21	516,120.12	0.75	5.41	521,186.88	486,609.38
US TREASURY NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	100,000.00	AA+	Aaa	02/10/22	02/14/22	95,277.34	1.92	127.75	97,386.55	92,515.62
US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	325,000.00	AA+	Aaa	05/03/22	05/05/22	294,125.00	3.03	850.03	306,211.72	297,679.69
US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	825,000.00	AA+	Aaa	07/05/22	07/08/22	755,229.49	2.84	2,157.78	780,711.71	755,648.44
US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	825,000.00	AA+	Aaa	08/01/22	08/04/22	759,515.63	2.74	2,157.78	782,662.13	755,648.43
US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	950,000.00	AA+	Aaa	06/02/22	06/06/22	864,537.11	2.94	2,484.71	896,895.75	870,140.63
US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	1,300,000.00	AA+	Aaa	08/08/22	08/15/22	1,183,812.50	3.04	3,400.14	1,224,309.39	1,190,718.75
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	1,150,000.00	AA+	Aaa	10/05/22	10/11/22	1,059,886.72	4.10	2,969.78	1,086,812.28	1,087,468.75



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	1,800,000.00	AA+	Aaa	01/04/23	01/06/23	1,674,632.81	3.96	4,648.35	1,706,664.17	1,702,125.00
US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	3,200,000.00	AA+	Aaa	12/05/22	12/07/22	2,977,625.00	3.92	8,263.74	3,037,893.42	3,026,000.00
US TREASURY NOTES DTD 04/30/2022 2.750% 04/30/2027	91282CEN7	1,300,000.00	AA+	Aaa	01/31/23	02/03/23	1,251,707.03	3.70	6,089.29	1,262,071.13	1,250,843.75
US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027	91282CFB2	350,000.00	AA+	Aaa	07/03/23	07/07/23	329,957.03	4.30	4,027.85	332,359.49	336,054.67
US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027	91282CFB2	1,000,000.00	AA+	Aaa	06/02/23	06/06/23	953,671.88	3.97	11,508.15	960,058.80	960,156.20
US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027	91282CFB2	2,100,000.00	AA+	Aaa	03/02/23	03/06/23	1,959,644.53	4.44	24,167.12	1,985,917.54	2,016,328.02
US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027	91282CFB2	2,400,000.00	AA+	Aaa	05/01/23	05/05/23	2,318,906.25	3.62	27,619.57	2,331,531.31	2,304,374.88
US TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027	91282CFZ9	1,100,000.00	AA+	Aaa	12/01/23	12/05/23	1,085,433.59	4.24	3,726.78	1,085,703.71	1,098,109.32
Security Type Sub-Total		27,000,000.00					26,188,931.65	2.70	104,596.06	26,210,300.69	25,816,878.92
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	585,000.00	AAA	Aaa	09/15/21	09/23/21	584,567.10	0.52	796.25	584,894.93	566,189.33
Security Type Sub-Total		585,000.00					584,567.10	0.52	796.25	584,894.93	566,189.33
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	75,000.00	AA-	Aa3	05/29/20	06/11/20	75,000.00	2.00	749.25	75,000.00	73,748.25
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	100,000.00	AA-	Aa1	11/06/19	12/05/19	100,000.00	2.10	875.42	100,000.00	98,242.00



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	200,000.00	NR	Aa2	10/16/20	10/29/20	200,000.00	0.70	585.00	200,000.00	194,828.00
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	425,000.00	NR	NR	12/16/20	12/23/20	425,000.00	0.87	1,088.71	425,000.00	403,261.25
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	100,000.00	AA	Aa2	07/10/20	07/16/20	100,000.00	0.88	112.83	100,000.00	94,917.00
CT ST TXBL GO BONDS DTD 06/04/2021 0.923% 06/01/2025	20772KNW5	275,000.00	AA-	Aa3	05/20/21	06/04/21	275,000.00	0.92	211.52	275,000.00	260,496.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	75,000.00	AA	Aa3	09/03/20	09/16/20	75,530.25	1.11	471.75	75,165.84	71,223.75
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	100,000.00	AA	Aa3	09/03/20	09/16/20	100,663.00	1.12	629.00	100,207.35	94,965.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	200,000.00	AA	Aa3	09/03/20	09/16/20	200,000.00	1.26	1,258.00	200,000.00	189,930.00
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	130,000.00	AAA	Aaa	08/11/20	08/25/20	130,000.00	0.63	341.25	130,000.00	122,206.50
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	175,000.00	AA+	Aaa	10/30/20	11/10/20	175,000.00	0.77	563.65	175,000.00	164,480.75
CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DOD7	175,000.00	AA-	Aa2	07/09/21	07/29/21	175,000.00	0.86	251.42	175,000.00	163,373.00
CA ST MUNICIPAL BONDS DTD 03/15/2023 4.846% 03/01/2027	13063D3N6	240,000.00	AA-	Aa2	03/09/23	03/15/23	240,000.00	4.85	3,876.80	240,000.00	243,057.60
Security Type Sub-Total		2,270,000.00					2,271,193.25	1.43	11,014.60	2,270,373.19	2,174,729.60
Federal Agency Commercial Mortgage-Backed Security											
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	271,043.57	AA+	Aaa	03/19/20	03/25/20	284,468.69	1.95	691.61	273,670.56	265,617.78
FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026	3137BNGT5	325,000.00	AA+	Aaa	04/11/23	04/14/23	311,542.97	4.37	743.44	315,093.57	313,370.67



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Commercial Mortgage-Backed Security											
FHM K058 A2 DTD 11/09/2016 2.653% 08/01/2026	3137BSP72	650,000.00	AA+	Aaa	04/06/23	04/12/23	622,628.91	4.02	1,437.04	628,615.63	620,574.45
FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	449,327.39	AA+	Aaa	05/19/23	05/24/23	435,496.53	4.31	1,253.25	437,939.21	436,231.68
FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXOY1	650,000.00	AA+	Aaa	08/16/23	08/18/23	613,132.81	4.98	1,746.33	617,016.57	627,942.63
FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027	3137F1G44	650,000.00	AA+	Aaa	06/08/23	06/13/23	622,857.42	4.44	1,756.63	626,807.56	627,371.15
FHMS KJ48 A1 DTD 12/01/2023 4.858% 05/01/2028	3137HBC69	520,000.00	AA+	Aaa	12/06/23	12/14/23	519,995.84	4.86	2,105.13	519,995.88	526,957.85
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	523,586.07	AA+	Aaa	07/19/23	07/27/23	523,573.00	4.78	2,084.31	523,574.17	525,874.05
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	650,000.00	AA+	Aaa	07/13/23	07/20/23	656,492.20	4.59	2,610.29	655,889.72	660,659.32
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	650,000.00	AA+	Aaa	07/18/23	07/31/23	638,980.47	4.58	2,269.58	639,924.83	645,428.89
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	650,000.00	AA+	Aaa	10/11/23	10/19/23	635,741.60	5.26	2,567.50	636,272.90	659,820.03
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	950,000.00	AA+	Aaa	09/07/23	09/14/23	935,946.65	4.99	3,681.25	936,708.28	960,982.51
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	490,000.00	AA+	Aaa	10/25/23	10/31/23	474,377.33	5.60	1,980.42	474,856.05	499,834.19
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	650,000.00	AA+	Aaa	09/20/23	09/28/23	642,230.55	5.07	2,600.00	642,591.73	661,941.77
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	235,000.00	AA+	Aaa	11/14/23	11/21/23	234,320.62	5.14	992.68	234,334.33	241,654.69
FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028	3137HB3G7	360,000.00	AA+	Aaa	11/28/23	12/07/23	358,965.72	4.93	1,458.00	358,978.53	367,627.15



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		8,673,957.03					8,510,751.31	4.71	29,977.46	8,522,269.52	8,641,888.81
Federal Agency Bond / Note											
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	500,000.00	AA+	Aaa	04/15/20	04/16/20	497,520.00	0.60	534.72	499,362.32	475,029.00
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	500,000.00	AA+	Aaa	04/22/20	04/24/20	498,970.00	0.67	598.96	499,730.64	475,331.50
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	500,000.00	AA+	Aaa	07/21/20	07/23/20	497,510.00	0.48	833.33	499,225.97	469,825.50
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	450,000.00	AA+	Aaa	08/25/20	08/27/20	447,894.00	0.47	590.63	449,304.93	421,384.50
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	200,000.00	AA+	Aaa	09/10/20	09/11/20	199,400.00	0.44	243.75	199,798.13	187,218.20
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	450,000.00	AA+	Aaa	09/23/20	09/25/20	448,645.50	0.44	459.38	449,531.42	420,366.60
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	450,000.00	AA+	Aaa	11/09/20	11/12/20	448,389.00	0.57	337.50	449,401.96	419,564.25
Security Type Sub-Total		3,050,000.00					3,038,328.50	0.53	3,598.27	3,046,355.37	2,868,719.55
Corporate Note											
PNC BANK NA CORP NOTES (CALLABLE) DTD 01/23/2019 3.500% 01/23/2024	693475AV7	375,000.00	A-	A3	02/12/19	02/15/19	377,670.00	3.34	5,760.42	375,000.00	374,601.38
CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	135,000.00	A-	A2	03/16/21	03/18/21	134,932.50	0.77	289.69	134,995.26	133,564.28
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	375,000.00	A-	A1	07/19/19	07/23/19	396,483.75	2.59	2,502.60	376,467.60	372,723.75
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	355,000.00	AA	A1	05/10/21	05/12/21	354,481.70	0.50	217.44	354,937.58	348,731.41
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	375,000.00	A-	A3	07/11/19	07/15/19	373,140.00	2.51	100.00	374,816.98	369,403.88



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GOLDMAN SACHS GROUP INC (CALLABLE) BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	375,000.00	BBB+	A2	07/08/19	07/11/19	392,467.50	2.84	6,938.02	375,987.78	371,324.63
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	375,000.00	A-	A3	08/01/19	08/05/19	375,622.50	2.46	3,906.25	375,063.22	368,712.00
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024	69371RR40	235,000.00	A+	A1	08/03/21	08/09/21	234,873.10	0.52	463.47	234,974.41	228,116.15
UNILEVER CAPITAL CORP (CALLABLE) CORPORA DTD 08/12/2021 0.626% 08/12/2024	904764BN6	100,000.00	A+	A1	08/09/21	08/12/21	100,000.00	0.63	241.71	100,000.00	96,960.20
WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024	254687FK7	375,000.00	A-	A2	09/03/19	09/06/19	373,470.00	1.84	2,205.73	374,796.56	366,067.50
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 09/14/2021 0.600% 09/13/2024	14913R2P1	150,000.00	A	A2	09/07/21	09/14/21	149,796.00	0.65	270.00	149,952.31	145,214.25
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 02/07/2022 1.875% 02/07/2025	63743HFC1	130,000.00	A-	A2	01/31/22	02/07/22	129,996.10	1.88	975.00	129,998.57	125,507.46
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/20/20	05/26/20	50,488.50	1.58	345.00	50,115.89	48,318.25
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/21/20	05/26/20	50,696.00	1.49	345.00	50,165.12	48,318.25
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	200,000.00	A+	A1	05/20/20	05/26/20	201,954.00	1.58	1,380.00	200,463.56	193,273.00
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	290,000.00	AA	A1	04/11/22	04/13/22	289,538.90	3.06	1,885.00	289,803.11	283,742.09



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025	437076CM2	45,000.00	A	A2	03/24/22	03/28/22	44,921.25	2.76	256.50	44,966.78	43,886.93
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025	06051GJR1	325,000.00	A-	A1	04/16/21	04/22/21	325,000.00	0.98	607.97	325,000.00	319,934.88
CINTAS CORPORATION NO. 2 CORP NOTE (CALL) DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	130,000.00	A-	A3	04/26/22	05/03/22	129,971.40	3.46	747.50	129,987.29	127,660.78
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	400,000.00	AA+	Aaa	05/11/20	05/13/20	400,804.00	1.08	625.00	400,208.84	381,445.20
APPLE INC CORPORATE NOTES DTD 05/13/2015 3.200% 05/13/2025	037833BG4	500,000.00	AA+	Aaa	11/24/21	11/29/21	530,775.00	1.37	2,133.33	512,153.81	490,045.50
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	580,000.00	A-	A1	05/24/21	06/01/21	580,000.00	0.82	398.27	580,000.00	569,953.24
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	470,000.00	AA-	Aa3	05/31/22	06/09/22	470,000.00	3.50	1,005.28	470,000.00	462,052.30
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	70,000.00	A-	A2	04/27/22	05/04/22	69,981.10	3.46	107.33	69,991.18	68,555.27
IBM CORP CORPORATE NOTES DTD 07/27/2022 4.000% 07/27/2025	459200KS9	450,000.00	A-	A3	07/20/22	07/27/22	450,000.00	4.00	7,700.00	450,000.00	444,986.55
UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	475,000.00	A+	A2	05/17/21	05/19/21	474,173.50	1.19	697.99	474,607.62	439,743.60
ASTRAZENECA FINANCE LLC (CALLABLE) CORP DTD 05/28/2021 1.200% 05/28/2026	04636NAA1	450,000.00	A	A2	07/16/21	07/20/21	450,540.00	1.17	495.00	450,262.72	416,208.15



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 06/18/2021 1.125% 06/18/2026	89236TJK2	85,000.00	A+	A1	09/08/21	09/13/21	84,811.30	1.17	34.53	84,902.45	78,283.81
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026	06051GJD2	600,000.00	A-	A1	07/23/21	07/27/21	602,754.00	1.22	263.80	601,035.41	564,885.00
AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	450,000.00	BBB+	A2	11/19/21	11/23/21	449,316.00	1.68	1,175.63	449,607.09	415,201.05
JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	350,000.00	A-	A1	11/24/21	11/29/21	339,717.00	1.66	426.71	344,037.45	323,995.35
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 01/10/2022 1.700% 01/08/2027	14913R2U0	450,000.00	A	A2	01/11/22	01/13/22	447,727.50	1.81	3,676.25	448,623.52	415,987.65
TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	80,000.00	A	A2	01/19/22	01/24/22	79,864.00	1.99	719.33	79,916.92	74,654.56
BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	900,000.00	A	A1	01/26/22	01/28/22	898,002.00	2.10	7,943.75	898,772.06	837,130.50
BERKSHIRE HATHAWAY CORP NOTES (CALLABLE) DTD 03/15/2022 2.300% 03/15/2027	084664CZ2	900,000.00	AA	Aa2	03/15/22	03/17/22	883,116.00	2.70	6,095.00	889,179.06	848,730.60
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.905% 06/09/2027	63254ABE7	400,000.00	AA-	Aa3	06/09/22	06/13/22	396,424.00	4.10	954.56	397,536.84	391,332.40
TEXAS INSTRUMENTS INC CORP NOTE (CALLABL DTD 11/18/2022 4.600% 02/15/2028	882508BV5	100,000.00	A+	Aa3	05/11/23	05/18/23	102,404.00	4.04	1,737.78	102,082.15	101,610.10



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028	539830BZ1	70,000.00	A-	A2	05/23/23	05/25/23	69,874.00	4.49	398.03	69,889.33	70,328.72
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	450,000.00	A	A2	07/21/23	07/25/23	453,438.00	4.78	10,333.13	453,135.09	461,419.20
CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	900,000.00	A+	Aa3	10/02/23	10/04/23	895,536.00	5.92	13,346.90	895,725.95	936,987.30
Security Type Sub-Total		13,575,000.00					13,614,760.60	2.43	89,704.90	13,569,159.51	13,159,597.12
Certificate of Deposit											
TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.600% 10/27/2025	89115B6K1	850,000.00	A	A1	10/27/22	10/31/22	850,000.00	5.58	8,991.11	850,000.00	866,307.35
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 11/03/2022 5.530% 11/03/2025	65558UYF3	850,000.00	AA-	Aa3	11/02/22	11/03/22	850,000.00	5.53	7,573.03	850,000.00	844,231.05
Security Type Sub-Total		1,700,000.00					1,700,000.00	5.56	16,564.14	1,700,000.00	1,710,538.40
Asset-Backed Security											
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	3,541.31	AAA	NR	09/22/20	09/29/20	3,540.79	0.37	0.47	3,541.21	3,534.26
MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024	58769KAD6	25,240.53	AAA	NR	06/22/21	06/29/21	25,238.62	0.40	4.49	25,240.04	25,163.84
BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	401,790.89	NR	Aaa	09/08/21	09/15/21	401,775.70	0.43	28.80	401,786.05	400,341.79
GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	144,519.26	AAA	NR	08/10/21	08/18/21	144,514.05	0.50	22.08	144,517.20	143,914.46
HAROT 2021-2 A3 DTD 05/26/2021 0.330% 08/15/2025	43811JAC1	75,385.09	AAA	Aaa	05/18/21	05/26/21	75,382.15	0.33	11.06	75,383.96	73,926.63



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	16,750.32	AAA	NR	10/06/20	10/14/20	16,746.74	0.38	2.65	16,749.12	16,612.17
HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	27,474.21	AAA	NR	04/20/21	04/28/21	27,471.33	0.38	4.64	27,473.09	27,099.15
NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025	65480BAC1	266,610.78	AAA	Aaa	06/15/21	06/23/21	266,606.28	0.33	39.10	266,608.91	260,774.48
TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	264,751.70	AAA	NR	06/08/21	06/14/21	264,723.19	0.26	30.59	264,739.60	258,756.79
CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	18,948.47	AAA	NR	01/20/21	01/27/21	18,944.73	0.34	2.86	18,946.97	18,606.39
HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	187,222.78	AAA	NR	07/20/21	07/28/21	187,181.46	0.39	31.62	187,203.92	183,241.56
HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	128,862.16	NR	Aaa	11/16/21	11/24/21	128,834.99	0.89	31.50	128,848.73	125,021.33
CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	58,036.13	AAA	NR	04/13/21	04/21/21	58,023.62	0.52	13.41	58,030.61	56,749.35
HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	100,124.53	AAA	NR	11/09/21	11/17/21	100,102.18	0.75	32.93	100,112.74	97,451.85
CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	232,879.71	AAA	Aaa	07/21/21	07/28/21	232,841.41	0.55	56.93	232,860.46	225,446.00
GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	137,407.49	AAA	NR	07/13/21	07/21/21	137,399.00	0.48	27.48	137,403.24	133,545.54
COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	600,000.00	AAA	NR	07/15/21	07/22/21	599,975.70	0.55	146.67	599,987.63	584,775.24
COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	134,632.54	AAA	Aaa	10/19/21	10/27/21	134,630.00	0.77	46.07	134,631.13	130,279.78
GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	111,667.44	AAA	Aaa	10/13/21	10/21/21	111,664.60	0.68	31.64	111,665.87	107,983.64



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027	14318MAD1	420,000.00	AAA	NR	07/12/22	07/20/22	419,990.09	3.97	741.07	419,993.13	414,278.13
FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028	344928AD8	155,000.00	AAA	NR	03/28/23	03/31/23	154,983.83	4.65	320.33	154,986.33	154,288.52
HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028	43815QAC1	385,000.00	AAA	NR	08/15/23	08/22/23	384,920.61	5.42	752.14	384,927.00	390,350.85
DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028	254683CY9	380,000.00	NR	Aaa	04/04/23	04/11/23	379,977.96	4.31	727.91	379,981.20	377,341.18
BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028	05522RDG0	205,000.00	AAA	NR	06/08/23	06/16/23	204,953.59	4.79	436.42	204,958.74	205,670.88
AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028	02582JJZ4	225,000.00	AAA	NR	06/07/23	06/14/23	224,980.04	4.87	487.00	224,982.27	226,734.10
DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028	254683CZ6	420,000.00	AAA	Aaa	06/21/23	06/28/23	419,943.26	4.93	920.27	419,949.11	423,360.46
HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028	438123AC5	110,000.00	NR	Aaa	11/01/23	11/08/23	109,980.63	5.67	173.25	109,981.17	112,321.89
FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028	31680EAD3	420,000.00	AAA	Aaa	08/15/23	08/23/23	419,973.96	5.53	1,032.27	419,975.84	424,598.45
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	495,000.00	AAA	NR	09/12/23	09/19/23	494,977.87	5.23	1,150.60	494,978.98	503,506.72
BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	230,000.00	NR	Aaa	12/07/23	12/14/23	229,969.11	4.98	540.89	229,969.38	232,379.21
Security Type Sub-Total		6,380,845.34					6,380,247.49	2.92	7,847.14	6,380,413.63	6,338,054.64
Managed Account Sub-Total		63,234,802.37					62,288,779.90	2.86	264,098.82	62,283,766.84	61,276,596.37
Joint Powers Authority											
CAMP Pool		62,603,053.22	AAA	NR			62,603,053.22		0.00	62,603,053.22	62,603,053.22



Managed Account Detail of Securities Held

For the Month Ending December 31, 2023

Rancho Cordova - GENERAL FUND - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Liquid Sub-Total		62,603,053.22					62,603,053.22		0.00	62,603,053.22	62,603,053.22
Securities Sub-Total		\$125,837,855.59					\$124,891,833.12	2.86%	\$264,098.82	\$124,886,820.06	\$123,879,649.59
Accrued Interest											\$264,098.82
Total Investments											\$124,143,748.41

ITEM 9.3 SECURITIES HELD

As of December 31, 2023

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Cash and Cash Equivalents										
	Cash and Cash Equivalents	0.000		222,411.59	222,411.59	222,411.59	222,411.59	0.00	0.00	0.35
Total Cash and Cash Equivalents				222,411.59	222,411.59	222,411.59	222,411.59	0.00	0.00	0.35
Corporate Bonds										
02665WCT6	AMERICAN HONDA FINANCE 3.55% 12JAN2024	3.550	01/12/2024	600,000.00	654,468.00	600,601.86	599,673.89	(927.97)	9,999.17	1.02
17325FAS7	CITIBANK NA 3.65% 23JAN2024 CALLABLE	3.650	01/23/2024	1,000,000.00	1,076,820.00	1,000,000.00	998,881.33	(1,118.67)	16,019.44	1.68
459200HU8	IBM CORP 3.625% 12FEB2024	3.625	02/12/2024	600,000.00	652,356.00	602,088.27	598,533.72	(3,554.55)	8,397.92	1.02
037833CU2	APPLE INC 2.85% 11MAY2024 (CALLABLE 11MAR24)	2.850	05/11/2024 03/11/2024	400,000.00	413,260.00	400,601.96	396,262.31	(4,339.65)	1,583.33	0.64
14913R2L0	CATERPILLAR FINL SERVICE 0.45% 17MAY2024	0.450	05/17/2024	1,000,000.00	998,760.00	999,825.05	981,643.65	(18,181.40)	550.00	1.55
931142DV2	WALMART INC 2.65% 15DEC2024 (CALLABLE 15OCT24)	2.650	12/15/2024 10/15/2024	950,000.00	1,009,812.00	965,357.14	929,471.81	(35,885.33)	1,118.89	1.57
166764BW9	CHEVRON CORP 1.554% 11MAY2025 (CALLABLE 11APR25)	1.554	05/11/2025 04/11/2025	1,600,000.00	1,525,696.00	1,566,312.78	1,534,468.98	(31,843.80)	3,453.33	2.37
24422ETC3	JOHN DEERE CAPITAL CORP 3.4% 11SEP2025	3.400	09/11/2025	600,000.00	593,280.00	596,233.85	588,093.15	(8,140.70)	6,233.33	0.92
478160BY9	JOHNSON & JOHNSON 2.45% 01MAR2026 (CALLABLE 01DEC25)	2.450	03/01/2026 12/01/2025	1,000,000.00	949,330.00	959,244.83	962,069.33	2,824.50	8,166.67	1.48
06051GFX2	BANK OF AMERICA CORP 3.5% 19APR2026	3.500	04/19/2026	800,000.00	768,064.00	773,149.14	778,803.70	5,654.56	5,600.00	1.20

ITEM 9.3 SECURITIES HELD

As of December 31, 2023

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Corporate Bonds										
023135BX3	AMAZON.COM INC 1% 12MAY2026 (CALLABLE 12APR26)	1.000	05/12/2026 04/12/2026	1,000,000.00	902,520.00	920,294.66	924,153.48	3,858.82	1,361.11	1.40
46625HRS1	JPMORGAN CHASE & CO 3.2% 15JUN2026 (CALLABLE 15MAR26)	3.200	06/15/2026 03/15/2026	1,000,000.00	949,700.00	966,952.12	965,271.42	(1,680.70)	1,422.22	1.48
693475AX3	PNC FINANCIAL SERVICES 2.6% 23JUL2026 (CALLABLE 23MAY26)	2.600	07/23/2026 05/24/2026	800,000.00	741,568.00	750,062.28	757,856.20	7,793.92	9,128.89	1.15
89236TDR3	TOYOTA MOTOR CREDIT CORP 3.2% 11JAN2027	3.200	01/11/2027	1,100,000.00	1,031,052.00	1,038,342.40	1,060,851.94	22,509.54	16,622.22	1.60
24422EWD7	JOHN DEERE CAPITAL CORP 2.35% 08MAR2027	2.350	03/08/2027	600,000.00	553,404.00	560,020.77	564,200.89	4,180.12	4,425.83	0.86
437076CA8	HOME DEPOT INC 2.5% 15APR2027 (CALLABLE 15FEB27)	2.500	04/15/2027 02/15/2027	1,500,000.00	1,398,930.00	1,412,959.34	1,413,960.89	1,001.55	7,916.67	2.18
91159HHR4	US BANCORP 3.15% 27APR2027 (CALLABLE 27MAR27)	3.150	04/27/2027 03/27/2027	850,000.00	789,072.00	796,136.77	809,115.87	12,979.10	4,760.00	1.23
194162AN3	COLGATE-PALMOLIVE CO 3.1% 15AUG2027 (CALLABLE 15JUL27)	3.100	08/15/2027 07/15/2027	1,567,000.00	1,501,091.98	1,509,506.71	1,513,314.55	3,807.84	18,351.31	2.34
037833DB3	APPLE INC 2.9% 12SEP2027 (CALLABLE 12JUN27)	2.900	09/12/2027 06/12/2027	900,000.00	850,563.00	861,423.50	862,483.43	1,059.93	7,902.50	1.32
89236TKL8	TOYOTA MOTOR CREDIT CORP 5.45% 10NOV2027	5.450	11/10/2027	500,000.00	512,655.00	511,182.74	518,183.22	7,000.48	3,860.42	0.80
02665WED9	AMERICAN HONDA FINANCE 4.7% 12JAN2028	4.700	01/12/2028	600,000.00	611,328.00	609,773.18	605,687.81	(4,085.37)	13,238.33	0.95
Total Corporate Bonds				18,967,000.00	18,483,729.98	18,400,069.35	18,362,981.57	(37,087.78)	150,111.58	28.76

ITEM 9.3
SECURITIES HELD

As of December 31, 2023

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3133EKMx1	FEDERAL FARM CREDIT BANK 2.23% 23FEB2024	2.230	02/23/2024	2,100,000.00	2,129,174.84	2,100,958.30	2,090,297.54	(10,660.76)	16,650.67	3.31
3130AMQq8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23MAR24)	0.350	04/23/2024 03/23/2024	1,000,000.00	999,000.00	999,889.97	984,550.97	(15,339.00)	77.78	1.55
3130A1XJ2	FEDERAL HOME LOAN BANK 2.875% 14JUN2024	2.875	06/14/2024	835,000.00	881,814.28	839,572.69	826,055.56	(13,517.13)	1,133.63	1.37
3135GAC90	FANNIE MAE 0.25% 15JUL2024 (CALLABLE 15APR24)	0.250	07/15/2024 01/15/2024	500,000.00	500,000.00	500,000.00	486,910.93	(13,089.07)	576.39	0.78
3130AL2A1	FEDERAL HOME LOAN BANK 0.5% 10FEB2025 (CALLABLE 10FEB24)	0.500	02/10/2025 02/10/2024	1,000,000.00	1,002,860.00	1,000,000.00	958,992.70	(41,007.30)	1,958.33	1.56
3137EAEX3	FREDDIE MAC 0.375% 23SEP2025	0.375	09/23/2025	1,100,000.00	1,017,610.00	1,020,048.33	1,026,874.92	6,826.59	1,122.92	1.58
3133ENP95	FEDERAL FARM CREDIT BANK 4.25% 30SEP2025	4.250	09/30/2025	1,150,000.00	1,151,759.50	1,151,029.23	1,146,945.99	(4,083.24)	12,218.75	1.79
3133EPYK5	FEDERAL FARM CREDIT BANK 5.125% 10OCT2025	5.125	10/10/2025	1,100,000.00	1,101,749.00	1,101,612.91	1,113,341.50	11,728.59	12,684.38	1.71
3133EPMB8	FEDERAL FARM CREDIT BANK 4.125% 08DEC2025	4.125	12/08/2025	1,500,000.00	1,484,865.00	1,488,116.73	1,494,245.10	6,128.37	3,953.13	2.31
3133EPCF0	FEDERAL FARM CREDIT BANK 4.5% 02MAR2026	4.500	03/02/2026	1,100,000.00	1,120,416.00	1,115,219.55	1,104,280.27	(10,939.28)	16,362.50	1.74
3133EPHH1	FEDERAL FARM CREDIT BANK 4% 28APR2026	4.000	04/28/2026	900,000.00	906,378.30	905,004.70	896,528.03	(8,476.67)	6,300.00	1.41
3130AN4T4	FEDERAL HOME LOAN BANK 0.875% 12JUN2026	0.875	06/12/2026	1,000,000.00	903,900.00	920,932.65	924,153.42	3,220.77	461.81	1.41

ITEM 9.3 SECURITIES HELD

As of December 31, 2023

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Agencies										
3130AWLZ1	FEDERAL HOME LOAN BANK 4.75% 12JUN2026	4.750	06/12/2026	1,150,000.00	1,146,607.50	1,146,998.81	1,164,671.52	17,672.71	2,882.99	1.78
3133EPNG6	FEDERAL FARM CREDIT BANK 4.375% 23JUN2026	4.375	06/23/2026	1,000,000.00	1,000,360.00	1,000,296.84	1,004,675.82	4,378.98	972.22	1.56
3133ENV72	FEDERAL FARM CREDIT BANK 4.5% 27JUL2026	4.500	07/27/2026	1,000,000.00	998,761.20	999,147.46	1,009,734.53	10,587.07	19,250.00	1.55
3130APJH9	FEDERAL HOME LOAN BANK 1% 28OCT2026 (CALLABLE 28JAN24) #0006	1.000	10/28/2026 01/28/2024	1,300,000.00	1,178,866.00	1,209,460.78	1,211,688.11	2,227.33	2,275.00	1.83
3133EPK79	FEDERAL FARM CREDIT BANK 4.375% 07DEC2026	4.375	12/07/2026	1,250,000.00	1,245,867.50	1,245,970.43	1,261,697.86	15,727.43	3,645.83	1.94
3130ATUS4	FEDERAL HOME LOAN BANK 4.25% 10DEC2027	4.250	12/10/2027	1,200,000.00	1,206,438.70	1,205,266.68	1,212,972.18	7,705.50	2,975.00	1.88
3133EN5N6	FEDERAL FARM CREDIT BANK 4% 06JAN2028	4.000	01/06/2028	900,000.00	904,194.00	903,424.35	899,587.34	(3,837.01)	17,500.00	1.41
3130ATS57	FEDERAL HOME LOAN BANK 4.5% 10MAR2028	4.500	03/10/2028	1,000,000.00	1,014,989.00	1,012,567.12	1,024,220.88	11,653.76	13,875.00	1.58
3130AWC24	FEDERAL HOME LOAN BANK 4% 09JUN2028	4.000	06/09/2028	1,000,000.00	999,822.81	999,841.72	1,004,119.18	4,277.46	2,444.44	1.56
Total Government Agencies				23,085,000.00	22,895,433.63	22,865,359.25	22,846,544.35	(18,814.90)	139,320.77	35.63
Government Bonds										
912828W71	USA TREASURY 2.125% 31MAR2024	2.125	03/31/2024	1,000,000.00	1,019,143.98	1,001,078.03	992,031.25	(9,046.78)	5,341.53	1.59
91282CCG4	USA TREASURY 0.25% 15JUN2024	0.250	06/15/2024	900,000.00	894,413.17	899,142.46	880,347.65	(18,794.81)	98.36	1.39

ITEM 9.3
SECURITIES HELD

As of December 31, 2023

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
912828YE4	USA TREASURY 1.25% 31AUG2024	1.250	08/31/2024	1,150,000.00	1,180,999.95	1,156,735.52	1,121,833.98	(34,901.54)	4,818.00	1.84
912828YH7	USA TREASURY 1.5% 30SEP2024	1.500	09/30/2024	900,000.00	929,077.23	907,119.89	877,394.53	(29,725.36)	3,393.44	1.45
91282CFQ9	USA TREASURY 4.375% 31OCT2024	4.375	10/31/2024	1,000,000.00	988,675.23	991,255.56	995,742.19	4,486.63	7,331.73	1.54
91282CFX4	USA TREASURY 4.5% 30NOV2024	4.500	11/30/2024	700,000.00	693,494.53	694,510.50	697,429.68	2,919.18	2,668.03	1.08
912828YY0	USA TREASURY 1.75% 31DEC2024	1.750	12/31/2024	1,000,000.00	1,041,253.35	1,012,530.06	970,546.88	(41,983.18)	8,750.00	1.62
91282CGU9	USA TREASURY 3.875% 31MAR2025	3.875	03/31/2025	1,000,000.00	984,143.98	988,859.25	991,328.12	2,468.87	9,740.44	1.53
9128284M9	USA TREASURY 2.875% 30APR2025	2.875	04/30/2025	1,000,000.00	965,862.73	975,565.96	978,281.25	2,715.29	4,818.00	1.50
912828XZ8	USA TREASURY 2.75% 30JUN2025	2.750	06/30/2025	1,100,000.00	1,059,999.78	1,070,670.08	1,073,187.50	2,517.42	15,125.00	1.65
912828Y79	USA TREASURY 2.875% 31JUL2025	2.875	07/31/2025	1,000,000.00	964,534.60	973,412.45	976,250.00	2,837.55	11,953.13	1.50
91282CAJ0	USA TREASURY 0.25% 31AUG2025	0.250	08/31/2025	1,400,000.00	1,279,250.00	1,336,878.33	1,307,304.68	(29,573.65)	1,173.08	1.99
9128285J5	USA TREASURY 3% 31OCT2025	3.000	10/31/2025	750,000.00	739,660.72	744,017.86	732,685.55	(11,332.31)	3,770.60	1.15
9128285N6	USA TREASURY 2.875% 30NOV2025	2.875	11/30/2025	1,000,000.00	962,347.10	970,484.85	974,375.00	3,890.15	2,435.11	1.50

ITEM 9.3 SECURITIES HELD

As of December 31, 2023

ATTACHMENT 1
FRANCISCO CORDOVA

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
Government Bonds										
9128286F2	USA TREASURY 2.5% 28FEB2026	2.500	02/28/2026	750,000.00	713,645.09	715,145.17	724,042.97	8,897.80	6,284.34	1.11
912828YD6	USA TREASURY 1.375% 31AUG2026	1.375	08/31/2026	1,000,000.00	913,909.60	928,147.34	932,617.19	4,469.85	4,608.52	1.42
91282CCZ2	USA TREASURY 0.875% 30SEP2026	0.875	09/30/2026	1,000,000.00	899,612.73	915,869.10	918,906.25	3,037.15	2,199.45	1.40
91282CDK4	USA TREASURY 1.25% 30NOV2026	1.250	11/30/2026	1,000,000.00	906,487.73	920,897.09	925,000.00	4,102.91	1,058.74	1.41
91282CDQ1	USA TREASURY 1.25% 31DEC2026	1.250	12/31/2026	1,000,000.00	904,104.91	918,463.14	923,515.62	5,052.48	6,250.00	1.41
91282CEC1	USA TREASURY 1.875% 28FEB2027	1.875	02/28/2027	1,000,000.00	922,698.66	933,815.38	937,968.75	4,153.37	6,284.34	1.44
91282CET4	USA TREASURY 2.625% 31MAY2027	2.625	05/31/2027	1,100,000.00	1,031,253.68	1,037,471.44	1,053,507.82	16,036.38	2,445.70	1.60
91282CEW7	USA TREASURY 3.25% 30JUN2027	3.250	06/30/2027	1,300,000.00	1,255,875.45	1,261,485.27	1,271,207.03	9,721.76	21,125.00	1.95
91282CFB2	USA TREASURY 2.75% 31JUL2027	2.750	07/31/2027	600,000.00	563,791.07	564,708.43	576,328.13	11,619.70	6,860.05	0.88
91282CFU0	USA TREASURY 4.125% 31OCT2027	4.125	10/31/2027	850,000.00	843,893.47	844,509.22	855,976.56	11,467.34	5,875.86	1.31
Total Government Bonds				23,500,000.00	22,658,128.74	22,762,772.38	22,687,808.58	(74,963.80)	144,408.45	35.26
Grand total				65,774,411.59	64,259,703.94	64,250,612.57	64,119,746.09	(130,866.48)	433,840.80	100.00

MEMORANDUM



ITEM 9.4.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM:
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A COOPERATIVE AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR THE ACQUISITION OF RIGHTS-OF-WAY WITHIN THE CITY OF RANCHO CORDOVA FOR THE HAZEL AVENUE AT U.S. 50 INTERCHANGE PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to execute a Cooperative Agreement with the County of Sacramento, consenting to County acquisitions of rights-of-way within the City of Rancho Cordova for the Hazel Avenue At U.S. 50 Interchange Project

BACKGROUND

The City of Rancho Cordova is a project partner on the U.S. 50/Hazel Avenue Interchange Project (see [Attachment 2](#)). The County of Sacramento Department of Transportation (County) is the lead agency for the design, utility coordination, acquisition of rights-of-way, and construction of the Project. Project improvements consist of modifying the existing Hazel Avenue at U.S. 50 interchange, extending and grade-separating Hazel Avenue over Folsom Boulevard and the Sacramento Placerville Transportation Corridor-Joint Powers Authority rail corridor, modifying the on-ramps and off-ramps, widening the existing Hazel Avenue overcrossing and modifications to the Aerojet Road off-ramp.

The Project is primarily within the unincorporated area of the County; however, a portion of the Project includes improvements are located within the City. Both the County and the City desire to proceed with construction of the proposed improvements for the Project. Therefore, in order for the County to acquire rights-of-way for the Project within City limits, the City and County must agree to use their broad powers to acquire easements and, if necessary, exercise eminent domain. In the Cooperative Agreement (see [Attachment 3](#)), the City consents to the County's acquisition of property rights, by purchase or eminent domain, within the City for construction of the Project subject to the following conditions:

- The County shall incur all costs, payments, and expenses related to the design, acquisition of rights-of-way, construction, and inspection of the Project and the improvements.

- Prior to exercising its power of eminent domain, the County shall work diligently and as expeditiously as possible to pursue good-faith negotiations with property owners. The County shall provide the City with written notice of the County's intent to adopt a resolution of necessity to commence eminent domain proceedings for any parcel in the City, if applicable.
- The County shall comply with all State and Federal laws, guidelines, policies, and standards relating to acquisition of property rights.
- The County and its contractors shall acquire all necessary encroachment permits and right-to-enter permits for work performed within City areas to construct the Project.
- After the Project is completed, right-of-way interests within City limits will be quit-claimed to the City.

Also, the County has agreed to coordinate with the City on an aesthetic package that will enhance the look and feel of one of the entrances to the City of Rancho Cordova (see Attachment 4).

Construction is expected to begin in the summer of 2026 with completion in the fall of 2027.

The proposed Resolution would approve the Agreement and delegate to the Director of the County of Sacramento Department of Transportation and the City Manager the authority to execute the Agreement as well as future amendments that may be required to facilitate the activities contemplated in the Agreement. These activities include, for example, the County's acquisition and transfer of rights-of-way to the City; assignment and scope of maintenance obligations for those rights-of-way; and implementation of related activities and actions required by the Project.

FISCAL IMPACT AND FUNDING SOURCE

There is no impact to the City's General Fund.

ATTACHMENT(S)

1. Resolution
2. Vicinity Map
3. U.S. 50-Hazel Cooperative Agreement
4. County Letter - Hazel-50 Interchange

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A COOPERATIVE AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR THE ACQUISITION OF RIGHTS-OF-WAY WITHIN THE CITY OF RANCHO CORDOVA FOR THE HAZEL AVENUE AT U.S. 50 INTERCHANGE PROJECT

WHEREAS, the Hazel Avenue at U.S. 50 Interchange Project (Project) involves the design and construction of a modified Hazel Avenue/U.S. 50 interchange that will extend and grade-separate Hazel Avenue over Folsom Boulevard and the Sacramento Placerville Transportation Corridor-Joint Powers Authority rail corridor, modify the on-ramps and off-ramps, widen the existing Hazel Avenue overcrossing, and modify the Aerojet Road off-ramp; and

WHEREAS, the County of Sacramento (County) and the City of Rancho Cordova (City) desire to execute the proposed Cooperative Agreement to establish their respective roles and obligations concerning the acquisition of rights-of-way for the Project; and

WHEREAS, the County shall incur all costs, payments, and expenses related to the design, acquisition of rights-of-way, construction, and inspection of the Project and the improvements; and

WHEREAS, prior to exercising its power of eminent domain, the County shall work diligently and as expeditiously as possible to pursue good-faith negotiations with property owners. The County shall provide the City with written notice of the County's intent to adopt a Resolution of necessity to commence eminent domain proceedings for any parcel in the City, if applicable.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that the Cooperative Agreement with the City for the design, construction, and acquisition of rights-of-way of the Project (County Contract No. 52563, City Contract No. 2024-36) is hereby approved, and the City Manager is hereby authorized to execute said Cooperative Agreement on behalf of the City, a political subdivision of the State of California.

BE IT FURTHER RESOLVED that the City Manager is authorized and empowered to do and perform everything necessary to carry out the purpose of this Resolution including execution of future amendments to the Cooperative Agreement concerning the County's acquisition and transfers of rights-of-way within the City for the Project; assignment and scope of maintenance obligations.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 18th of March 2024 by the following vote:

AYES:

NOES:

ITEM 9.4.

ATTACHMENT 1

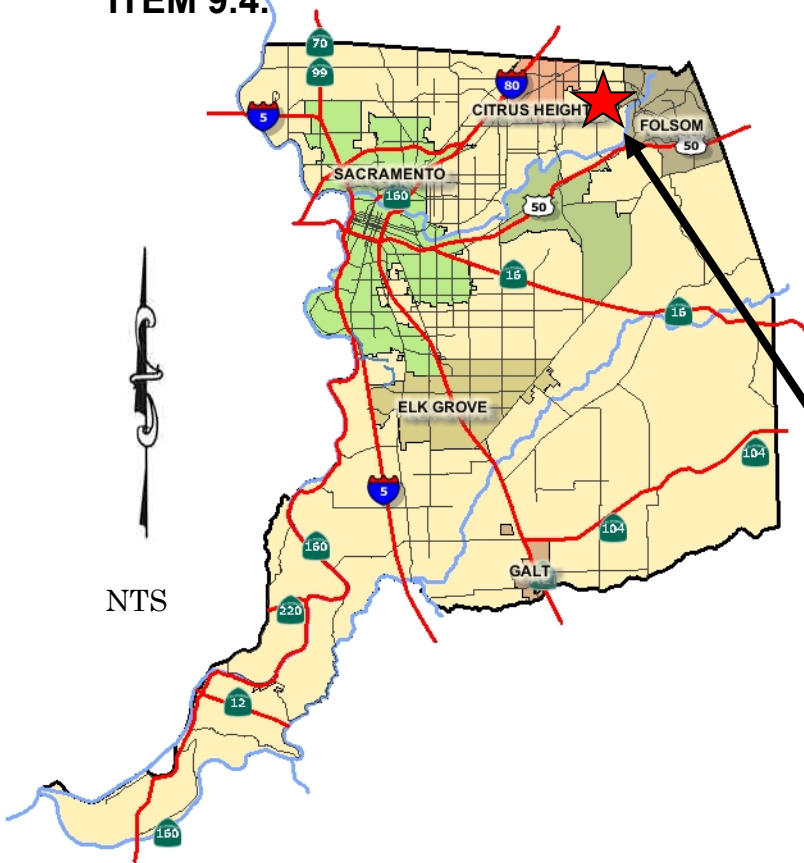
ABSENT:

ABSTAIN:

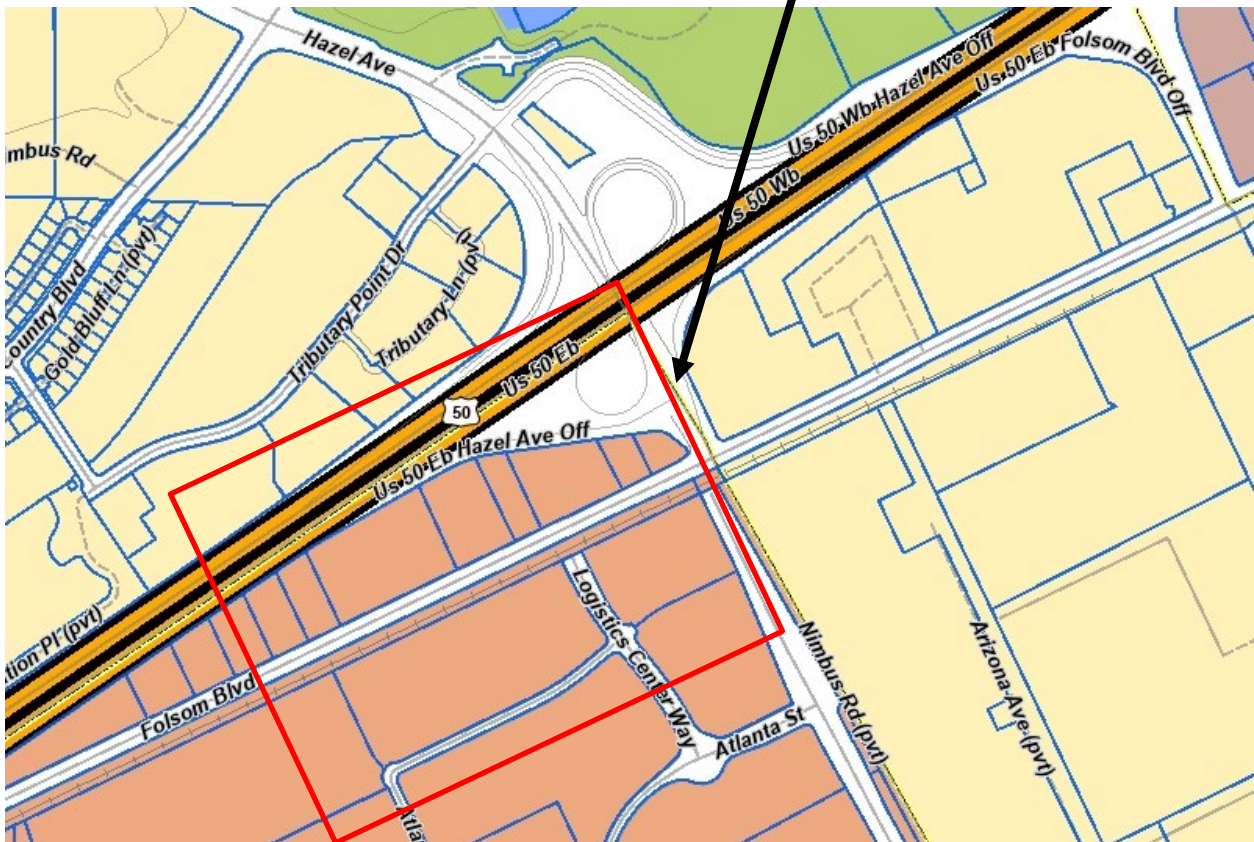
ATTEST:

Stacy Leitner, CMC
City Clerk

David Sander, Mayor



Project Location:
Hazel Avenue at U.S.
50 Interchange



Not to Scale

**AGREEMENT BY AND BETWEEN
CITY OF RANCHO CORDOVA AND COUNTY OF
SACRAMENTO
REGARDING COUNTY'S RIGHT-OF-WAY ACQUISITION
FOR COUNTY'S HAZEL AVENUE AT U.S. 50 INTERCHANGE
PROJECT**

THIS AGREEMENT is made and entered into on _____ ("Effective Date"), by and between the CITY OF RANCHO CORDOVA, a California municipal corporation ("CITY"), and the COUNTY OF SACRAMENTO ("COUNTY") a political subdivision of the State of California. In this Agreement, CITY and COUNTY may each be individually referred to as a "Party" or collectively referred to as the "Parties."

Recitals

- A. COUNTY has plans to design and construct its Hazel Avenue at U.S. 50 Interchange Improvement Project ("Project"), in the vicinity as depicted in Attachment 1 attached hereto and incorporated herein by this reference.
- B. The Project involves both CITY and COUNTY territory because a portion of Hazel Avenue at Folsom Boulevard forms the boundary between CITY and COUNTY jurisdiction. Accordingly, a portion of the Project will include construction of certain road improvements located within the incorporated territory of the CITY ("Improvements"). These Improvements consist of modifying eastbound on- and off-ramps of the Hazel Avenue at U.S. 50 interchange, grade-separating Hazel Avenue over Folsom Boulevard, and constructing a new jug-handle road to connect Hazel Avenue to Folsom Boulevard.
- C. COUNTY will need to acquire certain real property within the CITY limits for construction of the Project.
 - a. Some of the certain real property, located outside future State right-of-way, that will be acquired is described and depicted in the sample easement documents attached hereto as Attachments 2 and 3 and incorporated herein by this reference. COUNTY will then transfer such interests back to CITY following completion of the Project because CITY will be responsible for maintaining the Improvements pursuant to the existing Agreement for Maintenance of Transportation Facilities between CITY and COUNTY dated February 28, 2023 (City Agreement No. 2023-06 and County Agreement No. 52447).

- b. Other certain real property that will be acquired will be acquired in fee for those areas that will be located in future State right-of-way. Such interests will then be transferred to the State following completion of the Project because Caltrans will be responsible for maintaining the Improvements pursuant to the existing Cooperative Agreement between COUNTY and Caltrans dated April 13, 2015 (Caltrans Agreement No. 03-0569).
 - c. Other certain real property that will be acquired will be in the form of a Caltrans Maintenance Easement. Such interests will then be transferred to the State following completion of the Project because Caltrans will be responsible for maintaining the Improvements pursuant to the existing Cooperative Agreement between COUNTY and Caltrans dated April 13, 2015 (Caltrans Agreement No. 03-0569).
- D. COUNTY has requested CITY's consent for COUNTY's acquisition of Project rights-of-way within CITY limits and subsequent transfer of such real property interests back to CITY, and CITY agrees to provide its consent subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and consideration contained in this Agreement, the Parties agree as follows:

1. **Recitals.** The above recitals are true and correct and are incorporated fully herein by this reference.
2. **COUNTY Solely Responsible for Project.** COUNTY will be the sole agency responsible for all aspects of the Project, including, without limitation, procurement, design, right-of-way acquisition, construction, management, and all other activities necessary for completion of the Project.
3. **COUNTY's Acquisition of Real Property Interests.**
 - A. Use of Eminent Domain. Voluntary acquisitions are the primary goal and COUNTY shall make good faith efforts to acquire needed real property interests for its Project by negotiated agreement. However, should eminent domain be necessary, CITY hereby consents to COUNTY's acquisition of real property interests within CITY limits by eminent domain provided CITY shall not be involved in the eminent domain proceedings in any way, and CITY further shall not incur any expenses associated with COUNTY's acquisition of property by eminent domain. If COUNTY must

commence eminent domain proceedings to acquire property within CITY limits, COUNTY shall provide written notice to CITY prior to commencing eminent domain procedures.

- B. Power to Exercise Eminent Domain. COUNTY has the general power to acquire property within its territorial limits by eminent domain pursuant to California Code of Civil Procedure section 1230.010 et seq. and Article I, Section 19 of the California Constitution. COUNTY further is authorized under Code of Civil Procedure section 1240.050, Streets and Highways Code sections 1680 through 1732, and Government Code section 25350.5 to acquire by eminent domain "any property necessary to carry out any of the powers or functions" of COUNTY, including rights-of-way extending through or within CITY for the construction and improvement of highways. Finally, Public Resources Code sections 5301 and 5302 allow COUNTY to acquire property by eminent domain for a "public boulevard" that is "conveniently adjacent" to its corporate limits.

4. **Transfer of Certain Real Property Interests to CITY.**

- A. COUNTY Quitclaim to CITY. Because CITY will maintain those Improvements within CITY limits following Project completion that are outside the Caltrans right-of-way and outside the Caltrans maintenance easement areas, CITY will ultimately hold title to those right-of-way interests within the CITY limits that COUNTY will be acquiring for its Project. Following Project completion, COUNTY shall quitclaim to CITY title to right-of-way interests within CITY limits that COUNTY acquires for the Project. CITY must sign a written certificate of acceptance pursuant to City Council Resolution No. 2024- [REDACTED] before CITY can accept title to such right-of-way interests.
- B. Requirements Regarding Transfer. Prior to issuing its offer of purchase under Government Code section 7267.2 for right-of-way interests for its Project within CITY limits, COUNTY shall obtain written approval from the CITY representative identified in Section 9 below regarding the proposed deed document, legal description, and plat maps.

5. **Requirements for COUNTY's Rights-of-way Acquisition.**

- A. Compliance with Laws. COUNTY shall ensure compliance with all applicable federal, state, and local laws, regulations, and

enactments relating to its acquisition of right-of-way interests for the Project, including without limitation the following: (i) California Constitution Article I, § 19; (ii) California Eminent Domain Law (Code Civ. Proc., § 1230.010 et seq.); (iii) Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs, as amended (42 U.S.C. § 4601 et seq.); (iv) California relocation laws and any implementing regulations (including, but not limited to, Gov. Code, § 7260 et seq.); and (v) other applicable California eminent domain statutes (including, but not limited to Gov. Code, § 40401 et seq.).

- B. Project Costs and Expenses. COUNTY shall be solely responsible for all costs, expenses, and payments necessary for its Project, including without limitation those necessary to acquire property and right-of-way for the Project and those necessary for design, construction, and inspection of the Project.
- C. Project Permits and Approvals.
- (1) COUNTY or its Project contractors shall acquire all necessary encroachment permits and right-of-entry approvals for work within existing CITY right-of-way and adjacent to CITY property. COUNTY or its Project contractors shall also obtain all necessary approvals for entry onto private property.
 - (2) Prior to commencing construction of the Project, COUNTY must submit Project plans to CITY and obtain CITY's written approval of Improvements within CITY limits. Such Project plans shall be submitted to the following CITY individual: Edgar Medina, Public Engineer, emedina@cityofranchocordova.org.
- D. Licensed and Bonded Contractors. All contractors working on the Project shall be licensed contractors under California law. COUNTY shall require its contractors to post security in the form of a performance bond and payment bond, in amounts sufficient to ensure work on the Project is completed to COUNTY standards.
- E. Warranty. All COUNTY contractors who work on the Project shall be contractually obligated to provide a warranty for their work for a period of at least one (1) year following Project completion.

- F. No Mechanics' Liens. COUNTY shall pay in full all persons who perform labor or provide materials for any work within CITY right-of-way or otherwise on CITY property. COUNTY shall not permit or suffer any mechanics' or materialmen's liens of any kind or nature to be enforced against any property of the CITY for such work performed. In accordance with the provisions of Section 7 below, COUNTY shall indemnify and hold harmless CITY from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished.
- G. Insurance. COUNTY hereby confirms that it is self-insured as authorized by Government Code Section 11007.4 et seq. COUNTY will require its contractors working on the Project, for the duration of the work, to maintain sufficient insurance to cover the contractor's responsibilities under the Project. CITY will not provide any liability insurance to COUNTY. COUNTY's liability for the Project shall not in any way be limited to or affected by the amount of insurance coverage carried by COUNTY.
- H. Hazardous Materials. COUNTY shall not use, store, release or otherwise introduce on CITY right-of-way or other CITY property any substance, chemical, waste or other material that is identified as hazardous, toxic or dangerous in any federal, state or local law or regulation. COUNTY shall be solely responsible for the complete cost of removal and/or remediation of any hazardous substance spilled or introduced by COUNTY, and COUNTY shall defend and indemnify CITY from and against all claims or other liabilities therefore in accordance with the provisions of Section 7 below.
6. **Maintenance of Improvements After Project Completion.** Following Project completion, the Improvements within CITY limits and outside of Caltrans right-of-way and Caltrans maintenance easement areas will become part of the CITY street system. CITY shall maintain the Improvements within CITY limits following Project completion pursuant to the existing Agreement for Maintenance and Operations of Shared Transportation Facilities between CITY and COUNTY dated February 28, 2023 (City Agreement No. 2023-06 and County Agreement No. 52547).
7. **Indemnity.** COUNTY shall defend, indemnify and hold harmless CITY, its City Council, officers, directors, agents, employees, subcontractors and volunteers from any and against all demands, claims, actions,

liabilities, losses, damage, and costs, including payments of reasonable attorneys' fees, arising out of, or resulting from, the performance of the Agreement, caused in whole or in part by the negligent or intentional acts or omissions of COUNTY, its Board of Supervisors, officers, directors, agents, employees, contractors, subcontractors, or volunteers. The provisions of this Section 7 shall survive any expiration or termination of this Agreement.

8. **Termination of Agreement.** This Agreement shall, unless terminated earlier by either Party pursuant to this section, automatically terminate after COUNTY provides CITY with the recorded Notice of Completion for its Project and quitclaims to CITY all applicable right-of-way interests within CITY limits. Either Party may terminate this Agreement, for cause, based on a material breach by the other Party, following written notice of such breach to the other Party and a reasonable opportunity for cure. In addition, either Party may terminate this Agreement, without cause, provided the terminating Party provides at least sixty (60) days advance written notice to the other Party and the non-terminating Party has not expended any funds in reliance on this Agreement.

9. **Party Representatives.** Any and all notices or demands by or from either Party shall be in writing and shall be served either personally or by mail. If served personally, service shall be conclusively deemed made at the time of service. If served by mail, service of notices or demands shall be conclusively deemed made as of the time of deposit in the United States mail, postage paid. Any notice or demand shall be given to:

City Representative:

Edgar Medina

Public Engineer

2729 Prospect Park

Rancho Cordova, CA 95670

emedina@cityofranchocordova.org

County Representative:

Melissa Wright

Principal Civil Engineer

4111 Branch Center Drive

Sacramento, CA 95827

wrightme@sacounty.gov

10. **No Joint Venture.** It is understood and agreed that each Party is an independent entity and that this Agreement shall not create a relationship between CITY and COUNTY of joint venture, partnership, or any other relationship of association. Except as expressly provided in this Agreement, neither Party shall have authority, express or implied, to act on behalf of the other Party in any capacity whatsoever as an agent.

11. **Attorney Fees.** Except as required by Section 7 above, each Party shall bear its own costs and attorneys' fees incurred in connection with this Agreement.
12. **Entire Agreement.** This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties concerning the subject matter thereof. No alteration, modification, or variation of the terms of this Agreement shall be valid unless made in writing and executed by both Parties.
13. **Waiver.** The waiver of the breach of any condition, covenant or agreement herein contained shall in no way impair the right of waiving Party to avail itself of any remedy available for any subsequent breach thereof. No waiver will be effective unless it is in writing and signed by the waiving Party.
14. **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties hereunder.
15. **Authority to Sign.** The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of their respective Party and that by so executing this Agreement the Parties hereto are bound to the provisions of this Agreement.
16. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors, and assigns.
17. **Counterparts.** This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This

Agreement may be executed through the use of an electronic signature and will be binding on each party as if it were physically executed.

18. **Governing Law.** This Agreement is to be governed by the laws of the State of California. Venue for any actions brought pursuant to this Agreement shall be in the County of Sacramento.

[Signature Page Follows]

ITEM 9.4.

ATTACHMENT 3

County Contract No. 52563

City Contract No. 2024-36

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date specified above.

COUNTY OF SACRAMENTO

CITY OF RANCHO CORDOVA

By:

Ron E. Vicari, Director
Department of Transportation

By:

Micah Runner, City Manager

Agreement approved by the
County Board of Supervisors
with an authority delegated to
the Director to sign:

Attest:

Stacy Leitner, City Clerk

Agenda Date: _____

Item No: _____

Reso. No: _____

Approved as to Form:

Approved as to Form:

Adam Lindgren, City Attorney

Amanda McDermott
Deputy County Counsel

Prepared by:

Jesse M Sanchez
Sr. Contract Services Officer

5525327.1

ITEM 9.4.



ATTACHMENT 4

Department of Transportation

Ron Vicari
Director

Divisions

Planning & Programs
Maintenance & Operations
Engineering & Design
Administrative Services

County of Sacramento

February 27, 2024

Albert Stricker, P.E.,
Director, Public Works
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

Dear Albert:

Thank you for meeting to collaborate on the Hazel Interchange right-of-way process. We look forward to receiving approval from Rancho Cordova City Council, moving forward with right-of-way acquisition, and eventually construction of the improved Hazel interchange that will be of benefit to City of Rancho Cordova and the County of Sacramento. In alignment with our recent conversations, the County will collaborate with the City in good faith to incorporate aesthetic treatments to the interchange structure, landscaping, etc., which meet the needs of both the County and the City.

Please feel free to contact me or my staff with any questions or concerns as this process moves forward.

Sincerely,

A handwritten signature in blue ink, reading "Ron E. Vicari", is written over a horizontal line.

Ron E. Vicari, Director
Department of Transportation

REV/svw

C: Stephen White, Melissa Wright/SacDOT,
David Defanti, Deputy County Executive

MEMORANDUM



ITEM 9.5.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM: Russell Ducharme, Neighborhood Services Manager
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH THE UNIVERSITY OF CALIFORNIA (UC), DAVIS CAMPUS, SCHOOL OF VETERINARY MEDICINE ON BEHALF OF ITS KORET SHELTER MEDICINE PROGRAM FOR A TWO-YEAR GRANT, NOT TO EXCEED \$200,000, TO SUPPORT THE CITY OF RANCHO CORDOVA ANIMAL SERVICE'S COMMUNITY ASSISTANT PROGRAM IN CONNECTION WITH THE CALIFORNIA FOR ALL ANIMALS STATEWIDE ANIMAL SHELTER ASSISTANCE PROGRAM**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to execute the Shelter Services Agreement with the University of California (UC) Davis School of Veterinary Medicine.

BACKGROUND

The UC Davis Koret Shelter Medicine Program has awarded the City with a two-year, \$200,000 grant which focuses on reducing the over-crowding impact on shelters and clinics by providing financial support and services to residents who wish to keep their pet, but lack the resources to do so. The funding allocations within the grant include additional personnel to administer the grant, veterinarian care, return to home fees, behavior training, fence repairs, dog runs, and pet identification tags.

In 2022, the City received a two-year, \$70,000 grant from the same program which had a big impact on the Animal Services team's ability to provide care for animals in need. From April 2022 through March 2024, the team was able to assist over 100 residents through various means of support. The most utilized support service was veterinarian care, which ranged from basic wellness exams, x-rays, and spay/neuter, to surgery, blood work, and medication. Other services provided by the team through the grant include fence materials, fence repair, dog kennels, dog runs, guinea pig hutch, bedding, and food.

In 2022, the UC Davis School of Veterinary Medicine, on behalf of its Koret Shelter Medicine Program, and in connection with California for All Animals awarded 5.8 million dollars to animal shelters throughout the State. This is a five-year program, funded by the State, that reflects

California's commitment to ending euthanasia of healthy and treatable animals in shelters and creating communities where all pets and their people, no matter where they call home, have access to the resources, relationships, and opportunities they need to thrive. The spring grant cycle focused on keeping animals in their homes through growing shelter and community-centered programming, so that every at-risk animal can receive the right care in the right place, at the right time, and to the right outcome.

Over 60 shelters received grants in support of proposals that lay the tracks for a system of care that builds and sustains animal health and well-being in the community, inside the shelter and out. These initiatives connect people and animals with the resources they need to move forward in life together, whether that's through addressing issues that prevent families from getting veterinary care or securing pet-inclusive housing, or joining forces to make sure lost pets return home.

Other shelters participating in California for All Animals are establishing a strong foundation for well-being by expanding spay and neuter capacity; increasing positive outcomes through adoptions, foster programs, or animals reunited with their families and returned home; strengthening the physical, medical, and mental well-being of animals in the shelter; and boosting community services and partnerships through expanded opportunities for engagement, veterinary care, and pet supplies.

FISCAL IMPACT AND FUNDING SOURCE

The additional funding over the two-year term of the grant will help residents stay with their pets. Various services provided through the grant will reduce calls for service for the Animal Services team.

ATTACHMENT(S)

1. Resolution
2. Koret Shelter Medicine Program - Shelter Service Agreement

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2024

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A SHELTER
SERVICES AGREEMENT WITH THE UC DAVIS SCHOOL OF VETERINARY MEDICINE**

WHEREAS, in 2022, the City of Rancho Cordova's Animal Services team applied for and received a grant from University of California (UC) Davis School of Veterinary Medicine on behalf of its Koret Shelter Medicine Program for a two-year term, totaling \$70,000; and

WHEREAS, from April 2022 through March 2024 the grant provided services and assistance to over 100 residents with a desire to keep their pet; and

WHEREAS, in November 2023, the Animal Services team applied for the grant again, and increased the amount of the grant request by almost three times, due to the positive impact the grant had on the residents, shelters, and clinics; and

WHEREAS, in March 2024, the Animal Services team was awarded the grant in an amount not to exceed \$200,000.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does hereby authorize the City Manager to enter into the Shelter Services Agreement.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 18th day of March 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

David Sander, Mayor

Stacy Leitner, CMC
City Clerk

UC Davis Agreement # _____

SHELTER SERVICES AGREEMENT
(The City of Rancho Cordova)

THIS SHELTER SERVICES AGREEMENT (“**Agreement**”) is made and entered into as of the date last signed below by and between THE REGENTS OF THE UNIVERSITY OF CALIFORNIA (“**University**”) on behalf of its Davis Campus School of Veterinary Medicine on behalf of its Koret Shelter Medicine Program (“**Facility**”) and THE CITY OF RANCHO CORDOVA (“**Shelter**”) in connection with the California for All Animals statewide animal shelter assistance program (“**Program**”).

The parties agree as follows:

1. **Shelter Services.** Shelter shall adhere to the scope of work described in “**Exhibit A**”, attached hereto and by this reference made a part hereof (collectively the “**Services**”). University shall reimburse Shelter for costs (“**Expenses**”) pursuant to Section 2 below and as outlined in Exhibit A. “**Deliverables**” shall consist of report(s) and photographs, as applicable, as more fully described in Exhibit A. Additional work shall be performed only if authorized in advance by written amendment to this Agreement executed by both parties. To the extent that any provision of Exhibit A is inconsistent with this Agreement, this Agreement shall take precedence.
2. **Payment by University.** In consideration of Shelter’s Expenses as described in Exhibit A, Facility shall pay Shelter an amount not to exceed \$200,000 upon invoice from Shelter and final signature of this Agreement. Payment questions should be addressed to Nancy Bei at telephone number (530) 754-9183 or at e-mail address nmbei@ucdavis.edu.
3. **Term.** Services shall be rendered from March 1, 2024 through February 28, 2026.
4. **Endorsement Disclaimer.** Nothing in this agreement shall be interpreted to indicate, imply, or otherwise suggest (i) that University supports, endorses, favors, or advances, any product or service offered, connected, or affiliated with Shelter; or (ii) that University endorses, favors, supports, or opposes, any proposal, measure, program of action, campaign, or public appeal that is advocated, promoted, advanced, or opposed by any other person or entity with respect to the subject matter presented by Shelter.
5. **Amendment.** This Agreement may be amended at any time by amendment in writing and signed by the parties, and no other change in any term or condition shall be valid or binding unless made by amendment.
6. **Mutual Indemnification.** The parties agree to defend, indemnify and hold one another harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising from the performance of this agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officers, agents, students, or employees.

7. **Insurance.** The parties at their own respective costs shall carry sufficient insurance, or programs of self-insurance (general liability, workers' compensation, and auto liability), adequate to cover any claims arising from their respective activities under this Agreement.
8. **Force Majeure.** Neither party shall be liable for damages suffered by the other party because of University's or Shelter's failure to perform if failure is due to any cause beyond that party's control.
9. **Relationship of the Parties.** The parties to this Agreement shall be and remain at all times independent contractors, neither being the employee, agent, or representative of the other in their relationship under this Agreement.
10. **Use of University's Name.** Shelter shall not use the name or mark of University in any form or manner in advertisements, reports, or other information released to the public without the prior written approval of University.
11. **Contract Compliance.** As applicable, if this Agreement is funded wholly or in part with by a grant or contract from an agency of any state or federal government, Shelter shall comply with all terms and conditions applicable to recipients of such funds and their contractors.
12. **Notice.** Any notice, request, or inquiry regarding the provisions of this Agreement, its termination, or similar matters shall be directed to the appropriate party at the following address:

UNIVERSITY (regarding contracts)
 Steven Kobayashi
 Business & Revenue Contracts
 University of California, Davis
 One Shields Ave.
 Davis, CA 95616
 E-mail: stkobayashi@ucdavis.edu

SHELTER (regarding contracts)
 April Stevenson
 Management Analyst / ASO II
 The City of Rancho Cordova
 2880 Gold Tailings Ct
 Rancho Cordova, CA 95670
 E-mail: astevenson@cityofranchocordova.org

UNIVERSITY (regarding project)
 Karol Tapias
 School of Veterinary Medicine
 University of California, Davis
 One Shields Ave.
 Davis, CA 95616
 E-mail: ketapias@ucdavis.edu

13. **University's Right to Use Data.** University shall have the unrestricted right to use for its own purposes, including publication, any data or information which may be developed, provided by or arising in connection with the performance of this Agreement.
14. **Governing Law.** This Agreement shall be construed pursuant to California law.

15. **Federal Exclusion Warranty.** Shelter warrants that it is not excluded from participation in any governmental sponsored program, including, without limitation, the Medicare, Medicaid, or Champus programs (<http://exclusions.oig.hhs.gov/search.html>) and the Federal Procurement and Nonprocurement Programs (<https://www.sam.gov/index.html/##11#1>). This agreement shall be subject to immediate termination in the event that Shelter is excluded from participation in any federal healthcare or procurement program.
16. **Audit Requirements.** The Agreement, and any pertinent records involving activities related to the services provided pursuant to the terms and conditions of this Agreement, shall be subject to the examination and audit of the California State Auditor and any other duly authorized agents of the State of California for a period of three (3) years after the date of final payment hereunder. Shelter hereby agrees to make all such records available during normal business hours to inspection, audit and reproduction by University and any duly authorized local, state and/or federal agencies. Any and all examinations and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, without limitation, the costs associated with the administration of this Agreement.
17. **Termination.** University may terminate this Agreement at any time by giving Shelter thirty (30) calendar days' written notice of such action. If this Agreement is terminated, Shelter shall retain any funds expended or committed for the purposes of this Agreement and will return any unexpended funds.
18. **Entire Agreement.** This Agreement constitutes the entire understanding of the parties respecting the subject matter hereof and supersedes any prior understanding or agreement between them, written or oral, regarding the same subject matter.

AGREED:

THE CITY OF RANCHO CORDOVA

THE REGENTS OF THE
UNIVERSITY OF CALIFORNIA

By: _____
(authorized signature)

By: _____

Print name: _____

UC Davis

Title: _____

Date: _____

Date: _____

Exhibit A

Scope of Work

1. Purpose of the work: *The City of Rancho Cordova will expand their Community Assistance Program.*
2. Roles and responsibilities of each party: *The City of Rancho Cordova will provide annual data through 2026 to UC Davis Koret Shelter Medicine Program in support of the California for All Animals (CA4AA) program. KSMP will support the shelter to comply with data requirements. No University equipment will be used.*
3. Dates and times will the work be completed: *Work will be completed during the contract period of March 1, 2024 through February 28, 2026.*
4. Location where work will be performed: *2880 Gold Tailings Ct, Rancho Cordova, CA 95670*
5. Required deliverables: *One final report will be required upon completion of the program. Additional touch points during the grant will be discussed with project officer.*
6. Project milestones: *Program pilot to be completed by February 28, 2026.*
7. Total cost of the services: *Total of services not to exceed \$200,000. No construction costs will be funded through this grant.*

Items:

<i>Return to home fees</i>	<i>\$23,000</i>
<i>Behavior and training</i>	<i>\$10,000</i>
<i>Veterinary services</i>	<i>\$40,000</i>
<i>Fence repairs</i>	<i>\$2,000</i>
<i>Dog runs</i>	<i>\$4,000</i>
<i>Pet ID tags</i>	<i>\$1,000</i>
<i>Staff salary</i>	<i>\$120,000</i>

Total expenses: \$200,000

8. Payment schedule: *Payment will be upon execution of the agreement.*
9. Anticipated additional work: *Additional work is not anticipated at this time.*

MEMORANDUM



ITEM 12.1.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM: Albert Stricker, Public Works Director
Kristine Courdy, Senior Civil Engineer
Stefan Heisler, Housing Manager
SUBJECT: **MILLS CROSSING PROJECT UPDATE**

RECOMMENDATION

Receive presentation, provide feedback.

RESULT OF RECOMMENDED ACTION

Receive a presentation from the City's master developer team, Griffin Swinerton and partners, and City staff regarding the current project status update and results of the 2023 community outreach.

BACKGROUND

On July 18, 2022, the City Council approved execution of a Predevelopment Agreement with Griffin Swinerton to continue moving the Mills Crossing project forward into the detailed design phase. This phase is intended to scope out the project in sufficient detail to negotiate a Guaranteed Maximum Price and Development Agreement by early 2025.

Several work streams are now in progress to meet this goal. This project update presentation will inform the City Council regarding the results of the community outreach performed during the 2023 calendar year, define an architectural character, discuss outdoor area programming, and provide an update on the next steps for the project. This update will also inform the Council about the current California Environmental Quality Act (CEQA) review and grant applications submitted, awarded, and anticipated.

The major features of the approved concept master plan include 80,000-100,000 square feet of community-commercial facilities focused on arts, wellness, community events, workforce training uses, commercial space and approximately 100-120 housing units (both for-sale townhomes and multifamily rental) to satisfy the City's economic development goals for the area, approximately 2.5 acres of plaza and community green spaces, and approximately 250 parking spaces.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact for this discussion.

ATTACHMENT(S)

1. Mills Crossing City Council Presentation

ITEM 12.1.

MILLS CROSSING

City Council Study Session
March 18, 2024



Pending:
2020-22



In Progress:
2022-25



Completion:
2026-27

ATTACHMENT 1



ITEM 12.1.
AGENDA

1. Introduction

2. Community Engagement

3. Design Update

4. Implementation Update

5. Next Steps

ATTACHMENT 1



An Innovative Public Private Partnership:



WHAT WE AIM TO ACCOMPLISH

1

UPDATE:

Community Input, Design, Approvals, Costs, & Schedule

2

FEEDBACK:

Gather feedback and direction on next steps

3

NEXT STEPS: SCHEMATIC DESIGN

Designing the project with input on architecture, color scheme, open space programming, etc.



Community Engagement



Pending:
2020-22

A circular icon with a blue outline and a blue wedge-shaped segment, representing a 'in progress' status.

In Progress:
2022-25



Completion:
2026-27
Page 71 of 175

Video Embedded into Slide

Architectural Character

MAY 2023 COMMUNITY DESIGN CHARRETTE - LET US KNOW YOUR THOUGHTS!

ATTACHMENT 1

Mark on the slider which end of the gradient resonates with you the most...

1

Let us know your thoughts!

Roof Shape

How should the buildings look and feel?
Which end of the slider resonates with you the most?

Sloped Flat

- Some examples include steeply pitched and gabled.
- Some examples include flat and low-pitched.
- Some examples include steeply pitched and gabled.
- Some examples include flat and low-pitched.

2

Let us know your thoughts!

Walls and Windows

How should the buildings look and feel?
Which end of the slider resonates with you the most?

More Solid More Glass

- Some examples include solid walls and small windows.
- Some examples include large glass walls and windows.
- Some examples include solid walls and small windows.
- Some examples include large glass walls and windows.

3

Let us know your thoughts!

Materials

How should the buildings look and feel?
Which end of the slider resonates with you the most?

Natural High-tech

- Some examples include natural materials like wood and stone.
- Some examples include high-tech materials like metal and glass.
- Some examples include natural materials like wood and stone.
- Some examples include high-tech materials like metal and glass.

4

Let us know your thoughts!

Architectural Character

How should the buildings look and feel?
Which end of the slider resonates with you the most?

Traditional / Historical Contemporary / Transitional Progressive / Forward-thinking

- Some examples include traditional and historical styles.
- Some examples include contemporary and transitional styles.
- Some examples include traditional and historical styles.
- Some examples include contemporary and transitional styles.

5

Architectural Character Handout

Mark on the slider which end of the gradient resonates with you the most.

Roof Shape

Walls and Windows

Materials

Architectural Character

6

Create your own Collage!

Get each piece of buildings you like. Mix and Match!

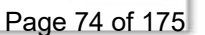
Create your own Collage!

Put your favorite pieces of buildings on the site. Crossing the site will tell you to see and where?

How should the buildings look and feel?

- Should the roofs be more sloped or flat?
- Should the building have more windows or be more solid?
- Should the building materials look more natural or high-tech?
- Should the building character look more progressive or traditional?
- Which end of the slider resonates with you the most?
- Create your own Collage! What would you like to see and where?

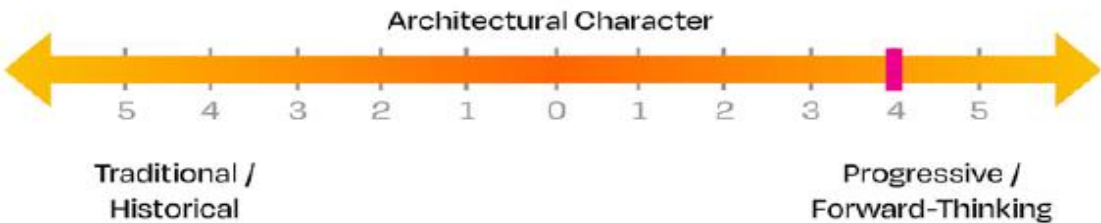
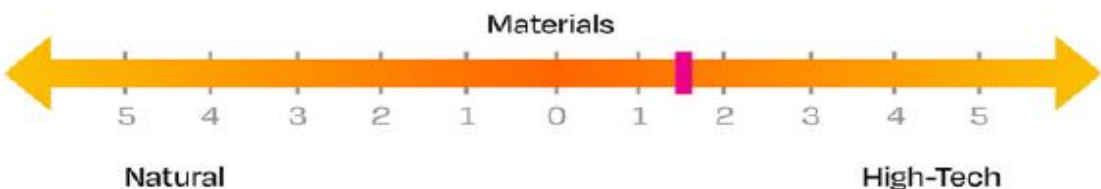
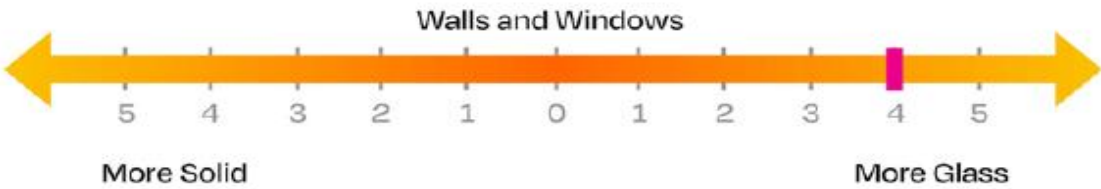
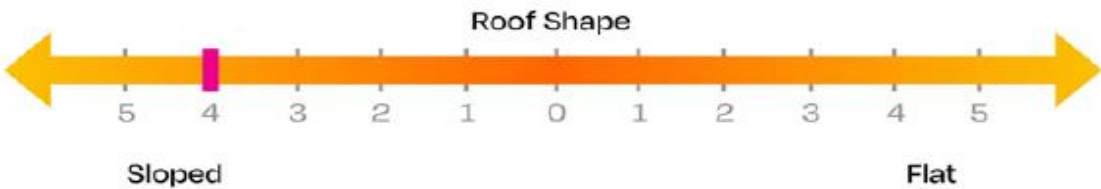




ITEM-12.1

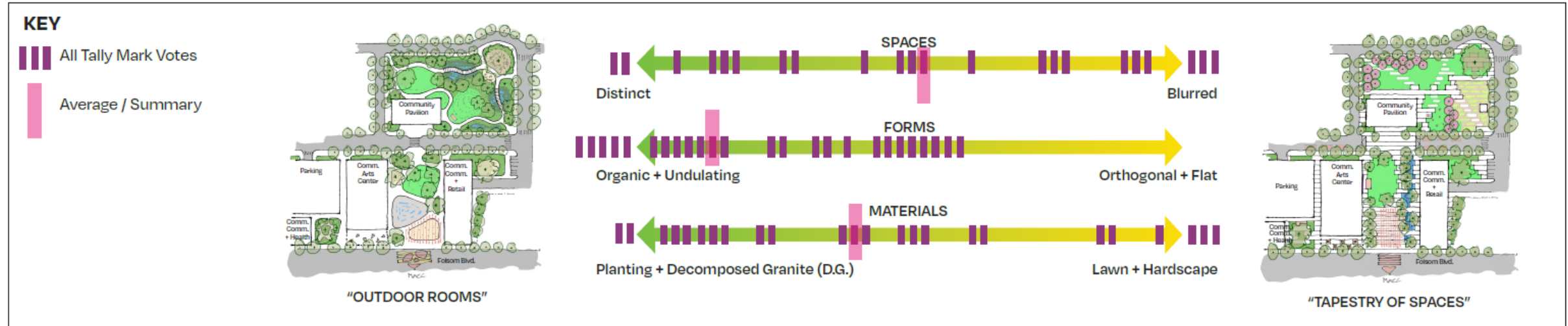
Architectural Character

MAY 2023 COMMUNITY DESIGN CHARRETTE / RESPONSE SUMMARY



Community Input on Open Space

Mark on the slider which end of the gradient you're most excited about.



Over 100 responses:

- Water Feature: **108**
- Pop-up + Market Plaza: **103**
- Outdoor Stage/Flexible Project Green: **99**
- Wellness Walk/Nature Trail: **94**
- Outdoor Dining: **87**
- Picnic Area: **79**
- Nature Play for Kids: **78**
- Community Garden: **60**
- Interpretive Gardens: **48**
- Exercise and Wellness: **55**
- Outdoor Working Lounge/Classroom: **38**
- Outdoor Art: **34**



LANDSCAPE CONCEPT 01

Outdoor Rooms



LANDSCAPE CONCEPT 02

Tapestry of Spaces



The Best of Both Worlds



Program Elements

- ❶ Event Lawn
- ❷ Outdoor Dining (Raised Deck Platform)
- ❸ Interactive Water Feature
- ❹ Raised Crossing & Festival / Market St
- ❺ Flexible Green
- ❻ Legacy Oak Deck
- ❼ Vegetated Buffer / Rain Gardens
- ❽ Wellness Walk
- ❾ Seating/Gathering Area
- ❿ Side Plaza with Garden Seating



Design Update



Pending:
2020-22

A blue circle with a white wedge-shaped segment removed, representing an 'in progress' status.

In Progress:
2022-25



Completion:
2026-27
Page 78 of 175

Similar Centers in the Region: Building Facilities



Elk Grove Community Center
(Within "District56")

32,000 sqft

Elk Grove Population: ~179,000

Building Facilities:

- Stage
- Main Hall (~ 500 people)
- Commercial kitchen
- 3 non-profits (including veterans)
- Senior Center of Elk Grove



West Sac Community Center

21,000 sqft

West Sac Population: ~53,000

Building Facilities:

- Black box theater
- Art Gallery ("Gallery 1075")
- Historical Gallery
- Room rentals
- Senior Lounge
- Cafe



Citrus Heights Community Center

29,200 sqft

Citrus Heights Population: ~88,000

Building Facilities:

- Meeting rooms
- Commercial catering kitchen
- Senior Center
- Patio and barbeque areas



Mills Crossing

80,000 – 100,000 SF

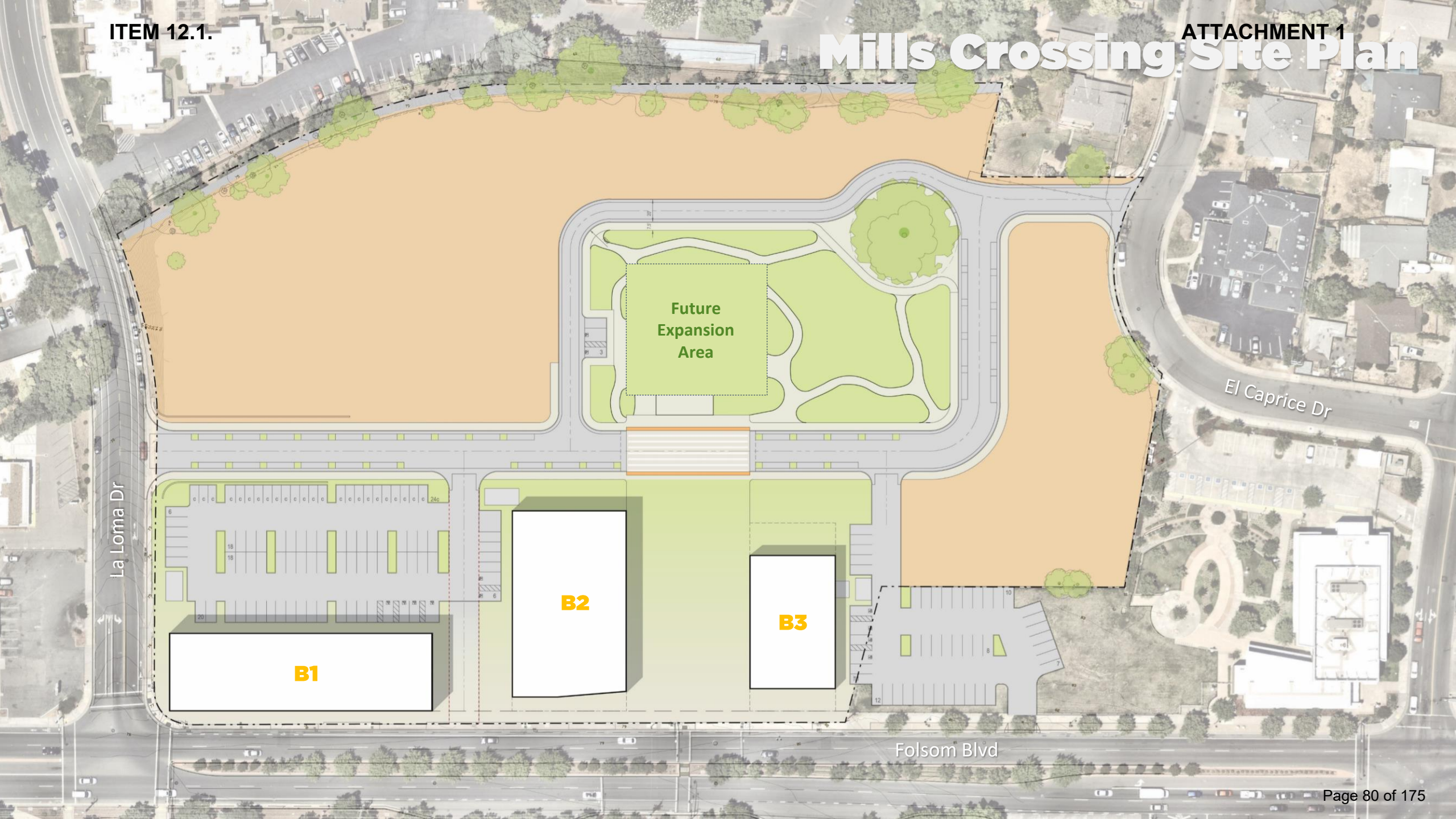
Square footage target range discussed since 2020

Rancho Cordova Population: ~80,000

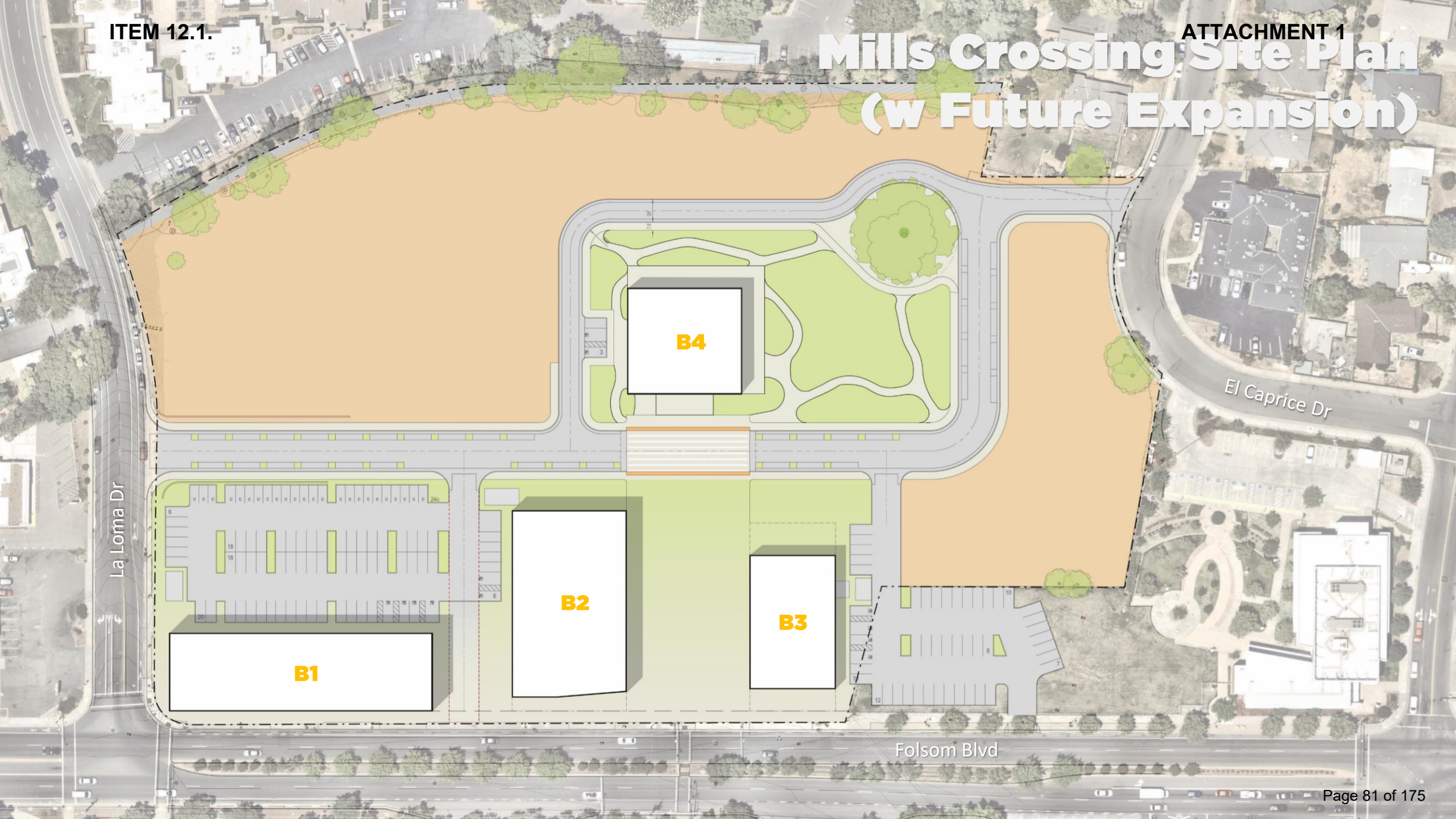
Building Facilities:

- Flexible/Black box theater (~ 300 seat)
- Art Studios, Gallery
- Community Hall (~ 500 people)
- Veterans lounge
- Commercial kitchen incubator
- Health Clinic + Wellness Facility
- Flexible community studios, classrooms, training labs, etc.
- Food Row (e.g. café) & Commercial space

Mills Crossing Site Plan



Mills Crossing Site Plan (w Future Expansion)



Mills Crossing Site Plan



Housing Site 1

B1

B2

Further landscape design
as part of Schematic
Design in 2024

Housing Site 2

B3

Folsom Blvd

La Loma Dr

Mills Crossing Site Plan (w Future Expansion)

Housing Site 1

B1

B2

B4

Illustrative Landscaping -
not a final design

B3

Housing Site 2

Folsom Blvd

La Loma Dr

MILLS CROSSING

COMMUNITY & PUBLIC SERVING

COMMERCIAL

80,000 – 92,000 SF

62,000 – 69,000 SF

18,000 – 23,000 SF

B1



20,000 SF

18,000 SF

B2



25,500 – 31,000 SF

B3



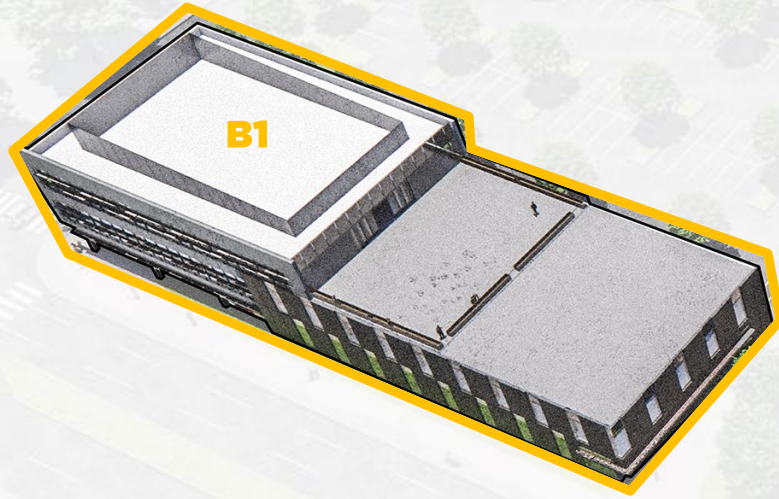
9,000 SF

Up to 5,000 SF

B4



7,500 – 9,000 SF



La Loma Dr

Folsom Blvd

Building 1



PLEASE NOTE: These are concept-level illustrations and are not final depictions of the buildings. More input from City and Community will guide final architectural character, color, materials, etc.

ITEM 12.1.
Building 1

ATTACHMENT 1



PLEASE NOTE: These are concept-level illustrations and are not final depictions of the buildings. More input from City and Community will guide final architectural character, color, materials, etc.

ITEM 12.1.
Opportunities for Design Input | Color

Color is one example of the continuing input City will have



Opportunities for Design Input | Façade Design

Articulation of the Roof/Cladding, Lighting, Art/Murals, Glass, Materials

Selectively placed art and additional glass



Exterior lighting



Color & roof articulation



Opportunities for Design Input | Façade Design

Articulation of the roof/cladding, Art Panels, Glass, Materials

A combination of glass, color, and materials variety



Selectively placed building screens w signage



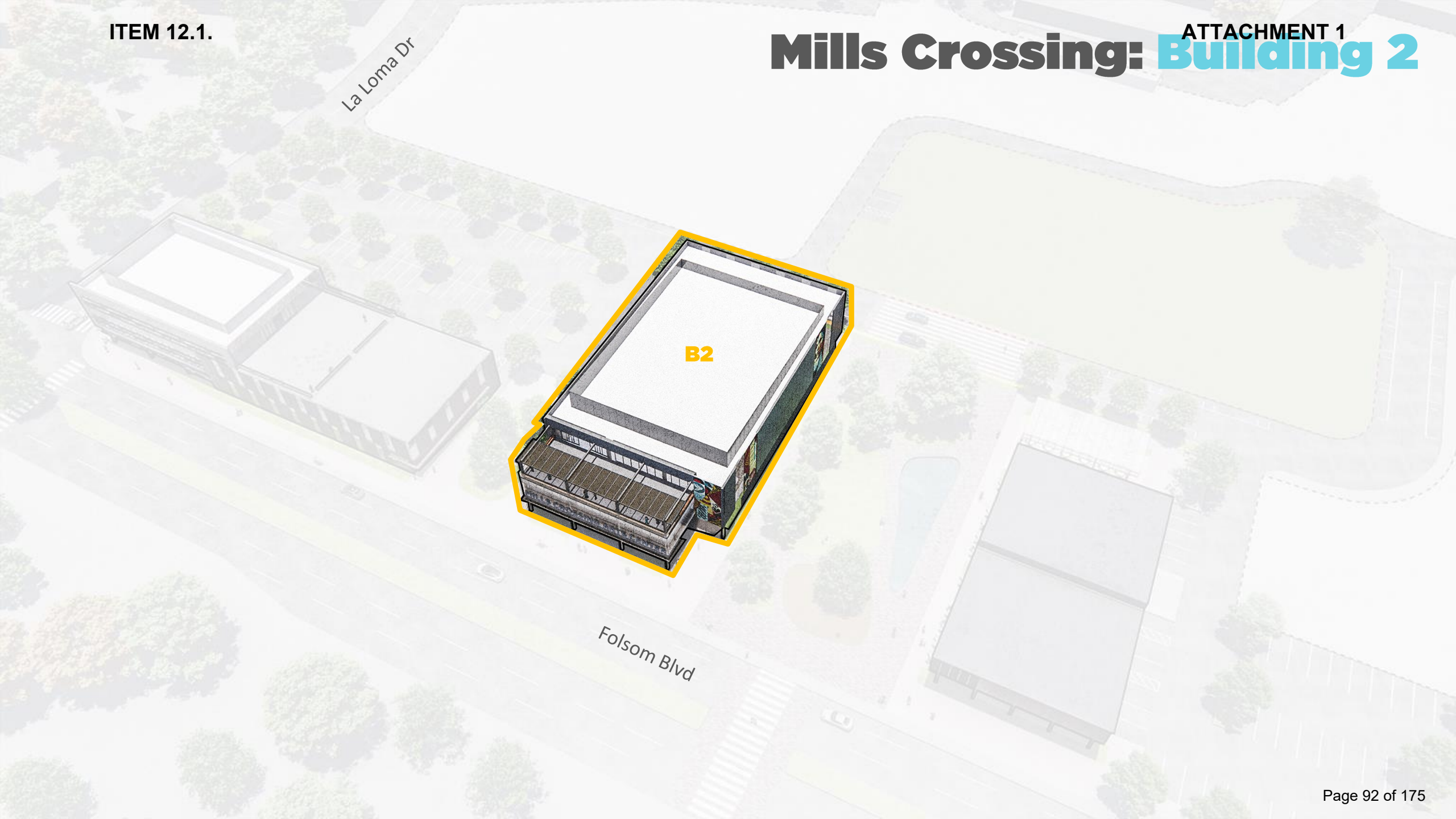
Opportunities for Design Input | Façade Design

Articulation of the roof/cladding, Art Panels, Glass, Materials

PLEASE NOTE: These are concept-level illustrations and are not final depictions of the buildings. More input from City and Community will guide final architectural character, color, materials, etc. This is one possible way that more façade variation can be incorporated into Building 1.



For example, similar panels can be incorporated into the building



ITEM 12.1.

Building 2

ATTACHMENT 1



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ITEM 12.1.

Building 2

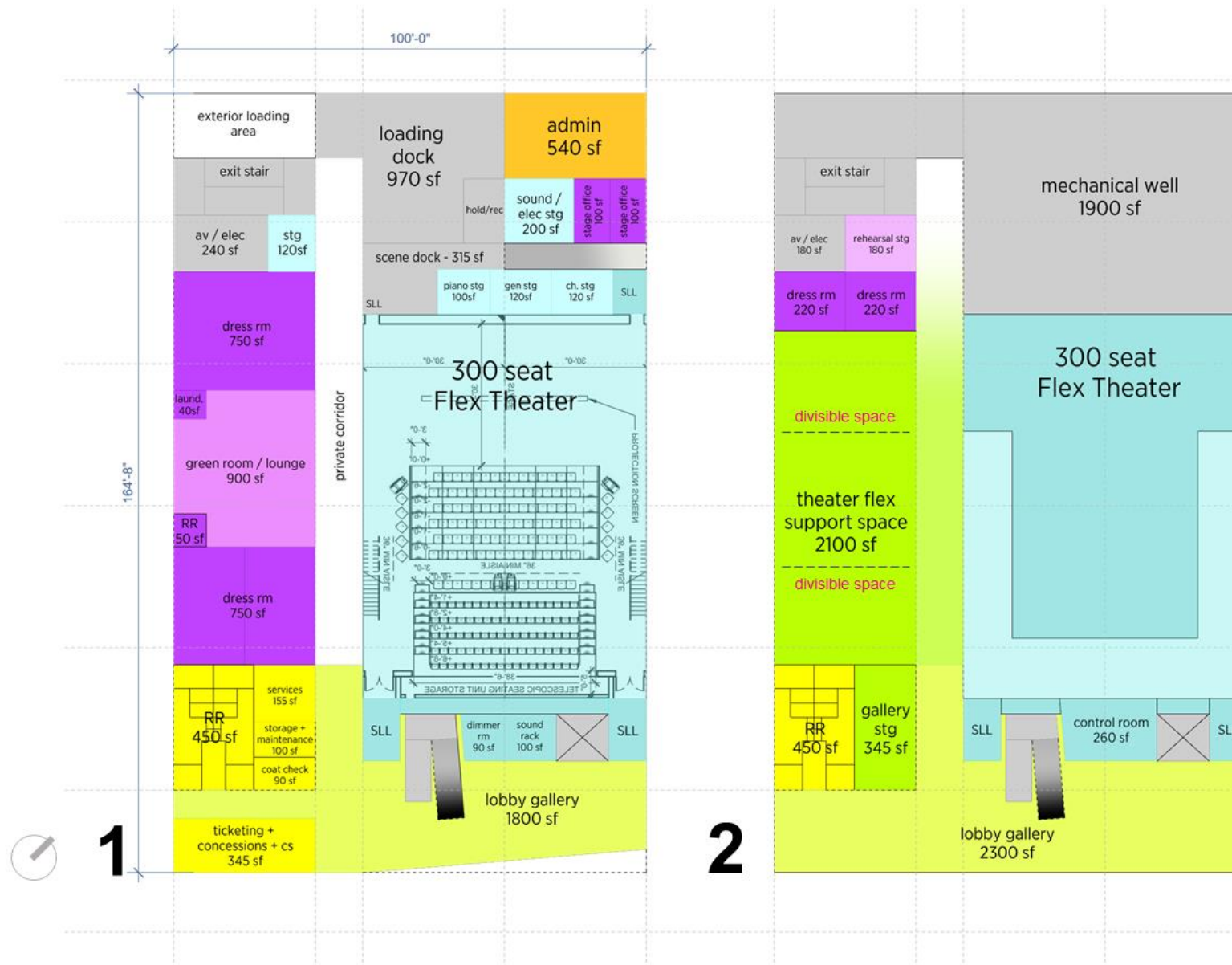
ATTACHMENT 1



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ITEM 12.1. Building 2 | Community Arts Program

ATTACHMENT 1



Program Summary

- Level 01: 16,000 SF
- Level 02: 9,000 SF

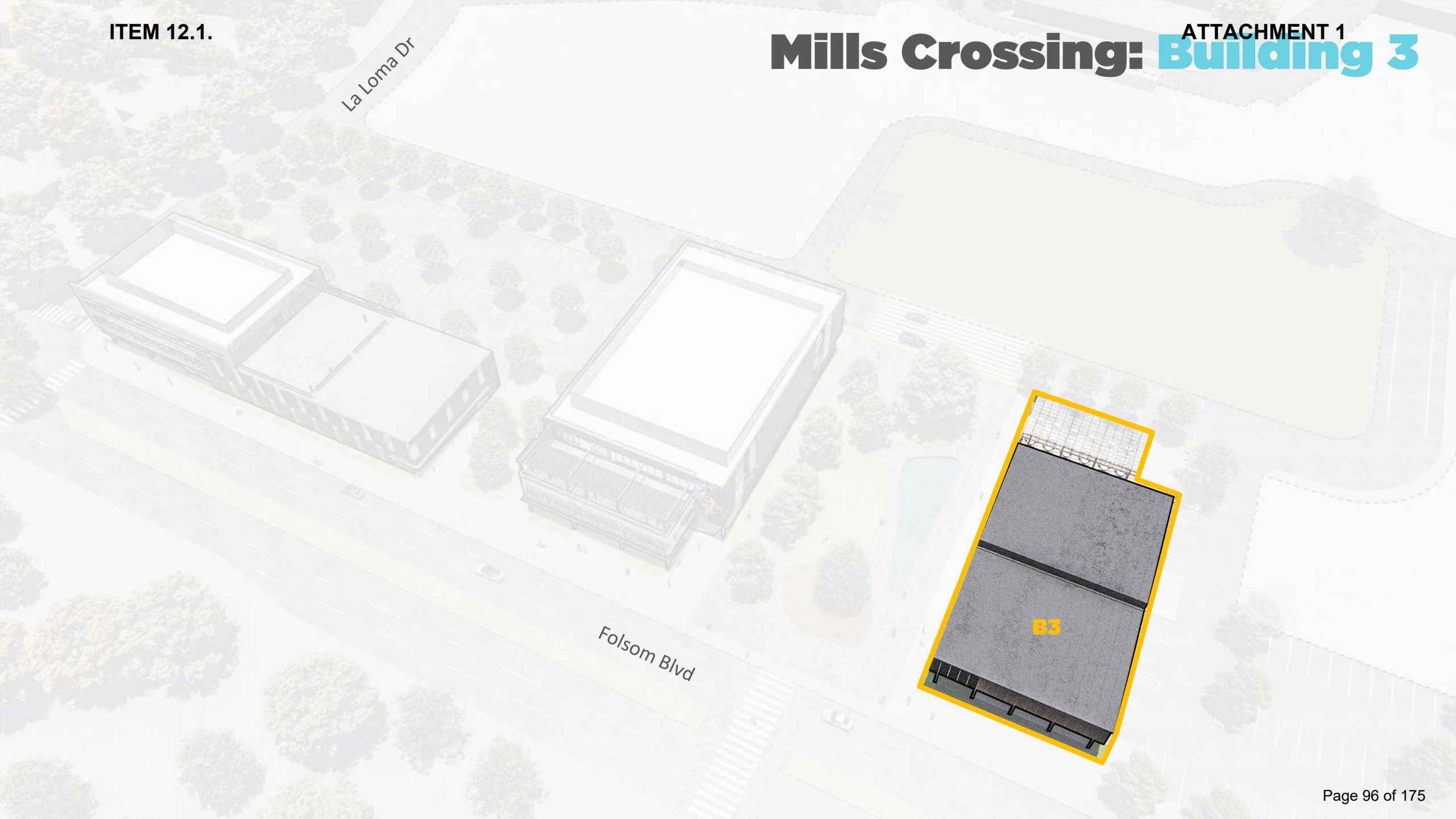
Opportunities

- Visual connection between Arts Center and Plaza
- Clear distinction between public space and “back of house”
- Pushed back Lobby to create connection to plaza, Folsom Blvd, and Community-Commercial/Health & Wellness
- Community facing with Folsom Blvd frontage
- New street facing canopy design emphasizes verticality
- Indoor/Outdoor connection to the east

Legend

- Theater Flex / Gallery Support
- Support
- Performer Support
- Public Spaces
- Flex Theater
- Administration
- Visual Arts

25,000 sf



ITEM 12.1.

Building 3

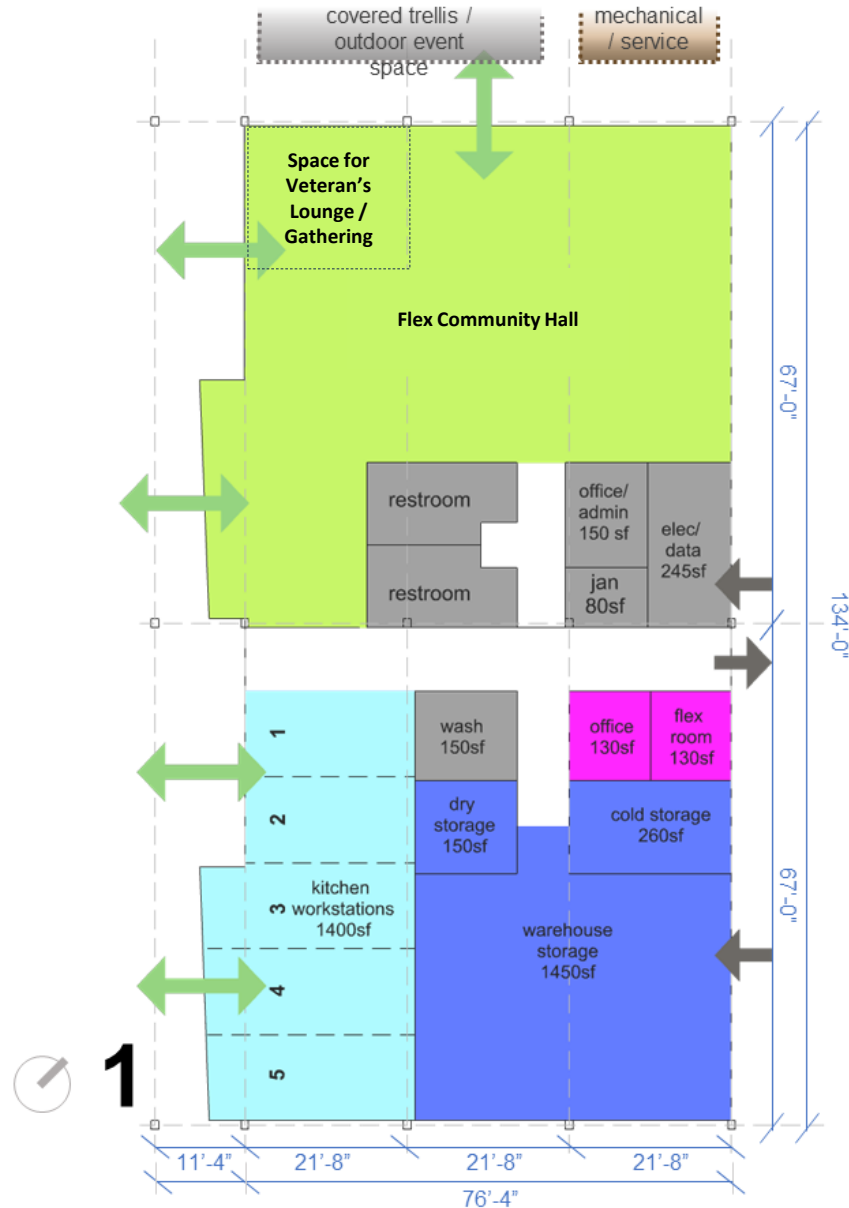
ATTACHMENT 1



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ITEM 12.1. Building 3 | Building Program

ATTACHMENT 1



Program Summary

Flex Events w Veteran's Lounge:

- 3,400 SF

Commercial Kitchen Incubator:

- 4,000 SF

Support / Core / Circulation:

- 1,600 SF

Opportunities

- Divisible Flex space with connection to the plaza and covered trellis to the north
- Kitchen workstations on display, with indoor/outdoor connection to Plaza
- Clear distinction between public space and "back of house"
- Service and back of house programs have direct access to loading and parking to the east
- Space for Veterans Lounge within Flex Events Hall with views to Plaza

Legend

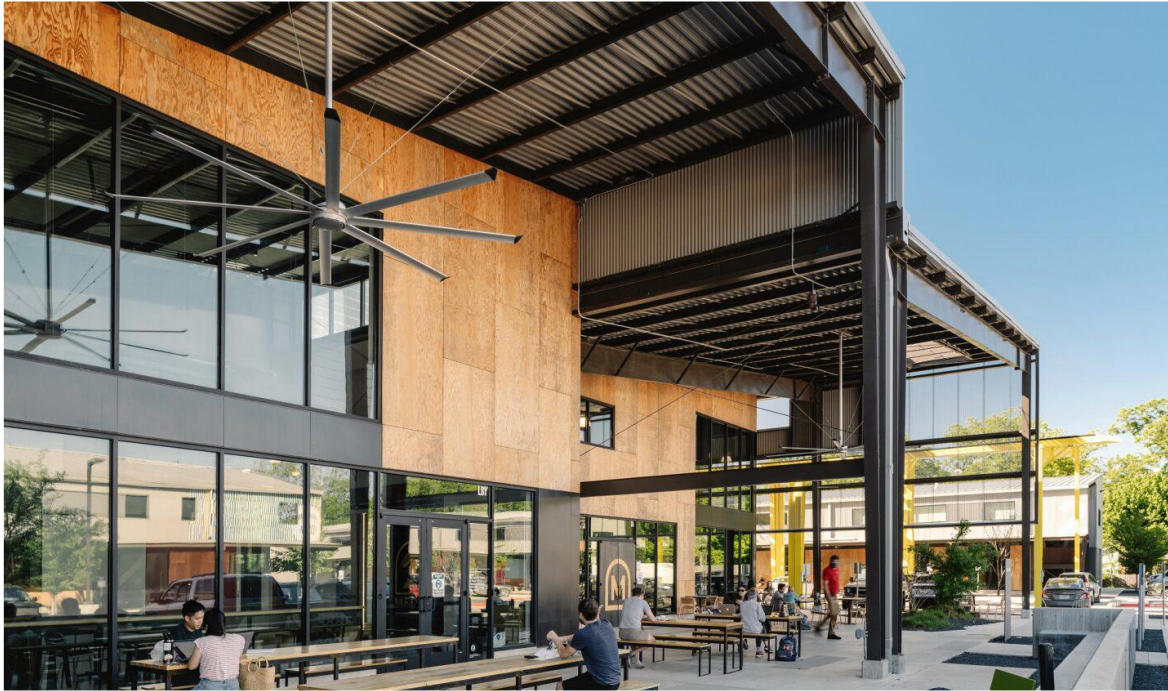
- Flexible Event w Veterans Lounge
- Support
- Kitchen Office + Flex Space
- Kitchen Storage / Warehouse
- Kitchen Stations

9,000 sf

Building 3 | Design Intent - Exterior



Building 3 | Design Intent - Exterior

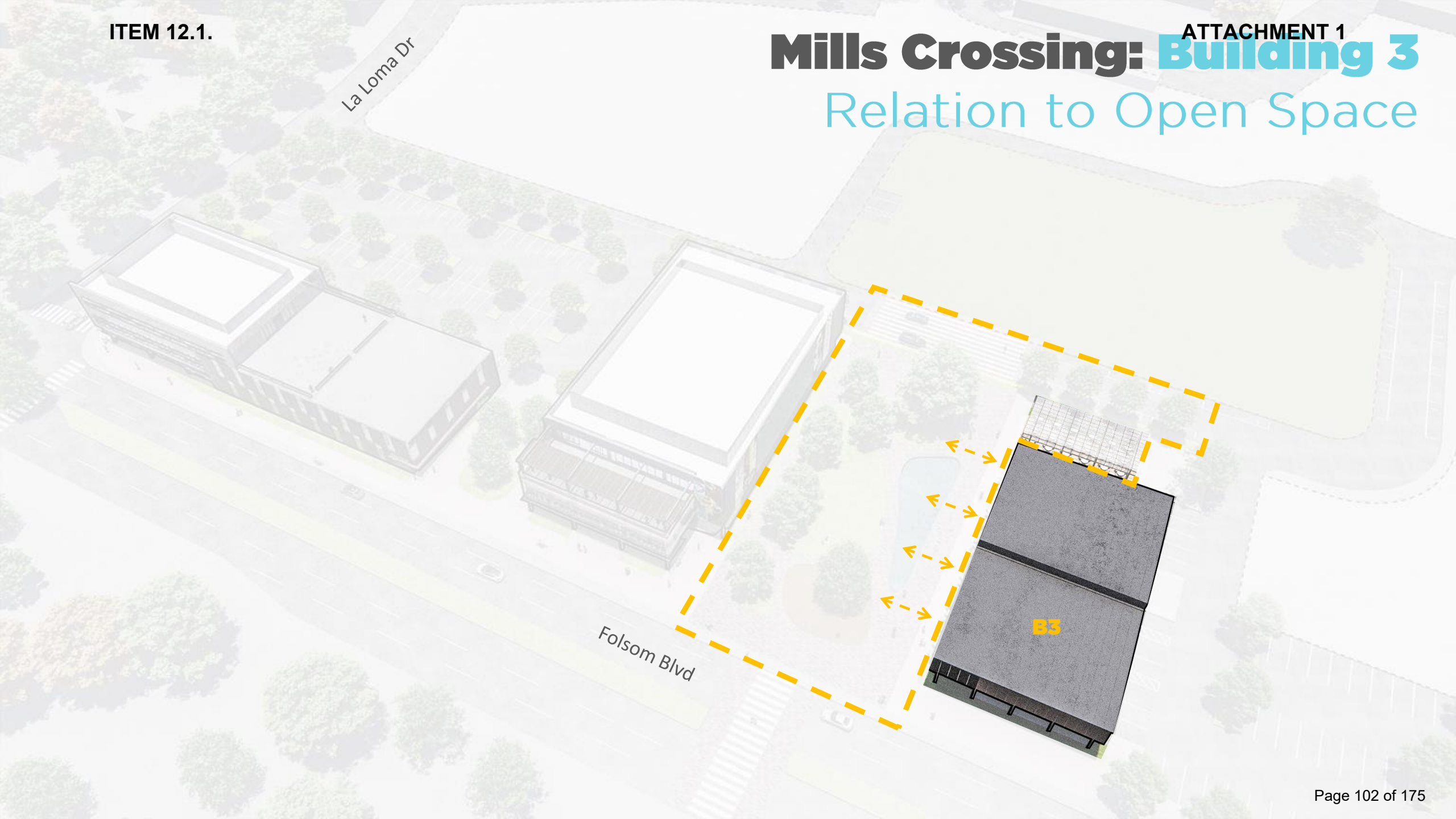


Building 3 | Design Intent - Interior



Mills Crossing: **Building 3**

Relation to Open Space





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PLEASE NOTE: These are concept-level illustrations and are not final depictions of the buildings. More input from City and Community will guide final architectural character, color, materials, etc.



**Design:
Housing Guidelines**



Pending:
2020-22



In Progress:
2022-25



Completion:
2026-27
Page 105 of 175

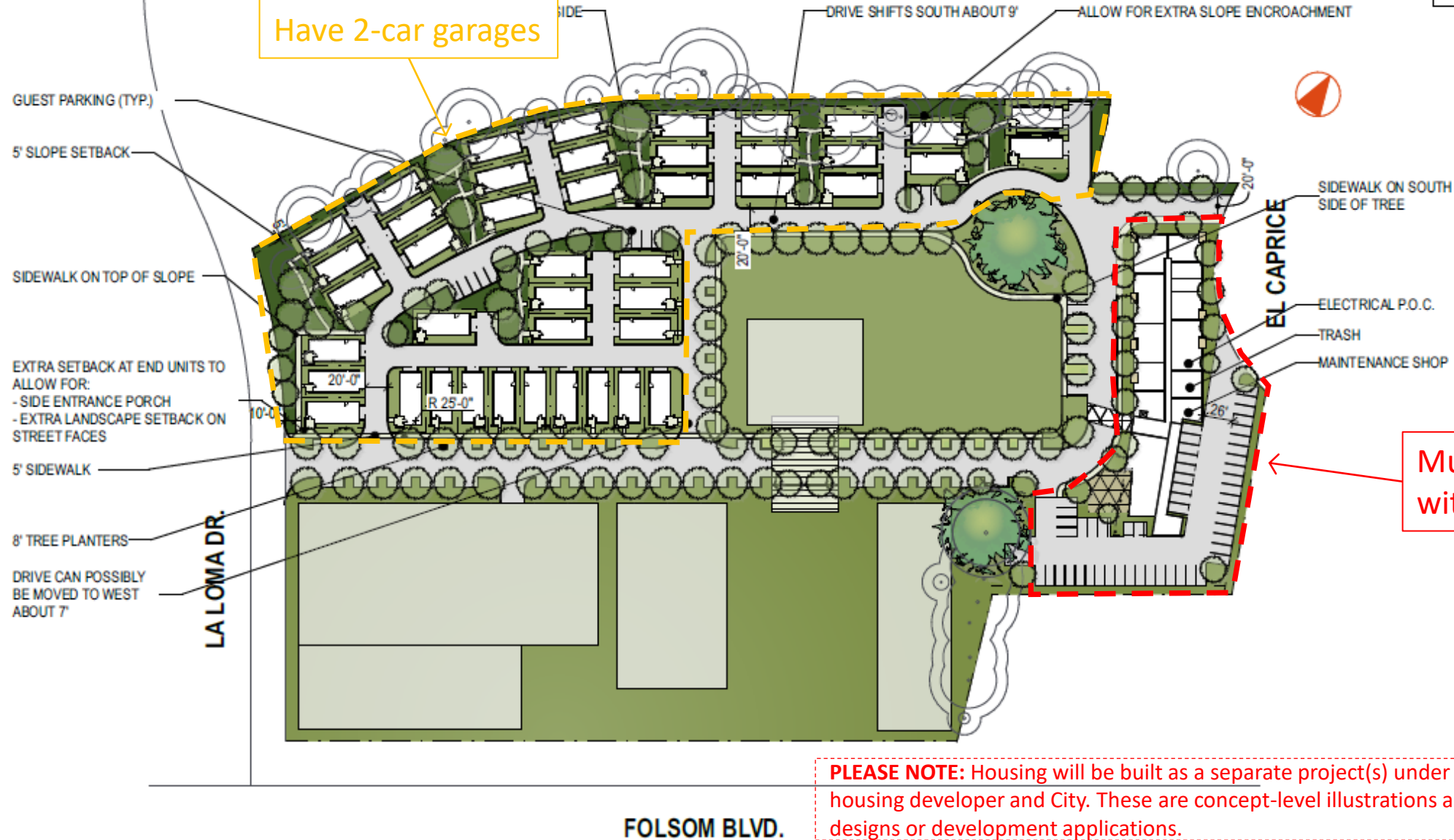
Housing: Layout A

OPTION A YIELD ESTIMATE:

UNITS

• TOWNHOMES:	44
• AFFORDABLE APARTMENTS:	46

All Townhomes
Have 2-car garages

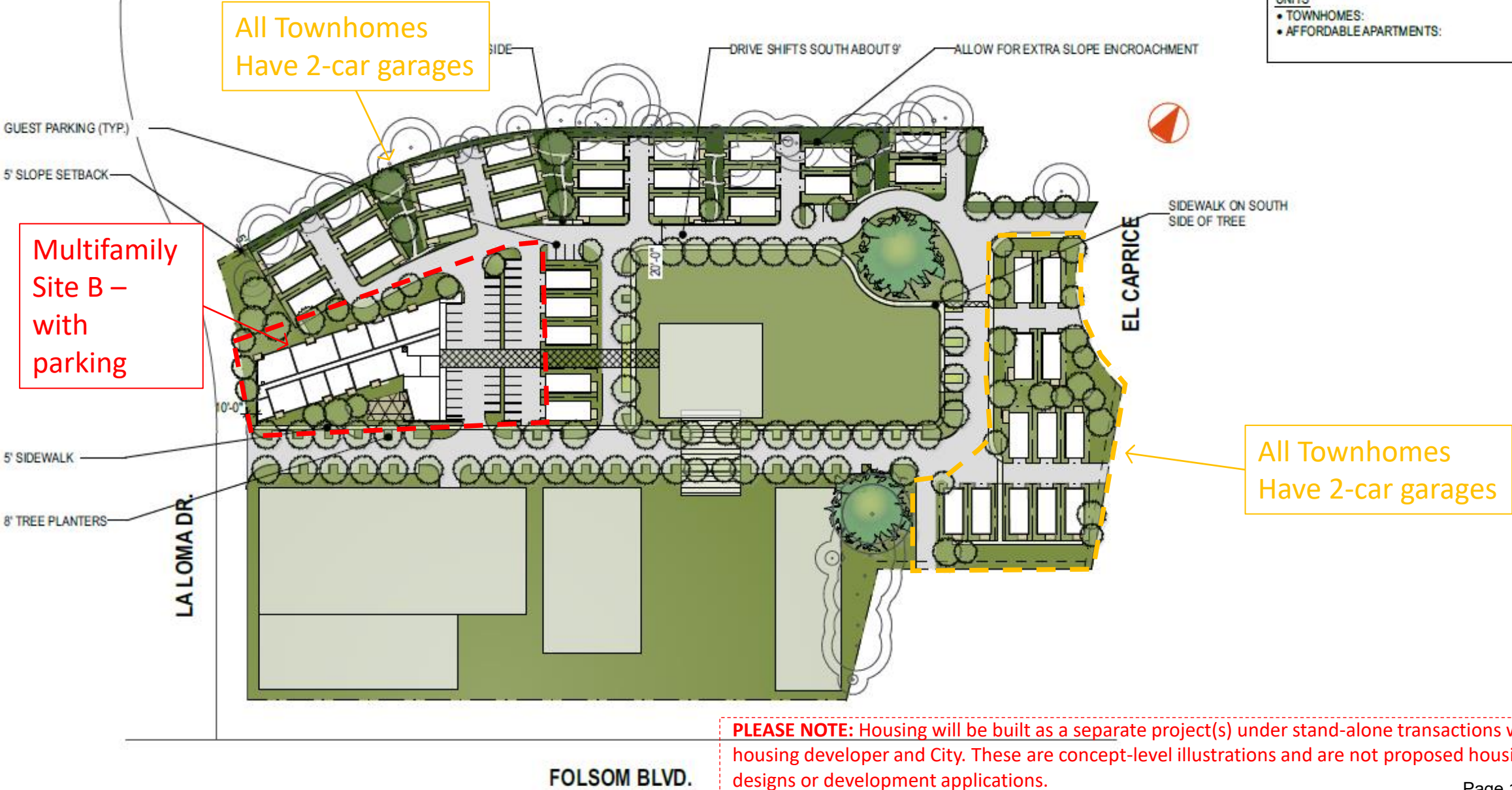


PLEASE NOTE: Housing will be built as a separate project(s) under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

ITEM 12.1.

Housing: Layout B

OPTION B YIELD ESTIMATE:	
UNITS	
• TOWNHOMES:	42
• AFFORDABLE APARTMENTS:	51



Illustrative Housing Imagery



PLEASE NOTE: Housing will be built as a separate project under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

Illustrative Housing Imagery



PLEASE NOTE: Housing will be built as a separate project under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

Illustrative Housing Imagery



PLEASE NOTE: Housing will be built as a separate project under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.



Implementation



Pending:
2020-22

A circular icon with a blue outline and a blue wedge-shaped segment, representing a 'in progress' status.

In Progress:
2022-25



Completion:
2026-27
Page 111 of 175

Implementation Challenges

1

Inflationary Pressure on Construction Costs

2

State Budget Deficits Impact Grant Awards

3

Timeline – Lengthy Approvals Process (CEQA, etc.)

Some Solutions

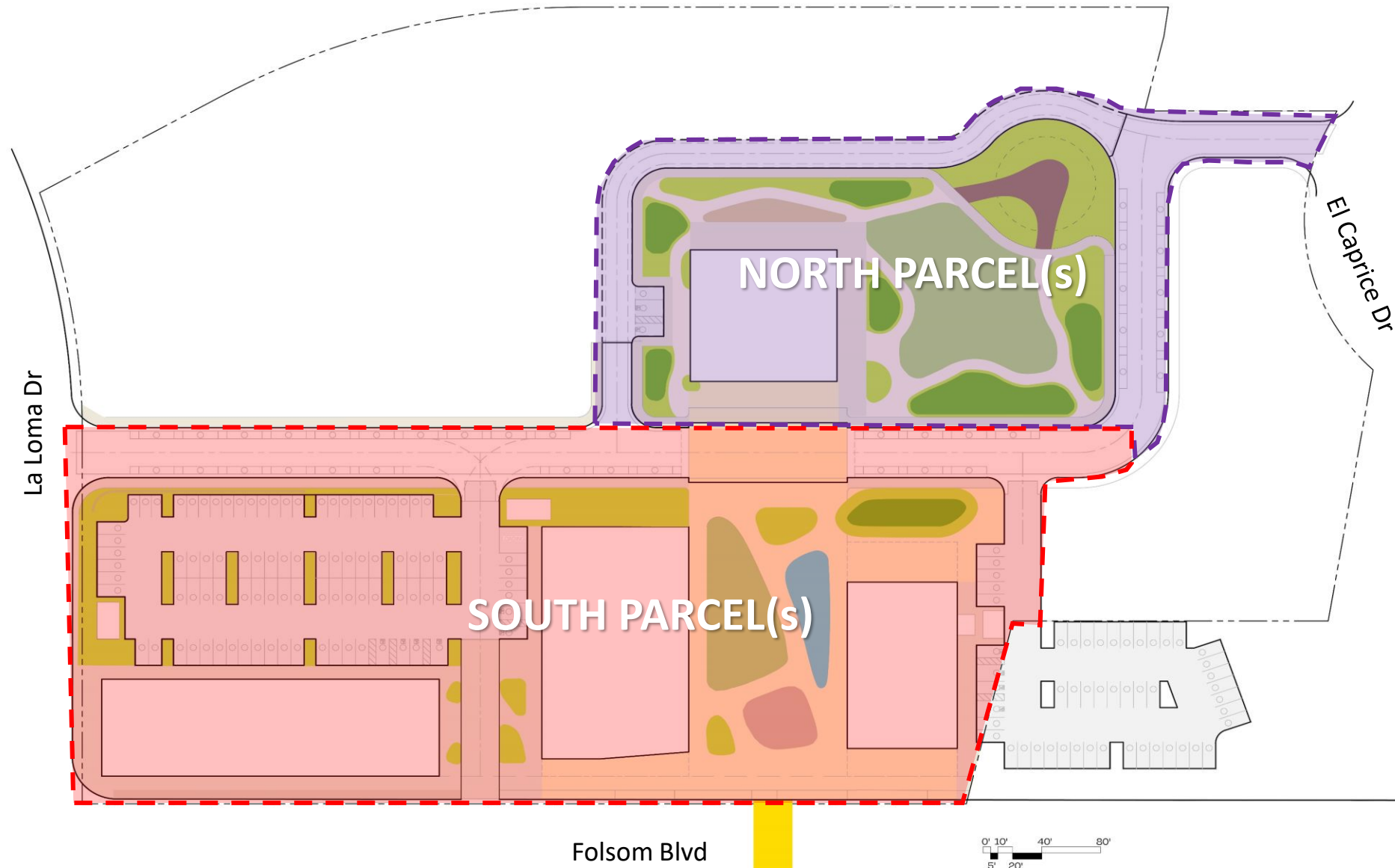
Cost Containment Strategies:

- Elimination of parking structure in favor of lower cost surface parking
- Right-sizing the buildings to match target budgets
- Using prefabricated building systems for cost efficiencies

Project Phasing:

- Dividing the project into phases designed to match cost with City's threshold level of financial commitment

Master Plan | A Framework for Phasing



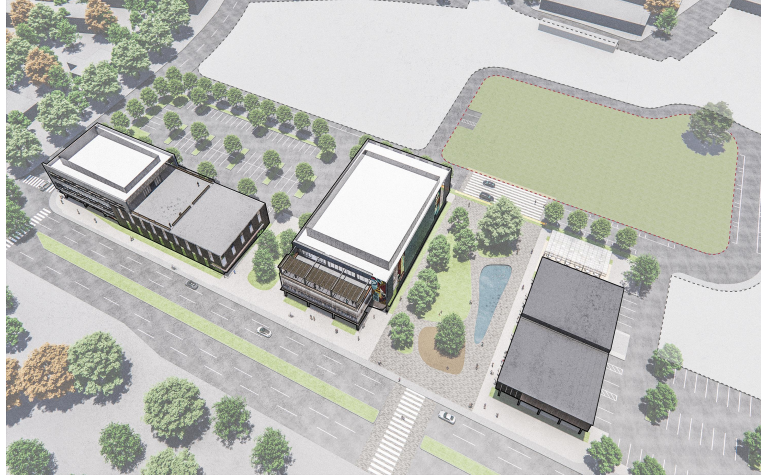
Summary of Phasing Options

The following illustrate possible phasing options for Mills Crossing and are NOT the final phasing or sequencing of project construction and development. The actual phasing that will occur will be determined further into the project approvals process. Each phase option is designed to be additive to the other options.

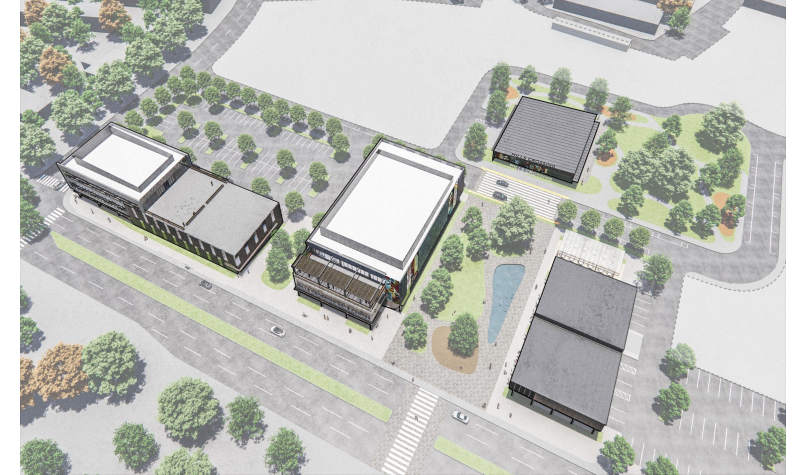
Option 1



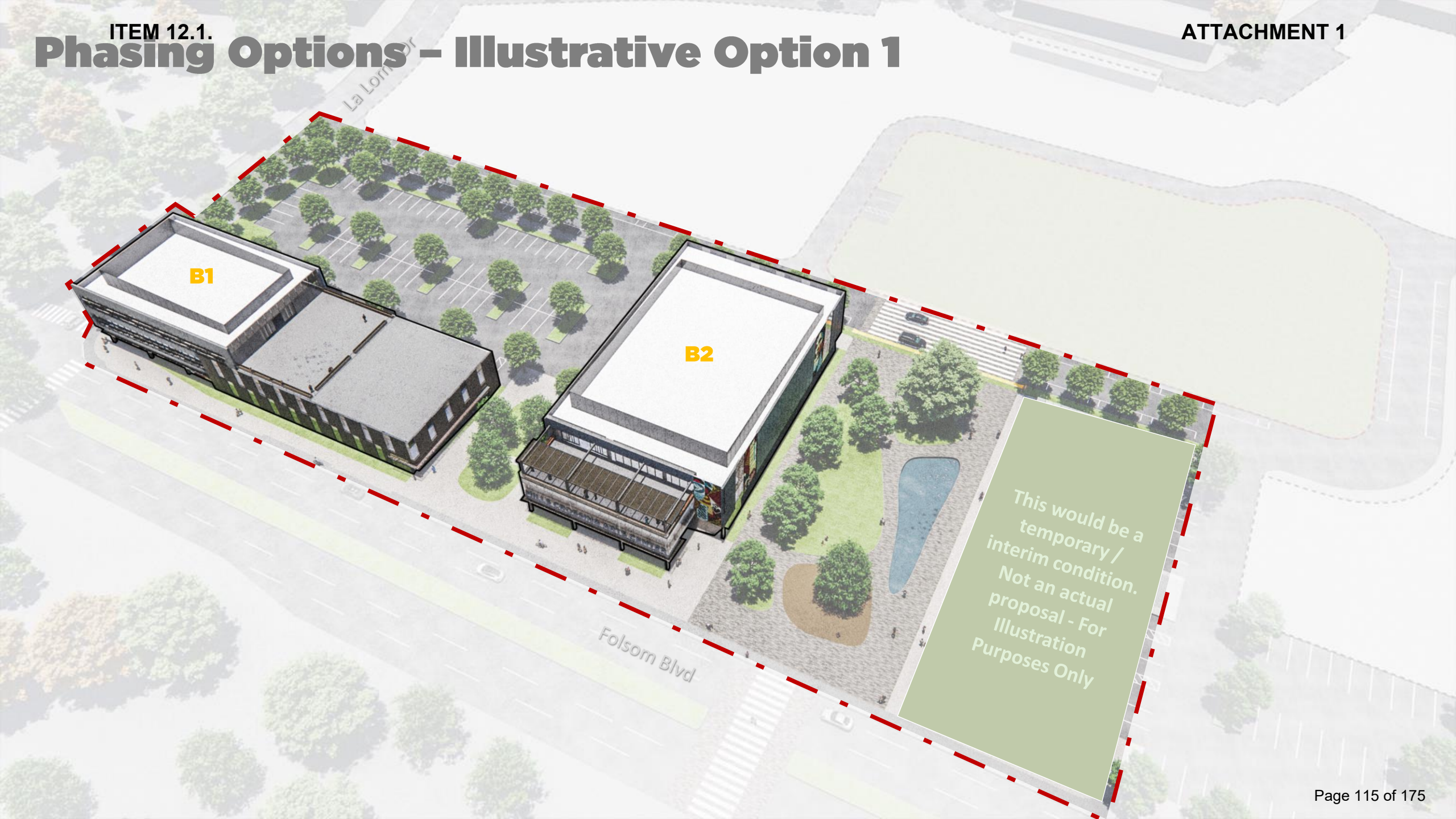
Option 2



Future Expansion



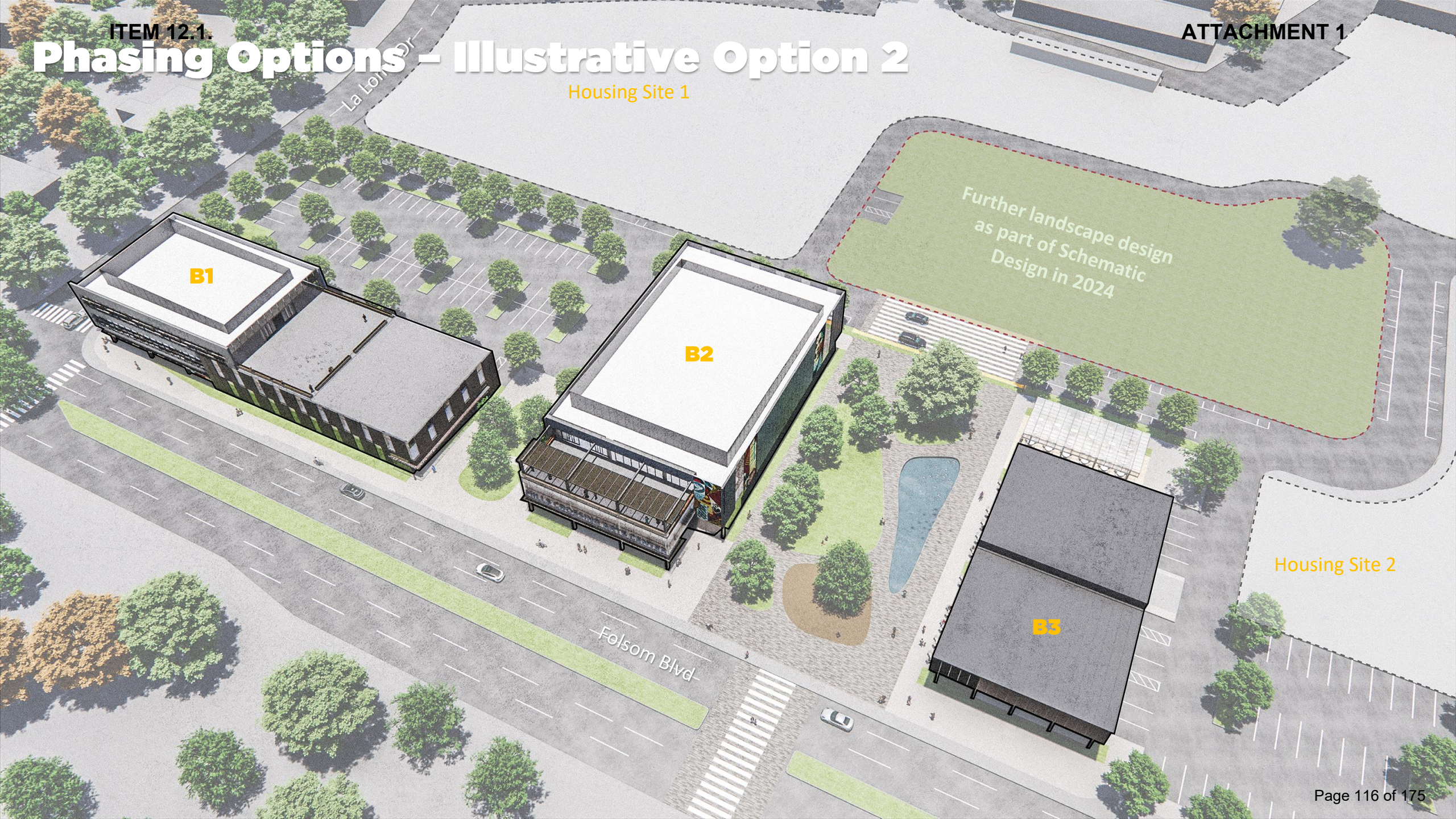
Phasing Options – Illustrative Option 1



This would be a temporary / interim condition. Not an actual proposal - For Illustration Purposes Only

Phasing Options – Illustrative Option 2

Housing Site 1



Housing Site 2

ITEM 12.1.

MILLS CROSSING

Ph 1a: 63,000 SF
Ph 1b: 9,000-14,000 SF

B1



B2



B3



B4



COMMUNITY & PUBLIC SERVING

62,000 – 69,000 SF

Anchor Healthcare
Partner

20-30 Rancho
Cordova Arts
Organizations

Commercial Kitchen
Incubator & Workforce
Training Partners

7,500 – 9,000 SF

COMMERCIAL

18,000 – 23,000 SF

Anchor Commercial
Tenant

Existing Partners
Occupy and/or Utilize
67,000 SF (93% of
Phase 1 total -- 72,000
SF)



Next Steps



Pending:
2020-22



In Progress:
2022-25



Completion:
2026-27
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2023

- CEQA / EIR - Draft
- Community Outreach
- Concept Design & Program Validation
- Financing, Grants, New Market Tax Credits (NMTC)
- Anchor Tenants / Occupancy Partners

2024

- Council Updates
- Community Updates
- Finalize CEQA / EIR
- Schematic Design and Design Development
- Preconstruction – Milestone Cost Estimates & Schedule Updates
- Additional Grant Applications
- MOUs with Anchor Tenants / Occupancy Partners

MEMORANDUM



ITEM 12.2.

DATE: March 18, 2024
TO: Honorable Mayor and Council Members
FROM: Amanda Norton, Economic Development Manager
SUBJECT: **A RESOLUTION FOR A FORGIVEABLE LOAN AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA AND PHOENIX PRODUCTION COMPANY, DOING BUSINESS AS RISE-UP THEATRE COMPANY, FOR THE CONSTRUCTION OF TENANT IMPROVEMENTS AND LEASE PAYMENTS FOR A NINETY-NINE (99) SEAT MULTI-USE PERFORMING ARTS FACILITY**

RECOMMENDATION

Review the proposed loan agreement and provide direction on the Resolution.

RESULT OF RECOMMENDED ACTION

Direction from the City Council on the Resolution would allow the City to enter into a loan agreement with Phoenix Production Company, doing business as Rise-Up Theatre Company for the construction of tenant improvements and lease payments for five (5) years for a new ninety-nine (99) seat theater venue.

BACKGROUND

In the first quarter of 2021, Phoenix Production Company, doing business as Rise-Up Theatre Company (Rise-Up), submitted for a Community Enhancement Fund Grant for the 2021-22 fiscal year. After the initial examination, deliberation and due consideration, the project was not funded. Due to fiscal year 2021-22 Measure H sales tax revenues coming in higher than anticipated, the opportunity to reevaluate and fund additional projects identified by City Council arose. Resolution No. 120-2022 approved Rise-Up for a \$150,000 grant once a viable location was located by Rise-Up. To date, the initial \$150,000 has not been spent nor allocated.

On May 23, 2023, Rise-Up presented at the City Council Budget Work Session. Rise-Up presented two options for a new multi-use performing arts facility space. One option would involve a five (5) year commitment and the other option would be the initial year, with the expectation that the Rise-Up would ask for funds from the City each year. City Council elected to explore the five (5) year option and expressed support for the City to contribute \$1,938,298 towards a ninety-nine (99) seat multi-use performing arts facility, which would provide funding for lease payments, construction of tenant improvements, and production and technical costs. With the approval of Resolution No. 63-2023, the City Council allocated Rise-Up \$1,938,298 to be paid for five (5) years starting in fiscal year 2023-24.

Staff from both the City and Rise-Up have worked together on a forgivable loan agreement for proposed adoption. The proposed forgivable loan agreement would provide a total of \$1,938,298 to pay for the construction of the tenant improvements for the new multi-use performing arts facility and pay the rent for five (5) years. The agreement further states that the funds would be dispersed as construction expenses are incurred, and for the lease payments quarterly, and can only be used for these expenses. It is proposed that the loan be forgiven over the course of five (5) years, as long as Rise-Up abides by the terms of the agreement summarized as follows:

In each 12-month period following completion of construction:

- **Facility Use:**
 1. Rise-Up shall produce six (6) theatrical productions.
 2. Rise-Up shall provide acting classes for youth and adults.
 3. Rise-Up shall provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as swing bands and vocal groups, (ii) dance groups, and (iii) other theatrical groups. Rise-Up shall provide a preference to, and a discounted rate for, local Rancho Cordova groups that use the facility.
- **Facility management:** Rise-Up shall provide full facility management, to include coordination, prioritization, and scheduling of other groups using the facility. Rise-Up will develop a schedule of events for each year during the term of the Agreement.
- **Program Costs:** The City is not responsible for any costs related to Rise-Up productions.
- **Payment of Construction Costs and Rent:** Rise-Up is responsible for managing and distributing payment for all costs of construction of the Improvements, including but not limited to, permits fees, impact fees, inspection fees, payment due to contractors and subcontractors. Rise-Up is also responsible for payment of Base Rent under the Lease.
- **Outcomes Report:** The Outcomes Report will set forth a description of the services and programs provided during each year. Information provided in the Outcomes Report shall include the number of participants in programs offered and number of attendees at performances produced by Rise-Up. The Outcomes Report will also list the outside groups that have used the facility during the reporting period. Rise-Up will provide photographs as relevant.
- **Community Benefit Report:** Rise-Up shall provide a Community Benefit Report that sets forth information regarding Rise-Up's local civic and business engagement, audience engagement, artist engagement and educational engagement for the prior year, or portion thereof related to the Agreement. Specifically Rise-Up will annually track each of the following:
 1. Civic and business engagement determined by:
 - Rise-Up and City's print, online and social media presence as a result of productions and classes provided by Rise-Up.
 - Publicity and advertising for productions and classes provided by Rise-Up.
 - Support for, and cooperation with, other arts non-profit organizations.
 - Amount of spending with local businesses.
 2. Direct audience survey and ticket data analysis to track residence location, attendance and participation statistics and local business patronage.

3. Direct surveys of actors, musicians, dancers, artistic and technical staff to determine residence location, professional advancement and training and educational advancement.

The loan will be secured with a Construction Promissory Note, a Rent Payment Promissory Note, and a Security Agreement and Fixture Filing. In the event of default under the terms of the agreement, all accrued and unpaid principal and interest on the loan shall immediately be due and payable.

Based on prior direction received from the City Council, a Resolution for a forgivable loan agreement with Rise-Up Theatre Company for the construction of tenant improvements for a new ninety-nine (99) seat multi-use performing arts facility and payment of rent for five (5) years is presented.

FISCAL IMPACT AND FUNDING SOURCE

The funding for the Rise-Up Theatre Company project will come from the City's Community Enhancement and Investment Fund set-aside for legacy projects. The loan for tenant improvement construction costs and rent for five (5) years will be disbursed as project costs are incurred and are anticipated to be paid over the course of fiscal year 2023-24 through 2028-2029.

ATTACHMENT(S)

1. Resolution
2. Phoenix Rising Production Company Loan Agreement
3. Presentation

CITY OF RANCHO CORDOVA**RESOLUTION NO. XX-2024**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE THE FORGIVABLE LOAN AGREEMENT BETWEEN THE CITY OF RANCHO CORDOVA AND PHOENIX PRODUCTION COMPANY DOING BUSINESS AS RISE-UP THEATRE COMPANY FOR THE CONSTRUCTION OF TENANT IMPROVEMENTS AND LEASE PAYMENTS FOR A NINETY-NINE (99) MULTI-USE PERFORMING ARTS FACILITY

WHEREAS, the City Council has established a legacy project set-aside fund within the Community Enhancement and Investment Fund for projects that the City Council deemed as important to the community; and

WHEREAS, at the City Council Budget Work Session on May 23, 2023, the City Council expressed support for the City to contribute \$1,938,298.00 towards the creation of a ninety-nine (99) seat multi-use performing arts facility; and

WHEREAS, the proposed forgivable loan agreement would provide a total of \$1,938,298 to pay for the construction of the proposed improvements and for five (5) years of lease payments and further states that the funds would be dispersed as construction expenses are incurred and rent payments would be disbursed each calendar quarter; and

WHEREAS, it is proposed that the loan be forgiven over the course of five (5) years, as long as the Phoenix Production Company, doing business as Rise-Up Theatre Company complies with conditions outlined in the loan agreement; and

WHEREAS, the loan will be secured with a Security Agreement and Fixture Filing until the loan is fully forgivable after a term of five (5) years. In the event of a default under the terms of the agreement, all accrued and unpaid principal and interest on the loan shall be immediately due and payable.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA that:

1. The above recitals are true and are hereby incorporated into this Resolution.
2. The forgivable Loan Agreement between City of Rancho Cordova and Phoenix Production Company, doing business as Rise-Up Theatre Company is approved in the form on file with the City Clerk and such changes as approved by the City Attorney.
3. The City Manager is hereby authorized to take such actions and execute such documents as are needed to carry out the intent of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 18th day of March 2024 by the following vote:

AYES:

ITEM 12.2.

ATTACHMENT 1

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Stacy Leitner, CMC
City Clerk

David Sander, Mayor

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Agreement**”) is entered into as of _____ (the “**Agreement Date**”) between the City of Rancho Cordova (the “**City**”) and Phoenix Production Company, doing business as Rise Up Theatre Company, a California non-profit public benefit corporation (“**Borrower**”). Borrower and the City may individually be referred to herein as “Party” and are hereinafter collectively referred to as the “**Parties**.”

RECITALS

A. Borrower desires to lease space (the “**Lease**”) located at 11088 Olson Drive, Suites B, C and D, in Rancho Cordova (the “**Property**”) as more particularly described in Exhibit A attached hereto and incorporated herein, and to construct tenant improvements (the “**Improvements**”) in order to create a theater therein (the “**Project**”).

B. Borrower has requested two loans from the City: (i) a loan in the amount of One Million One Hundred Eighty-Five Thousand Five Hundred Twenty-Six Dollars (\$1,185,526.00) to pay for construction of the Improvements (the “**Construction Loan**”) and (ii) a loan in an amount not to exceed Seven Hundred Fifty-Two Thousand Seven Hundred Seventy-Two Dollars (\$752,772.00), to pay for rent and common area expenses in order to lease the Property (the “**Rent Payment Loan**,” and together with the Construction Loan, the “**Loans**”).

C. The City is willing to provide the Loans subject to the terms of this Agreement.

D. Concurrently with the execution of this Agreement, Borrower shall execute (i) a promissory note, substantially in the form attached as Exhibit B attached hereto and incorporated herein by this reference (the “**Construction Note**”), evidencing the Construction Loan, (ii) a promissory note substantially in the form attached as Exhibit C attached hereto and incorporated herein by this reference (the “**Rent Payment Note**,” and together with the Construction Note, the “**Notes**”), and (iii) a security agreement and fixture filing (the “**Security Agreement**”) securing the Loans substantially in the form attached as Exhibit D attached hereto and incorporated herein by this reference. This Agreement, the Construction Note, Rent Payment Note and the Security Agreement are hereinafter collectively referred to as the “**Loan Documents**.”

E. The City has determined that the provision of the Loans to Borrower pursuant to the terms of this Agreement will benefit the health, safety and welfare of the residents of the City.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement agree as follows:

**ARTICLE 1.
LOAN PROVISIONS**

1.1 Construction Loan.

(a) Loan Terms.

(1) Loan Amount. The City agrees to lend to Borrower the amount of One Million One Hundred Eighty-Five Thousand Five Hundred Twenty-Six Dollars (\$1,185,526.00) (the “**Construction Loan Proceeds**”). The Construction Loan shall be evidenced by the Construction Note executed by Borrower.

(2) Loan Interest. Commencing on the date of initial disbursement of all or a portion of Construction Loan Proceeds and continuing through the date that all indebtedness and other amounts payable under this Agreement and the Construction Note are paid in full, interest on the Construction Loan shall accrue at the rate of three percent (3%) per annum on the outstanding principal.

(b) Term. All outstanding principal, outstanding interest, and any other amounts payable under this Agreement is due and payable on the fifth (5th) anniversary of the Agreement Date (the “**Construction Loan Maturity Date**”).

(c) Repayment

(i) Principal. Commencing on the first (1st) anniversary of the Agreement Date and continuing on each anniversary thereafter through the Construction Loan Maturity Date (each, a “**Construction Loan Repayment Date**”), provided that Borrower is not in default under this Agreement, the City shall credit Two Hundred Thirty-Seven Thousand One Hundred Five Dollars (\$237,105.00) annually, representing twenty percent (20%) of Construction Loan principal (each, a “**Construction Loan Repayment Amount**”). Each Construction Loan Repayment Amount credited will reduce the amount of outstanding principal under the Construction Loan.

(ii) Interest. Provided Borrower is not in default under this Agreement, on each Construction Loan Repayment Date, upon receipt of all principal amounts required to be paid or credited pursuant to this Section 1.1(c), all accrued interest to such Construction Loan Repayment Date shall be forgiven by the City and deemed to have been paid by Borrower.

(iii) Default. In the event of a default under this Agreement, all outstanding principal and interest on the Construction Loan shall be immediately due and payable.

(d) Construction Loan Prepayment. Provided Borrower is not in default under this Agreement, the Construction Loan, or any portion of the outstanding principal balance due under the Construction Loan together with interest accrued thereon, may be prepaid at any time, and from time to time, without penalty or premium.

1.2 Rent Payment Loan.

(a) Loan Terms.

(1) Loan Amount. The City agrees to lend to Borrower an amount not to exceed Seven Hundred Fifty-Two Thousand Seven Hundred Seventy-Two Dollars (\$752,772.00) ("**Rent Payment Loan Proceeds**"). The Loan shall be evidenced by the Rent Payment Note executed by Borrower.

(2) Loan Interest. Commencing on the date of initial disbursement of all or a portion of Rent Payment Loan Proceeds and continuing through the date that all indebtedness and other amounts payable under this Agreement and the Rent Payment Note are paid in full, interest on the Rent Payment Loan shall accrue at the rate of three percent (3%) per annum on the outstanding principal.

(3) Escrow. All Rent Payment Loan Proceeds will be held in escrow (the "**Escrow**") at the City and will be disbursed to Borrower in accordance with the procedures set forth in Section 1.9 of this Agreement. Rent Payment Loan Proceeds will not be deemed to be advanced under the Rent Payment Note until they are disbursed to Borrower.

(b) Term. All outstanding principal, accrued, and outstanding interest, and any other amounts payable under this Agreement is due and payable on the fifth (5th) anniversary of the Agreement Date (the "**Rent Payment Loan Maturity Date**").

(c) Repayment. Commencing on the first (1st) anniversary date and continuing on each anniversary thereafter through the Rent Payment Loan Maturity Date (each, a "**Rent Payment Loan Repayment Date**"), provided that Borrower is not in default under this Agreement, the City shall forgive one hundred percent (100%) of all principal and interest owed under the Rent Payment Loan as of that Rent Payment Loan Repayment Date.

(iii) Default. In the event of a default under this Agreement, all outstanding principal and interest on the Rent Payment Loan shall be immediately due and payable.

(d) Rent Payment Loan Prepayment. Provided Borrower is not in default under this Agreement, Rent Payment Loan or any portion of the outstanding principal balance due under Rent Payment Loan may be prepaid at any time, and from time to time, without penalty or premium.

1.3 Due on Termination of Lease. Unless the City agrees otherwise in writing, the outstanding principal balance and all interest and other sums outstanding under the Loan Documents shall be due and payable upon the termination of the Lease for any reason ("**Termination**").

1.4 Security. As security for repayment of the Notes, Borrower shall execute the Security Agreement pursuant to which Borrower shall provide the City a lien against certain collateral, as described in the Security Agreement. The Security Agreement shall be dated as of the Agreement Date and shall be recorded in the official records of Sacramento County.

1.5 Conditions Precedent to the City's Obligation to Disburse. The obligation of the City to fund the Loans and disburse the proceeds thereof is conditioned upon the receipt by the City of the following:

- (a) The executed Loan Documents, acknowledged where appropriate;
- (b) A copy of Borrower's enabling operating agreement or enabling documents, certificate of good standing, corporate borrowing resolution and such other evidence satisfactory to the City that Borrower is duly formed, validly existing, in good standing under the laws of the State of California, has the power and authority to enter into the Loan Documents, and shall be bound by their terms when executed and delivered;
- (c) Borrower's delivery to the City of each of the following:
 - (1) copy of Borrower's Articles of Incorporation;
 - (2) copy of Borrower's Bylaws;
 - (3) certified resolution indicating that Borrower has authorized this transaction and that the persons executing the Loan Documents on Borrower's behalf have been duly authorized to do so;
 - (4) a copy of the Lease signed by Borrower.
 - (5) a signed copy of the contract with the general contractor that will construct the Improvements.

1.6 No Obligation to Disburse Proceeds upon Default. Notwithstanding any other provision of this Agreement, the City shall have no obligation to disburse any

portion of the Construction Loan Proceeds or Rent Payment Loan Proceeds if Borrower's representations and warranties fail to be true and correct in all material respects.

1.7 Use of Funds. Borrower agrees to use the Construction Loan Proceeds solely to pay for cost of construction of the Improvements and Rent Payment Loan Proceeds solely to pay for monthly rent under the Lease.

1.8 Disbursement of Construction Loan Proceeds. Upon satisfaction of the conditions set forth in Section 1.5 herein together with execution of this Agreement and the Notes, the City shall disburse the Construction Loan Proceeds following Borrower's provision to the City of a written requisition, in form and substance satisfactory to the City, specifying the amount and use of the requested Construction Loan proceeds, accompanied by copies of bills and invoices and such other documentation as the City may reasonably require. Subsequent disbursements shall be made to Borrower no more than once per calendar month, upon the City's receipt of written requisitions and supporting documentation as described in this Section. The City will disburse Construction Loan Proceeds requested within fourteen (14) business days of receipt of the requisition described above.

1.9 Disbursement of Rent Loan Proceeds. On the Agreement Date, the City will disburse Rent Loan Proceeds into the Escrow. Upon written request from Borrower, the City will disburse funds from the Escrow to Borrower representing the amount of the Security Deposit, Base Rent and Common Area Operating Expenses (as such terms are defined in the Lease) due upon the signing of the Lease. Thereafter, the City will disburse Rent Loan Proceeds in the amount of \$7,457.40, representing Base Rent due, at the end of each Calendar Quarter, commencing on March 31, 2024 (or the business day closest to the last day of each Calendar Quarter) for payment of Base Rent for the following three (3) months.

ARTICLE 2. LOAN REQUIREMENTS

2.1 Facility Use. In each 12 month period following completion of construction of the Improvements Borrower will comply with the following requirements:

- (a) Borrower shall produce six (6) theatrical productions.
- (b) Borrower shall provide acting classes for youth and adults.
- (c) Borrower shall provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as concert bands, orchestras, swing bands and vocal groups, (ii) dance

groups, and (iii) other theatrical groups. Borrower shall provide a preference to, and a discounted rate for, local Rancho Cordova groups that use the facility.

2.2 Facility Management. Borrower shall provide full facility management, to include coordination, prioritization, and scheduling of other groups using the facility. Borrower will develop a schedule of events for each year during the term of this Agreement.

2.3 Production Costs. City is not responsible for any costs related to Borrower's productions.

2.4 Payment of Construction Costs and Rent. Borrower is responsible for managing and distributing payment for all costs of construction of the Improvements, including but not limited to, permit fees, impact fees, inspection fees, payments due to contractors and subcontractors. Borrower is also responsible for payment of Base Rent under the Lease.

2.5 Outcomes Report. Following completion of the construction of the Improvements, Borrower will provide a report (the "**Outcomes Report**") to the City every twelve (12) months. The Outcomes Report will set forth a description of the services and programs provided during the past twelve months. Information provided in the Outcomes Report shall include the number of participants in programs offered and the number of attendees at performances produced by Borrower. The Outcomes Report will also list the outside groups that have used the facility during such period. Borrower is encouraged to include photographs in the Outcomes Report.

2.6 Community Benefit Report. On the 3rd Monday following the end of each calendar year, Borrower shall provide a report (the "**Community Benefit Report**") that sets forth information regarding Borrowers local civic and business engagement, audience engagement, artist engagement and educational engagement for the prior year, or portion thereof related to this Agreement. Specifically Borrower will annually track each of the following:

(a) Civic and business engagement, determined by:

(1) Borrower and City's print, online and social media presence as a result of productions and classes provided by Borrower.

(2) Publicity and advertising for productions and classes provided by Borrower.

(3) Support for, and cooperation with, other arts non-profit organizations.

(4) Amount of spending with local businesses.

(b) Direct audience survey and ticket data analysis to track residence location, attendance and participation statistics and local business patronage.

(c) Direct surveys of actors, musicians, dancers, artistic and technical staff to determine residence location, professional advancement and training and educational advancement.

ARTICLE 3. BORROWER REPRESENTATIONS AND WARRANTIES

3.1 Duly Organized. Borrower warrants that it is duly organized under applicable laws of the State of California, is qualified to do business in the City, and is in compliance in all material respects with all laws and regulations necessary to lease the Property and construct the Improvements.

3.2 Authority. Borrower warrants that it has authority, and has completed all proceedings and obtained all approvals necessary to execute, deliver, and perform its obligations under the Loan Documents and the transactions contemplated thereby.

3.3 No Contravening Agreements. Borrower warrants that the execution, delivery, and performance of the Loan Documents will not contravene, or constitute a default under or result in a lien upon assets of Borrower pursuant to any applicable law or regulation, any charter document of Borrower, or any instrument binding upon or affecting Borrower, or any contract, agreement, judgment, order, decree, or other instrument binding upon or affecting Borrower.

3.4 Valid and Binding Obligations. Borrower warrants that, when duly executed by Borrower, this Agreement and the Notes shall constitute the valid and binding obligations of Borrower enforceable in accordance with their respective terms. Borrower hereby waives any defense to the enforcement of the terms of the Loan Documents related to alleged invalidity of any provisions or conditions contained therein.

3.5 No Adverse Action. Borrower warrants that there is no action, suit or proceeding pending or threatened against it which might adversely affect Borrower in any material respect.

**ARTICLE 4.
BORROWER COVENANTS**

4.1 Use of Proceeds. Borrower covenants that it shall use the Construction Loan Proceeds and Rent Payment Loan Proceeds solely for the purpose of financing the cost of construction of Improvements and payment of Base Rent.

4.2 Punctual Payment. Borrower covenants to punctually pay the principal on the Construction Loan and Rent Payment Loan, and interest accrued thereon, at the times and place and in the manner specified herein and in the Notes.

4.3 Taxes and Other Liabilities. Borrower shall pay and discharge when due any and all indebtedness, obligations, assessments, taxes, including federal and state income taxes, property taxes, and special taxes or assessments due which are the obligations of Borrower in relation to the Property except those that Borrower may in good faith contest or as to which a bona fide dispute may arise, provided provision is made to the satisfaction of the City for eventual payment thereof in the event that it is found that the same is an obligation of Borrower.

4.4 Compliance with Laws. Borrower covenants to comply with all federal, state and local laws, regulations, ordinances and rules applicable to the Property and the Construction of the Improvements. Without limiting the generality of the foregoing, Borrower shall comply with all applicable requirements of state and local building codes and regulations, and all applicable statutes and regulations relating to accessibility for the disabled.

4.5 Assignment. Borrower shall not cause or permit any voluntary transfer, assignment or conveyance of this Agreement. Any transfer, assignment or conveyance shall be voidable and shall constitute a default under Section 6 of this Agreement.

4.6 Insurance. Borrower covenants to maintain insurance equivalent to a commercial general liability policy in the amount of One Million Dollars (\$1,000,000) combined single limit, including contractual liability coverage. Such insurance shall be written on an occurrence basis and shall name the City as loss payee as its interests may appear. Borrower covenants to maintain and keep the Property insured against loss or damage by earthquake, fire and such other hazards, casualties and contingencies and by such companies on such forms and in the amount of the replacement cost of the Property and any improvements thereon, and shall deliver a copy of all such policies to the City, together with receipts satisfactory to the City evidencing payment of the premiums. Borrower shall provide the City not less than thirty (30) days advance written notice of the cancellation, expiration or termination of any such policy or any material change in the coverage afforded by it. Renewal policies and any replacement policies, together with premium receipts satisfactory to the City, shall be delivered to the City at least thirty (30) calendar days prior to the expiration of existing policies. Neither Borrower nor the City shall by reason of accepting, rejecting,

approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses. All insurance proceeds for such losses must be utilized for the repair or restoration of the Property and Improvements.

4.7 Accounting Records; Property Inspection. Borrower covenants to maintain accurate books and records in accordance with standard accounting principles consistently applied, and to permit the City, during business hours and upon at least 72 hours written notice to inspect, audit and examine such books and records with respect to the Project, the Property and the Loan Documents and to inspect the Property and Improvements during normal business hours upon reasonable notice.

4.8 Maintenance. During the Term of this Agreement, Borrower shall maintain the Property in good repair and in a neat, clean and orderly condition. If there arises a condition in contravention of this requirement, and if Borrower has not cured such condition within thirty (30) days after receiving notice of such a condition, then in addition to any other rights available to the City, the City shall have the right to perform all acts necessary to cure such condition. In the event that City must cure such condition, Borrower shall reimburse City for costs incurred by the City within thirty (30) days of receipt of an invoice setting forth the amount due from Borrower.

4.9 Indemnification. Borrower shall indemnify, defend (with counsel reasonably acceptable to the City), and hold harmless the City and its elected and appointed officials, officers, agents, and employees (collectively the “**Indemnitees**”), from and against, and shall pay on demand, any and all losses, liabilities, damages, costs, claims, demands, penalties, fines, orders, judgments, injunctive or other relief, expenses and charges (including attorneys’ fees and expenses of attorneys) (collectively “**Liabilities**”) arising directly or indirectly in any manner in connection with or as a result of (a) any breach of Borrower’s covenants under the Loan Documents, (b) any failure of Borrower’s representations and warranties to be true and correct in all material respects when made, (c) any injury or death to persons or damage to property or other loss occurring on the Property, whether caused by the negligence or any other act or omission of Borrower or any other person or by negligent, faulty, inadequate or defective design, building, construction or maintenance or any other condition or otherwise, or (d) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee which relates to or arises out of the Loan, the Loan Documents, or any transaction contemplated thereby, or any failure of Borrower to comply with all applicable state, federal and local laws and regulations, provided that no Indemnitee shall be entitled to indemnification under this Section for matters caused by such Indemnitee’s gross negligence or willful misconduct. The obligations of Borrower under this Section shall survive the expiration or termination of this Agreement.

4.10 Notice to the City. Within three (3) business days after any of the following shall occur, Borrower shall provide written notice thereof to the City: (1) the

occurrence of any Event of Default hereunder of which Borrower acquires knowledge; (2) any change in name, identity, legal structure, business location, or address of Borrower; (3) any uninsured or partially uninsured loss affecting the Property or the Improvements through fire, theft, liability, or property damage in excess of an aggregate of Fifty Thousand Dollars (\$50,000); and (4) Borrower's receipt of a notice of default under any other financing document affecting the Property or the Improvements.

Until the Loan is repaid or credited in full, Borrower covenants that it will promptly notify the City in writing of the occurrence of any event which might materially and adversely affect its ability to perform its obligations under the Notes, or which constitutes, or with the giving of notice or passage of time or both would constitute, an Event of Default under this Agreement. Such occurrences include, but are not limited to, the threat or initiation of lawsuits or administrative proceedings against Borrower that results in a final judgment, order or decree that has a materially adverse effect on the business of Borrower and its ability to perform its obligations under this Agreement or the Notes, the revocation of material operating licenses, or problems with vendors, suppliers, or customers that has a materially adverse effect on the business of Borrower and its ability to perform its obligations herein.

4.11 Sublease of Property. Unless the City agrees and approves tenants in writing, Borrower shall not convey all or any part of the Property by sublease.

4.12 Expenses of Collection or Enforcement. If at any time Borrower defaults under any provision of the Loan Documents, Borrower shall pay to the City in addition to any other sums that may be due to the City, an amount equal to the costs and expenses (including without limitation, attorneys' fees and expenses) the City incurs in connection with the collection, enforcement, or correction of the default, and such amounts shall be a part of the indebtedness secured by the Security Agreement.

4.13 Non-Discrimination. Borrower covenants by and for itself, and any successors in interest, 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, nor shall Borrower itself or any person claiming under or through it establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of Borrower. The foregoing covenants shall run with the land.

4.14 Prevailing Wages. Borrower and all of Borrower's contractors shall comply with California Labor Code Section 1720 et seq. and all regulations adopted pursuant thereto (collectively, "**Prevailing Wage Laws**"), and be responsible for carrying out the requirements of such provisions. Borrower shall, and hereby agrees to,

unconditionally indemnify, reimburse, defend, protect and hold harmless the City and its elective and appointive boards, commissions, officers, agents, attorneys, consultants and employees, and all of their respective successors and assigns, from and against any and all claims, demands, suits and actions at law or in equity, and losses, liabilities, expenses, penalties, fines, orders, judgments, injunctive or other relief, and costs and damages of every kind, nature and description (including but not limited to attorneys' fees and court costs; with counsel reasonably acceptable to the City), and administrative, enforcement or judicial proceedings, whether known or unknown, and which directly or indirectly, in whole or in part, are caused by, arise from, or relate to, or are alleged to be caused by, arise from, or relate to, the payment or requirement of payment of prevailing wages or the requirement of competitive bidding in the construction of the Project, the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including but not limited to California Labor Code Section 1720 et seq. and the Prevailing Wage Laws, or any act or omission of the City or Borrower related to this Agreement with respect to the payment or requirement of payment of prevailing wages or the requirement of competitive bidding, whether or not any insurance policies shall have been determined to be applicable to any such claims, demands, suits, actions, losses, liabilities, expenses, penalties, fines, orders, judgments, injunctive or other relief, costs, damages, or administrative, enforcement or judicial proceedings. It is further agreed that the City does not, and shall not, waive any rights against Borrower which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by the City, or the deposit with the City by Borrower, of any of the insurance policies described in this Agreement.

If applicable, as provided in California Labor Code Section 1720 et seq., the hourly and daily rate of wages to be paid each of the classes of mechanics and worker employed in connection with construction of the Improvements shall not be less than the rate of such wages then prevailing in Sacramento County. If Prevailing Wages applies to construction of Improvements, Borrower agrees to and shall forfeit, as a penalty to the City, the sums established and applicable pursuant to California Labor Code Section 1720 et seq. for each calendar day or portion thereof that each workman employed in connection with the Improvements is paid less than the rates designated in this paragraph for any work performed under this Agreement by Borrower or any contractors or agents of Borrower; or is not reported to the labor commissioner and the City as required pursuant to California Labor Code Section 1720 et seq.

ARTICLE 5. ENVIRONMENTAL REQUIREMENTS

5.1 Hazardous Materials. Borrower shall not cause or permit any Hazardous Materials (as defined in below) to be brought upon, kept, stored or used in, on, or about the Property by Borrower, or the agents, employees, contractors or invitees of Borrower except for materials commonly used in construction activities similar to those related to

the Improvements, or in the operation and maintenance of the Property and the Improvements, in each case in compliance with all applicable laws, and shall not cause any release of Hazardous Materials into, onto, under or through the Property. If any Hazardous Material is discharged, released, dumped, or spilled in, on, under, or about the Property and results in any contamination of the Property or adjacent property, or otherwise results in the release or discharge of Hazardous Materials in, on, under or from the Property, Borrower shall promptly take all actions at Borrower's sole expense as are necessary to comply with all Hazardous Materials Laws (as defined below).

5.2 Definitions.

5.2.1 Hazardous Materials. As used in this Agreement, "**Hazardous Materials**" means any substance, material, or waste which is or becomes regulated by any local, state or federal authority, agency or governmental body, including any material or substance which is: (i) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "pollutant," or any other terms comparable to the foregoing terms under any provision of California law or federal law as any such statutes and regulations now exist or may hereafter be amended, (ii) petroleum or petroleum products; (iii) asbestos; (iv) polychlorinated biphenyls, (v) radioactive chemicals, (vi) any material determined to be hazardous based on deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity or toxicity, (vii) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317); (viii) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. (42 U.S.C. §6903); (ix) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, et seq; or (x) determined by California, federal or local governmental authority to be capable of posing a risk of injury to health, safety or property.

5.2.2 Hazardous Materials Laws. As used in this Agreement, "**Hazardous Materials Laws**" means all federal, state and local laws, ordinances, regulations, orders and directives pertaining to Hazardous Materials, including without limitation, the laws, statutes and regulations cited in the preceding Section 4.1.1, as they may be amended from time to time.

5.3 Indemnification. Borrower shall indemnify, defend (with counsel reasonably acceptable to the City), and hold the Indemnitees harmless from and against liabilities arising directly or indirectly in any manner in connection with or as a result of the breach of Borrower's covenants set forth in Section 5.1 or the actual or alleged release or presence of any Hazardous Materials on, under, in or about the Property, whether known or unknown, foreseeable or unforeseeable, regardless of the source of such release or when such release occurred or such presence is discovered. The foregoing indemnity includes, without limitation, all costs of investigation, assessment, containment, removal, remediation of any kind, and disposal of such Hazardous Materials, all costs of determining whether the Property is in compliance with Hazardous

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Materials Laws, all costs associated with bringing the Property into compliance with all applicable Hazardous Materials Laws, and all costs associated with claims for damages or injury to persons, property, or natural resources. The indemnity described in this Section shall survive the expiration or termination of this Agreement, the making and repayment of the Loan, the release or reconveyance of the Security Agreement, and any foreclosure proceeding, foreclosure sale or delivery of deed in lieu of foreclosure. Borrower's indemnity obligations under this Section will not extend to claims resulting solely from Indemnitees' gross negligence or willful misconduct.

ARTICLE 6. DEFAULT AND REMEDIES

6.1 Events of Default. Each of the following events will constitute an event of default ("**Event of Default**") under this Agreement:

(a) Failure to Make Payments. If Borrower fails to pay when due the principal and interest payable under the Notes and such failure continues for ten (10) calendar days after the City notifies Borrower thereof in writing.

(b) Failure to Comply with Loan Requirements. Borrower's failure to comply with the Loan requirements set forth in Article 2 of this Agreement specifically as follows:

1. Failure to produce six theatrical productions per twelve months.
2. Failure to provide acting classes for youth and adults.
3. Failure to provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as concert bands, orchestras, swing bands and vocal groups, (i) dance groups, and (iii) other theatrical groups. Borrower shall provide a preference to, and a discounted rate for, local Rancho Cordova groups that use the facility.
4. Failure to provide full facility management, to include coordination, prioritization, and scheduling of other groups using the facility. Borrower will develop a schedule of events for each year during the term of this Agreement.
5. Failure to managing and distributing payment for all costs of construction of the Improvements, including but not limited to, permit fees, impact fees, inspection fees, payments due to contractors and subcontractors. Borrower is also responsible for payment of Base Rent under the Lease.

6. Failure to provide the Outcomes Report twelve (12) months following the completion of the construction of the Improvements, and annually on the completion date thereafter. The Outcomes Report will set forth a description of the services and programs provided during the past twelve months. Information provided in the Outcomes Report shall include the number of participants in programs offered and the number of attendees at performances produced by Borrower. The Outcomes Report will also list the outside groups that have used the facility during such period. Borrower is encouraged to include photographs in the Outcomes Report.
7. Failure to provide the Community Benefit Report by the 3rd Monday following the end of each calendar year.

(c) Noncompliance with Loan Documents. Borrower's failure to perform any promise, agreement, covenant or obligation contained in the Loan Documents after any applicable cure periods.

(d) Noncompliance with Governmental Requirements. Borrower's failure to timely comply with any governmental requirements, including but not limited to obtaining licenses and permits.

(e) False Representations. If any material representation or disclosure made to the City by Borrower in connection with the Loan Documents proves to be false or misleading in any material adverse respect when made.

(f) Bankruptcy. The filing by or against Borrower of a voluntary or involuntary petition in bankruptcy or the adjudication of Borrower as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or the seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator of Borrower or any substantial part of or all of the property of Borrower, and if any such proceeding is not dismissed within sixty (60) days; Borrower is named in any such proceeding and the same is not dismissed within one hundred twenty (120) days.

(g) Sublease. Conveyance of all or a portion of the Property by sublease without the prior written consent of such conveyance by the City.

6.2 Declaring Default. Whenever any Event of Default has occurred, other than failure to pay any sums due under this Agreement, the City shall give written notice

of default to Borrower. If the default is not cured within thirty (30) business days after the Date of Default (defined herein), or any extension approved in writing by the City, the City may enforce its rights and remedies under Section 6.3 below.

6.3 Remedies. Upon the occurrence of any Event of Default, in addition to its other rights in this Agreement, and the Notes, at law, or in equity, the City may exercise any one or more of the following rights and remedies:

(a) proceed at law, or in equity, to require Borrower to perform its obligations and covenants under the Loan Documents; and

(b) proceed as authorized at law or in equity with respect to the Event of Default, and in connection with that, pursue any and all other remedies available under law to enforce the terms of this Agreement or any other Loan Document.

The remedies provided herein are cumulative and not exclusive of, and shall not prejudice any other remedy provided in any Loan Document.

6.4 Costs and Expenses. Borrower shall pay all reasonable costs and expenses incurred by or on behalf of the City including, without limitation, reasonable attorneys' fees, incurred in connection with the City's enforcement of the Loan Documents 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 Security Agreement.

ARTICLE 7. MISCELLANEOUS

7.1 Relationship of Parties. Nothing contained in this Agreement shall be construed as creating the relationship of employer and employee or principal and agent between the City and Borrower or Borrower's agents or employees, and Borrower shall at all times be deemed a borrower and shall be wholly responsible for the manner in which it or its agents, or both, perform under this Agreement.

7.2 No Third Party Claims. Nothing contained in this Agreement shall create or justify any claim against the City by any third person whom Borrower may have employed or contracted or may employ or contract relative to the purchase of any material, supplies or equipment, or the furnishing or the performance of any work or services with respect to any programs or projects being undertaken by Borrower.

7.3 Conflict of Interest. Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of the City or Borrower who exercises or has exercised any function or responsibilities with respect to activities assisted by the City, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities assisted under this Agreement, may obtain a personal or financial interest in or benefit from the activities

assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter.

7.4 Notices. Any notice, request or consent required pursuant to this Agreement shall be deemed delivered upon receipt when delivered personally or by facsimile transmission, provided that a transmission report is generated reflecting the accurate transmission thereof, or three (3) business days after being deposited in the U.S. mail, first class postage prepaid, return receipt requested, or one (1) day after deposit with a nationally recognized overnight carrier addressed as follows:

City: City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: City Manager

Borrower: Phoenix Production Company
dba Rise Up Theatre Company
2710 La Verta Court
Rancho Cordova, CA 95679
Attn: Courtney Conklin

or to such other addresses as the parties may designate by notice as set forth above.

7.5 Successors and Assigns. All of the terms of this Agreement shall apply to and be binding upon, and inure to the benefit of, the successors and permitted assigns of the City and Borrower, respectively, and all persons claiming under or through them.

7.6 Attorneys' Fees. If any action is instituted by any Party to this Agreement to enforce this Agreement, the Loan or the Notes, or to collect any sums due hereunder or pursuant to the Loan or the Notes, the prevailing Party in such action shall be entitled to recover its costs and reasonable attorneys' fees as awarded by the court in that action.

7.7 Severability. If one or more provisions of this Agreement are found invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions shall not in any way be affected, prejudiced, disturbed or impaired thereby, and all other provisions of this Agreement shall remain in full force and effect.

7.8 Amendments/Entire Agreement. The City and Borrower reserve the right to amend this Agreement by mutual consent. It is mutually understood and agreed that no amendment, modification, alteration or variation of the terms of this Agreement shall be valid unless in writing and signed and acknowledged and approved by both parties.

This Agreement constitutes the entire agreement of the parties and no oral understandings or agreement not incorporated herein shall be binding on either Party.

7.9 Joint and Several Liability. If Borrower consists of more than one entity, each shall be jointly and severally liable to the City for the performance of this Agreement.

7.10 Time. Time is of the essence in the performance of the terms and conditions of this Agreement.

7.11 Governing Law. The laws of the State of California shall govern this Agreement.

7.12 Non-Liability.

(a) City Officials, Employees and Agents. No member, official, employee or agent of the City shall be personally liable to Borrower, or any successor in interest to Borrower, in the event of any default or breach by the City or for any amount which may become due to Borrower or any successor under the terms of this Agreement.

(b) Phoenix Production Company DBA Rise Up Theatre Company. No board member, staff, employee, volunteer, or agent shall be personally liable to City, or any successor in interest to City, in the event of any default, failure to pay, or breach by the Borrower for any amount which may become due to City or any successor under the terms of this Agreement.

7.13 City's Rights and Consent. No forbearance, failure or delay by the City in exercising any right, power or remedy, nor any single or partial exercise by the City of any right or remedy hereunder shall preclude the further exercise of such right, power or remedy.

The City's consent to any act or omission by Borrower may not be construed as the City's consent to any other or subsequent act or omission or as a waiver of the requirement to obtain the City's consent in any other instance. All of the City's rights, powers and remedies are cumulative and shall continue in full force and effect until specifically waived in writing by the City.

7.14 Duration/Survival. This Agreement shall continue in full force and effect until the obligations due under this Agreement and the Notes have been paid in full. Notwithstanding the foregoing, the indemnification provisions of Section 4.9, Section 4.14 and Section 5.3 of this Agreement shall survive the expiration of this Agreement and the making and repayment of the Loan.

7.15 Assignment or Assumption. This Agreement and the Loan Documents may not be assigned to, or assumed by, a third party. Any attempt to assign or assume the Loan Documents shall be void.

7.16 Headings. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement.

7.17 Counterparts, Facsimile Copies. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement shall be effective upon transmission by any Party to the other parties of a fully signed facsimile copy of the Agreement after the formal approval by the governing body of the City, so long as a copy of the Agreement signed by the transmitting Party is delivered to the other parties within five (5) business days thereafter. In case of any conflict, the counterpart maintained by the City shall be deemed to be determinative.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the City and Borrower have executed this Agreement as of the date first above written.

City of Rancho Cordova

Phoenix Production Company

By: _____

Micah Runner
City Manager

By _____

Title: _____

ATTEST:

By: _____

Stacy Leitner
City Clerk

Approved as to Form

By: _____

Adam Lindgren
City Attorney

5533949.3

5437748.3

EXHIBIT A

PROPERTY DESCRIPTION

EXHIBIT B**FORM OF PROMISSORY NOTE**
CONSTRUCTION PROMISSORY NOTE

Rancho Cordova, California

FOR VALUE RECEIVED, the undersigned Phoenix Productions Company, a California non-profit public benefit company, doing business as Rise Up Theatre Company ("**Maker**" or "**Borrower**"), promises to pay to the City of Rancho Cordova, a California municipal corporation (the "**City**" or "**Holder**"), in lawful money of the United States the principal sum of One Million One Hundred Eighty-Five Thousand Five Hundred Twenty-Six Dollars (\$1,185,526.00) (the "**Construction Loan**"), or so much thereof as may be advanced by the City pursuant to the loan agreement described in Paragraph 1 below, together with interest on the outstanding principal balance in accordance with the terms and conditions described herein.

1. This Promissory Note ("**Construction Note**") has been executed and delivered pursuant to the terms of (i) a Loan Agreement dated as of _____ ("**Loan Agreement**") between Borrower and the City, which details the terms and conditions under which Holder agrees to lend to Maker and Maker agrees to borrow up to One Million One Hundred Eighty-Five Thousand Five Hundred Twenty-Six Dollars (\$1,185,526.00) to fund certain construction costs of the Improvements, and (ii) a Security Agreement executed by Borrower for the benefit of the City to secure this Construction Note (the "**Security Agreement**"). The rights and obligations of Maker under this Construction Note shall be governed by the Loan Agreement and by the terms set forth in this Construction Note. Capitalized terms used but not defined herein shall have the same meaning as set forth in the Loan Agreement.

2. Loan Terms.

(a) Term. All outstanding principal, outstanding interest, and any other amounts payable under this Construction Note is due and payable on _____ (the "**Construction Loan Maturity Date**".)

(b) Interest Rate. Commencing on the date of initial disbursement of all or a portion of Construction Loan Proceeds and continuing through the date that all indebtedness and other amounts payable under this Construction Note are paid in full, interest on the Construction Loan shall accrue at the rate of three percent (3%) per annum on the outstanding principal.

3. Terms of Repayment.

(a) Principal. Commencing on _____ and continuing on each anniversary thereafter through the Construction Loan Maturity Date (each, a “**Construction Loan Repayment Date**”), provided that Borrower is not in default under the Loan Agreement, the City shall credit Two Hundred Thirty-Seven Thousand One Hundred Five Dollars (\$237,105.00) annually, representing twenty percent (20%) of Construction Loan principal (“**Construction Loan Repayment Amount**”). Each Construction Loan Repayment Amount credited will reduce the amount of outstanding principal under the Construction Loan.

(b) Interest. Provided Borrower is not in default under the Loan Agreement, on each Construction Loan Repayment Date, upon receipt of all principal amounts required to be paid or credited pursuant to this Section 3(b), all accrued interest to such Construction Loan Repayment Date shall be forgiven by the City and deemed to have been paid by Borrower.

(c) Default. **In the event of a default under the Loan Agreement, all outstanding principal and interest on the Construction Loan shall be immediately due and payable.**

(d) Place and Manner of Payment. Payment shall be made in lawful money of the United States at Holder’s address for notices set forth in Section 6.4 of the Loan Agreement, or to any other addresses as Holder may hereafter designate, in accordance with Section 6.4.

(e) Lawful Interest. Notwithstanding any other provisions of this Construction Note, or any instrument securing the obligations of Maker under this Construction Note, if, for any reason whatsoever, the payment of any sums by Maker pursuant to the terms of this Construction Note would result in the payment of interest which would exceed the amount that Holder may legally charge under the laws of the State of California, then the amount by which payment exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Construction Note, so that in no event shall Maker be obligated under the terms of this Construction Note to pay any interest which would exceed the lawful rate.

(f) Construction Loan Prepayment. Provided Borrower is not in default under Article 6 of the Loan Agreement, this Construction Note, or any portion of the outstanding principal balance due under Construction Loan, may be prepaid at any time, and from time to time, without penalty or premium.

(g) Security. As security for repayment of this Construction Note, Borrower shall execute the Security Agreement in favor of the City as beneficiary pursuant to which the City shall be provided a lien against the Property and the Improvements. The Security Agreement shall be dated as of the Agreement Date and shall be recorded in the official records of Sacramento County. The Security Agreement

may be subordinated only to such liens and encumbrances as the City shall approve in writing.

4. Events of Default. Each of the following events will constitute an event of default ("**Event of Default**") under this Construction Note:

(a) Failure to Make Payments. If Borrower fails to pay when due the principal and interest payable under this Construction Note and such failure continues for ten (10) calendar days after the City notifies Borrower thereof in writing.

(b) Failure to comply with Loan Requirements. Borrower's failure to comply with the Loan requirements set forth in Article 2 of the Loan Agreement, specifically as follows:

- I. Failure to produce six theatrical productions per twelve months.
- II. Failure to provide acting classes for youth and adults.
- III. Failure to provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as concert bands, orchestras, swing bands and vocal groups, (ii) dance groups, and (iii) other theatrical groups. Borrower shall provide a preference to, and a discounted rate for, local Rancho Cordova groups that use the facility.
- IV. Failure to provide full facility management, to include coordination, prioritization, and scheduling of other groups using the facility. Borrower will develop a schedule of events for each year during the term of this Agreement.
- V. Failure to managing and distributing payment for all costs of construction of the Improvements, including but not limited to, permit fees, impact fees, inspection fees, payments due to contractors and subcontractors. Borrower is also responsible for payment of Base Rent under the Lease.
- VI. Following completion of the construction of the Improvements, failure to provide a report (the "**Outcomes Report**") to the City every twelve (12) months. The Outcomes Report will set forth a description of the services and programs provided during the past twelve months. Information provided in the Outcomes Report shall include the number of participants in programs offered and the number of attendees at performances produced by Borrower. The Outcomes Report will also list the outside groups that have used

the facility during such period. Borrower is encouraged to include photographs in the Outcomes Report.

VII. Failure to provide on the 3rd Monday of each calendar year, a report (the “**Community Benefit Report**”).

(c) **Noncompliance with Loan Documents.** Borrower’s failure to perform any promise, agreement, covenant or obligation contained in the Loan Documents after any applicable cure periods.

(d) **Noncompliance with Governmental Requirements.** Borrower’s failure to timely comply with any governmental requirements, including but not limited to obtaining licenses and permits.

(e) **False Representations.** If any material representation or disclosure made to the City by Borrower in connection with the Loan Documents proves to be false or misleading in any material adverse respect when made.

(f) **Bankruptcy.** The filing by or against Borrower of a voluntary or involuntary petition in bankruptcy or the adjudication of Borrower as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or the seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator of Borrower or any substantial part of or all of the property of Borrower, and if any such proceeding is not dismissed within sixty (60) days; Borrower is named in any such proceeding and the same is not dismissed within one hundred twenty (120) days.

(g) **Sublease.** Conveyance of all or a portion of the Property by sublease without the prior written consent of such conveyance by the City.

5. **No Waiver or Consent.** The failure by Holder to assert its rights upon the occurrence of an Event of Default, or the waiver by Holder of its rights upon any Event of Default, shall not constitute a consent to or waiver of Holder’s rights with respect to any other Event of Default.

6. **Default Interest.** Upon the occurrence of any Event of Default, all principal and interest thereon outstanding under this Construction Note will become immediately due and payable, and interest will accrue at the rate of eight and one-half percent (8.5%) per annum, compounded annually on each anniversary of the Agreement Date until all amounts due and payable under this Note are paid in full.

7. **Remedies.** Upon the occurrence of any Event of Default, in addition to its other rights in this Construction Note and the Loan Agreement, at law, or in equity,

Holder may exercise any one or more of the following rights and remedies without prior demand:

(a) accelerate and declare the entire outstanding principal balance of this Construction Note together with all outstanding interest thereon, and all other sums owing to the City immediately due and payable; and

(b) proceed at law, or in equity, to require Borrower to perform its obligations and covenants under the Loan Documents; and

(c) proceed as authorized at law or in equity with respect to the Event of Default, and in connection with that, pursue any and all other remedies available under law to enforce the terms of this Agreement and any other Loan Document.

The remedies provided herein are cumulative and not exclusive of, and shall not prejudice any other remedy provided in any Loan Document.

8. Maker's Waivers.

I. Additional Security. Maker expressly agrees that Holder may accept further security for this Construction Note, all without in any way affecting the obligations of Maker under this Construction Note.

II. Original Liability. No extension of time for payment of this Construction Note or any installment hereof made by agreement by Holder with any person now or hereafter liable for the payment of this Construction Note shall operate to release, discharge, modify, change or affect the original liability of Maker under this Construction Note, either in whole or in part.

III. Obligations Absolute. The obligations of Maker under this Construction Note shall be absolute and Maker waives any and all rights to offset, deduct or withhold any payments or charges due under this Construction Note for any reasons whatsoever.

IV. Waivers. Maker hereby waives (i) any notice of default or delinquency in addition to any notice expressly required by this Construction Note; (ii) notice of acceleration; (iii) any notice of nonpayment in addition to any notice required by this Construction Note; (iv) notice of costs, expenses, losses and interest thereon; (v) notice of interest on interest and late fees; (vi) diligence in taking any action to collect any sums owing under this Construction Note or in proceeding against any of the rights and interest in and to properties securing payment of this Construction Note; and (vii) presentment for payment, demand, protest, and notices of dishonor and/or protest.

9. Holder Forbearance. No waiver of any breach, default or failure of condition under the terms of this Construction Note or the Loan Agreement or the obligations secured thereby shall be implied from any failure of Holder to take, or any delay by Holder in taking, action with respect to such breach, default or failure or from any previous waiver of any similar or unrelated breach, default or failure; and a waiver of any term of this Construction Note or the Loan Agreement must be made in writing and shall be limited to the express written terms of such waiver.

10. Miscellaneous Provisions.

I. Notices. All notices to Holder or Maker shall be given in the manner and at the addresses set forth in the Loan Agreement, or to such addresses as Holder and Maker may hereafter designate, in accordance with the Loan Agreement.

II. Successors and Assigns. This Construction Note (i) shall not be assigned by Maker, (ii) can be assigned by Holder, at its sole option, and (iii) shall be binding on all successors and assigns of Holder and Maker.

III. Attorneys' Fees. If the City elects to employ any of the remedies available to it in connection with any Event of Default, Borrower shall pay all reasonable costs and expenses incurred by or on behalf of the City including, without limitation, reasonable attorneys' fees, incurred in connection with the City's enforcement of this Construction Note and the exercise of any or all of its rights and remedies.

IV. Severability. If a court of competent jurisdiction finds any provisions of this Construction Note invalid or unenforceable, the remaining provisions shall not in any way be affected or impaired thereby, and all other provisions of this Construction Note shall remain in full force and effect.

V. Time. Time is of the essence in the performance of the terms and conditions of this Construction Note.

VI. Governing Law. The laws of the State of California shall govern this Construction Note.

VII. Amendment. This Construction Note may not be changed orally, but only by an amendment in writing signed by Maker and approved by Holder.

VIII. Headings. The headings within this Construction Note are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Construction Note.

IX. Assumptions. The Loan, including this Construction Note, may not be assumed in whole or in part without the prior written consent of Holder, which consent shall be given or withheld at the sole discretion of Holder. Holder may

condition its consent to an assumption of the Loan on the satisfaction of conditions reasonably required by Holder at the time of the assumption. Conditions may include, but not be limited to, Holder's satisfaction, in its sole discretion, with the proposed assuming party's ability to meet the Loan obligations, modifications to the Loan and the Loan Documents, the payment of an assumption fee and reimbursement of Holder's fees and costs incurred by reason of the assumption.

Executed in Rancho Cordova, California on _____ 2024.

FORM DO NOT SIGN

By: _____

Its: _____

EXHIBIT C

FORM OF NOTE

RENT PAYMENT PROMISSORY NOTE

Rancho Cordova, California

FOR VALUE RECEIVED, the undersigned, Phoenix Productions Company, a California non-profit public benefit company, doing business as Rise Up Theatre Company ("**Maker**" or "**Borrower**"), promises to pay to the City of Rancho Cordova, a California municipal corporation (the "**City**" or "**Holder**"), in lawful money of the United States Seven Hundred Fifty-Two Thousand Seven Hundred Seventy-Two Dollars (\$752,772.00) ("**Rent Payment Loan**"), or so much thereof as may be advanced by the City pursuant to the loan agreement described in Paragraph 1 below, together with interest on the outstanding principal balance in accordance with the terms and conditions described herein.

1. This Promissory Note ("**Rent Payment Note**") has been executed and delivered pursuant to the terms of (i) a Loan Agreement dated as of _____ ("**Loan Agreement**") between Borrower and the City, which details the terms and conditions under which Holder agrees to lend to Maker and Maker agrees to borrow up to Seven Hundred Fifty-Two Thousand Seven Hundred Seventy-Two Dollars (\$752,772.00) to pay Base Rent and Common Area Operating Expenses under the Lease, and (ii) a Security Agreement executed by Borrower for the benefit of the City to secure this Rent Payment Note ("**Security Agreement**"). The rights and obligations of Maker under this Rent Payment Note shall be governed by the Loan Agreement and by the terms set forth in this Rent Payment Note. Capitalized terms used but not defined herein shall have the same meaning as set forth in the Loan Agreement.

2. Loan Terms.

(a) Term. All outstanding principal, outstanding interest, and any other amounts payable under this Rent Payment Note is due and payable on _____ (the "**Rent Payment Loan Maturity Date**".)

(b) Interest Rate. Commencing on the date of initial disbursement of all or a portion of Rent Payment Loan Proceeds and continuing through the date that all indebtedness and other amounts payable under this Rent Payment Note are paid in full, interest on the Rent Payment Loan shall accrue at the rate of three percent (3%) per annum on the outstanding principal.

3. Terms of Repayment.

(a) Principal. Commencing on _____ and continuing on each anniversary thereafter through the Rent Payment Loan Maturity Date (each, an **"Rent Payment Loan Repayment Date"**), provided that Borrower is not in default under the Loan Agreement, the City shall forgive one hundred percent (100%) of principal and interest owed under this Note as of that Rent Payment Loan Repayment Date.

(b) Interest. Provided Borrower is not in default under the Loan Agreement, on each Rent Payment Loan Repayment Date, upon receipt of all principal amounts required to be paid pursuant to this Section 3(b), all accrued interest to such Rent Payment Loan Repayment Date shall be forgiven by the City and deemed to have been paid by Borrower.

(c) Default. **In the event of a default under the Loan Agreement, all outstanding principal and interest on the Rent Payment Loan shall be immediately due and payable.**

(d) Place and Manner of Payment. Payment shall be made in lawful money of the United States at Holder's address for notices set forth in the Loan Agreement, or to any other addresses as Holder may hereafter designate, in accordance with the Loan Agreement.

(e) Lawful Interest. Notwithstanding any other provisions of this Rent Payment Note, or any instrument securing the obligations of Maker under this Rent Payment Note, if, for any reason whatsoever, the payment of any sums by Maker pursuant to the terms of this Rent Payment Note would result in the payment of interest which would exceed the amount that Holder may legally charge under the laws of the State of California, then the amount by which payment exceeds the lawful interest rate shall automatically be deducted from the principal balance owing on this Rent Payment Note, so that in no event shall Maker be obligated under the terms of this Rent Payment Note to pay any interest which would exceed the lawful rate.

(f) Rent Payment Loan Prepayment. Provided Borrower is not in default under Article 6 of the Loan Agreement, this Rent Payment Note, or any portion of the outstanding principal balance due under the Rent Payment Loan, may be prepaid at any time, and from time to time, without penalty or premium.

(g) Security. As security for repayment of this Rent Payment Note, Borrower shall execute a Security Agreement in favor of the City as beneficiary pursuant to which the City shall be provided a lien against the Property and the Improvements. The Security Agreement shall be dated as of the Agreement Date and shall be recorded in the official records of Sacramento County. The Security Agreement may be subordinated only to such liens and encumbrances as the City shall approve in writing.

4. Events of Default. Each of the following events will constitute an event of default ("**Event of Default**") under this Rent Payment Note:

(a) Failure to Make Payments. If Borrower fails to pay when due the principal and interest payable under this Rent Payment Note and such failure continues for ten (10) calendar days after the City notifies Borrower thereof in writing.

(b) Failure to comply with Loan Requirements. Borrower's failure to comply with the Loan requirements set forth in Article 2 of the Loan Agreement specifically as follows:

- X. Failure to produce six theatrical productions per twelve months.
- XI. Failure to provide acting classes for youth and adults.
- XII. Failure to provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as concert bands, orchestras, swing bands and vocal groups, (i) dance groups, and (iii) other theatrical groups. Borrower shall provide a preference to, and a discounted rate for, local Rancho Cordova groups that use the facility.
- XIII. Failure to provide full facility management, to include coordination, prioritization, and scheduling of other groups using the facility. Borrower will develop a schedule of events for each year during the term of this Agreement.
- XIV. Failure to managing and distributing payment for all costs of construction of the Improvements, including but not limited to, permit fees, impact fees, inspection fees, payments due to contractors and subcontractors. Borrower is also responsible for payment of Base Rent under the Lease.
- XV. Following completion of the construction of the Improvements, failure to provide a report (the "**Outcomes Report**") to the City every twelve (12) months. The Outcomes Report will set forth a description of the services and programs provided during the past twelve months. Information provided in the Outcomes Report shall include the number of participants in programs offered and the number of attendees at performances produced by Borrower. The Outcomes Report will also list the outside groups that have used the facility during such period. Borrower is encouraged to include photographs in the Outcomes Report.

XVI. Failure to provide on the 3rd Monday of each calendar year, a report (the “**Community Benefit Report**”).

(c) **Noncompliance with Loan Documents.** Borrower’s failure to perform any promise, agreement, covenant or obligation contained in the Loan Documents after any applicable cure periods.

(d) **Noncompliance with Governmental Requirements.** Borrower’s failure to timely comply with any governmental requirements, including but not limited to obtaining licenses and permits.

(e) **False Representations.** If any material representation or disclosure made to the City by Borrower in connection with the Loan Documents proves to be false or misleading in any material adverse respect when made.

(f) **Bankruptcy.** The filing by or against Borrower of a voluntary or involuntary petition in bankruptcy or the adjudication of Borrower as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or the seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator of Borrower or any substantial part of or all of the property of Borrower, and if any such proceeding is not dismissed within sixty (60) days; Borrower is named in any such proceeding and the same is not dismissed within one hundred twenty (120) days.

(g) **Sublease.** Conveyance of all or a portion of the Property by sublease without the prior written consent of such conveyance the City.

5. **No Waiver or Consent.** The failure by Holder to assert its rights upon the occurrence of an Event of Default, or the waiver by Holder of its rights upon any Event of Default, shall not constitute a consent to or waiver of Holder’s rights with respect to any other Event of Default.

6. **Default Interest.** Upon the occurrence of any Event of Default, all principal and accrued interest thereon outstanding under this Rent Payment Note will become immediately due and payable, and interest will accrue at the rate of eight and one-half percent (8.5%) per annum, compounded annually on each anniversary of the Date of Default, as defined in the Loan Agreement until all amounts due and payable under this Note are paid in full.

7. **Remedies.** Upon the occurrence of any Event of Default, in addition to its other rights in this Rent Payment Note and the Loan Agreement, at law, or in equity,

Holder may exercise any one or more of the following rights and remedies without prior demand:

I. accelerate and declare the entire outstanding principal balance of this Rent Payment Note together with all outstanding interest thereon, and all other sums owing to the City immediately due and payable; and

II. proceed at law, or in equity, to require Borrower to perform its obligations and covenants under the Loan Documents; and

III. proceed as authorized at law or in equity with respect to the Event of Default, and in connection with that, pursue any and all other remedies available under law to enforce the terms of this Agreement, any other Loan Document and the DDA.

The remedies provided herein are cumulative and not exclusive of, and shall not prejudice any other remedy provided in any Loan Document or the DDA.

8. Maker's Waivers.

I. Additional Security. Maker expressly agrees that Holder may accept further security for this Rent Payment Note, all without in any way affecting the obligations of Maker under this Rent Payment Note.

II. Original Liability. No extension of time for payment of this Rent Payment Note or any installment hereof made by agreement by Holder with any person now or hereafter liable for the payment of this Rent Payment Note shall operate to release, discharge, modify, change or affect the original liability of Maker under this Rent Payment Note, either in whole or in part.

III. Obligations Absolute. The obligations of Maker under this Rent Payment Note shall be absolute and Maker waives any and all rights to offset, deduct or withhold any payments or charges due under this Rent Payment Note for any reasons whatsoever.

IV. Waivers. Maker hereby waives (i) any notice of default or delinquency in addition to any notice expressly required by this Rent Payment Note; (ii) notice of acceleration; (iii) any notice of nonpayment in addition to any notice required by this Rent Payment Note; (iv) notice of costs, expenses, losses and interest thereon; (v) notice of interest on interest and late fees; (vi) diligence in taking any action to collect any sums owing under this Rent Payment Note or in proceeding against any of the rights and interest in and to properties securing payment of this Rent Payment Note; and (vii) presentment for payment, demand, protest, and notices of dishonor and/or protest.

9. Holder Forbearance. No waiver of any breach, default or failure of condition under the terms of this Rent Payment Note or the Loan Agreement or the obligations secured thereby shall be implied from any failure of Holder to take, or any delay by Holder in taking, action with respect to such breach, default or failure or from any previous waiver of any similar or unrelated breach, default or failure; and a waiver of any term of this Rent Payment Note or the Loan Agreement must be made in writing and shall be limited to the express written terms of such waiver.

10. Miscellaneous Provisions.

I. Notices. All notices to Holder or Maker shall be given in the manner and at the addresses set forth in Section 7.4 of the Loan Agreement, or to such addresses as Holder and Maker may hereafter designate, in accordance with such Section 7.4.

II. Successors and Assigns. This Rent Payment Note (i) may not be assigned by Maker without Holder's written consent, (ii) can be assigned by Holder, at its sole option, and (iii) shall be binding on all successors and assigns of Holder and Maker.

III. Attorneys' Fees. If the City elects to employ any of the remedies available to it in connection with any Event of Default, Borrower shall pay all reasonable costs and expenses incurred by or on behalf of the City including, without limitation, reasonable attorneys' fees, incurred in connection with the City's enforcement of this Rent Payment Note and the exercise of any or all of its rights and remedies.

IV. Severability. If a court of competent jurisdiction finds any provisions of this Rent Payment Note invalid or unenforceable, the remaining provisions shall not in any way be affected or impaired thereby, and all other provisions of this Rent Payment Note shall remain in full force and effect.

V. Time. Time is of the essence in the performance of the terms and conditions of this Rent Payment Note.

VI. Governing Law. The laws of the State of California shall govern this Rent Payment Note.

VII. Amendment. This Rent Payment Note may not be changed orally, but only by an amendment in writing signed by Maker and approved by Holder.

VIII. Headings. The headings within this Rent Payment Note are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Rent Payment Note.

IX. Assumptions. The Loan, including this Rent Payment Note, may not be assumed in whole or in part without the prior written consent of Holder, which consent shall be given or withheld at the sole discretion of Holder. Holder may condition its consent to an assumption of the Loan on the satisfaction of conditions reasonably required by Holder at the time of the assumption. Conditions may include, but not be limited to, Holder's satisfaction, in its sole discretion, with the proposed assuming party's ability to meet the Loan obligations, modifications to the Loan and the Loan Documents, the payment of an assumption fee and reimbursement of Holder's fees and costs incurred by reason of the assumption.

Executed in Rancho Cordova, California on _____ 2024.

FORM DO NOT SIGN

By: _____

Its: _____

EXHIBIT D

FORM OF SECURITY AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: City Clerk

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

APN: _____

SECURITY AGREEMENT AND FIXTURE FILING

This SECURITY AGREEMENT (this “**Agreement**”) is entered into as of _____ (the “**Agreement Date**”) between the City of Rancho Cordova (the “**City**”) and Phoenix Production Company, doing business as Rise Up Theatre Company, a California non-profit public benefit corporation (“**Borrower**”). Borrower and the City are hereinafter collectively referred to as the “**Parties**.”

RECITALS

A. Borrower and City desire to secure the Borrower's repayment to City of the indebtedness evidenced by that certain loan agreement dated the date hereof and incorporated herein by this reference (“**Loan Agreement**”).

B. Capitalized terms used and not defined in this Agreement have the meaning ascribed to them in the Loan Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the promises set forth herein, Borrower agrees to grant, and City agrees to accept, security interests in certain property of the Borrower upon the following terms and conditions:

SECTION 1.
DEFINITIONS.

As used in this Agreement, the terms set forth herein shall have the following meanings:

“Accounts” means all “accounts” (as defined in the UCC) hereafter created or acquired by Borrower including, without limitation, all of the following hereafter created or acquired by Borrower:

- (a) accounts receivable, contract rights, book debts, notes, drafts, chattel paper and other obligations or indebtedness owing to Borrower arising from the sale, lease or exchange of goods or other property and/or the performance of services;
- (b) Borrower's rights in, to and under all purchase orders for goods, services or other property;
- (c) Borrower's rights to any goods, services or other property represented by any of the foregoing (including returned or repossessed goods and unpaid sellers' rights of rescission, replevin, reclamation and rights to stoppage in transit);
- (d) monies due to or to become due to Borrower under all contracts for the sale, lease or exchange of goods or other property and/or the performance of services (whether or not yet earned by performance on the part of Borrower);
- (e) uncertificated securities; and
- (f) Proceeds of any of the foregoing and all collateral security and guaranties of any kind given by any person with respect to any of the foregoing.

“Borrower's Liabilities” means all obligations, liabilities, debts, claims and/or indebtedness of Borrower to City, whether primary, secondary, direct, contingent, fixed or otherwise, hereafter owing, due or payable, however evidenced, created, incurred or acquired, in connection with the Loan Agreement, and the Note.

“Business” means Rise Up Theatre Company, located in the City of Rancho Cordova, which is owned and operated by Borrower.

“Collateral” has the meaning assigned to that term in Section 2. herein.

“Documents” means all “documents” (as defined in the UCC) or other receipts covering, evidencing or representing goods now owned or hereafter acquired by Borrower.

“Equipment” means all “equipment” (as defined in the UCC) hereafter acquired by Business including, without limitation, all machinery, motor vehicles, trucks, trailers, vessels, aircraft and rolling stock and all parts thereof and all additions and accessions thereto and replacements therefore.

“Event of Default” has the meaning assigned to that term in Section 4 herein.

“Fixtures” means all of the following hereafter acquired by Business: plant fixtures; business fixtures; other fixtures and storage facilities, wherever located; and all additions and accessions thereto and replacements therefore.

“General Intangibles” means all “general intangibles” (as defined in the UCC) hereafter acquired by Business including, without limitation, all right, title and interest of Business in and to:

(a) all agreements, leases, licenses and contracts to which Borrower is or may become a party with respect to the Business;

(b) all obligations or indebtedness owing to Business (other than Accounts) from whatever source arising;

(c) all tax refunds; all copyrights, patents and trademarks; and the Business' name.

“Instruments” means all “instruments,” “chattel paper” or “letters of credit” (each as defined in the UCC) including, but not limited to, promissory notes, drafts, bills of exchange and trade acceptances, hereafter acquired by Business.

“Inventory” means all “inventory” (as defined in the UCC), hereafter acquired by Business, wherever located including, without limitation, finished goods, raw materials, work in process and other materials and supplies (including packaging and shipping materials) used or consumed in the manufacture or production thereof and goods which are returned to or repossessed by Business.

“Loan Documents” means all agreements, instruments, and documents hereafter delivered to City (or its assignee) in connection with or related to Borrower's Liabilities, including, without limitation, the Loan Agreement, Note, Deed of Trust and this Agreement.

“Proceeds” means all proceeds of, and all other profits, rentals or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or realization upon, any Collateral including, without limitation, all claims of Borrower against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance with respect to any Collateral, and any condemnation or requisition payments with respect to any Collateral, in each case whether now existing or hereafter arising.

“UCC” means the Uniform Commercial Code as in effect on the date hereof in the State of California, provided that if by reason of mandatory provisions of law, the perfection or the effect of perfection or non-perfection of the security interest granted to City hereunder in any Collateral or the availability of any remedy hereunder is governed by

the Uniform Commercial Code as in effect on or after the date hereof in any other jurisdiction, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy.

SECTION 2.
GRANT OF SECURITY INTERESTS

To secure the prompt payment to City of Borrower's Liabilities, Borrower grants to City a continuing security interest in and to all of Business' right, title and interest in the following property, hereafter acquired or arising, with respect to, located on or used in connection with the Property (collectively, the "Collateral"):

- (a) Accounts;
- (b) Inventory;
- (c) General Intangibles;
- (d) Documents;
- (e) Instruments;
- (f) Equipment;
- (g) Fixtures;
- (h) all deposit accounts of Business maintained with any bank or other financial institution;
- (i) all property of Business in the possession or under the control of City, including, without limitation, disbursements under the Loan Agreement;
- (j) all books, records, ledger cards, files, correspondence, computer programs, tapes, disks and related data processing software that at any time evidence or contain information relating to any of the property described in subparts (a) - (i) above or are otherwise necessary or helpful in the collection thereof or realization thereon; and
- (k) Proceeds of all or any of the property described in subparts (a) - (j) above.

SECTION 3.
REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Borrower shall execute and/or deliver to City, at Borrower's expense and at any time at the request of City, all agreements, instruments, documents and other written

matter that City reasonably may request, in a form and substance acceptable to City, to perfect and maintain perfected City's security interest in the Collateral and to consummate the transactions contemplated in or by this Agreement and the other Loan Documents.

3.2 City shall have the right, upon prior written notice during regular business hours, to inspect the Collateral and all related records and to verify the amount and condition of or any other matter relating to the Collateral.

3.3 Borrower hereby authorizes City to file one or more UCC financing or continuation statements, and amendments thereto, relating to all or any part of the Collateral without the signature of Borrower to the extent permitted by law.

3.4 Borrower warrants and represents to and covenants with City that: (a) City's security interest in the Collateral, upon filing of a UCC financing statement, and at all times thereafter, shall be perfected; (b) Borrower shall keep the Collateral and Borrower's books and records concerning the Collateral at the Business and Borrower shall not remove such books and records and/or the Collateral therefrom and shall not keep any of such books and records and/or Collateral at any other location; (c) Borrower will notify City promptly in writing prior to any change in Business' name, identity, address or corporate structure.

3.5 Borrower hereby pledges to City all Instruments, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to City. Borrower will mark conspicuously all chattel paper with a legend, in form and substance satisfactory to City, indicating that such chattel paper is subject to the security interest of City hereunder and will, upon City's request from time to time, deliver possession thereof to City.

3.6 Except as otherwise provided in this Section 3.6, Borrower shall continue to collect, at its own expense, all amounts due or to become due Business under the Accounts. In connection with such collections, Borrower may take such action as Borrower may deem necessary or advisable to enforce collection of the Accounts; provided, that City shall have the right at any time after the occurrence and during the continuance of an Event of Default to:

(a) notify the customers or obligors under any Accounts of the assignment of such Accounts to City and to direct such customers or obligors to make payment of all amounts due or to become due directly to City;

(b) enforce collection of any such Accounts; and

(c) adjust, settle or compromise the amount or payment of such Accounts. After the occurrence and during the continuance of an Event of Default (i) all amounts and proceeds (including Instruments) received by Business with respect to the Accounts

shall be received in trust for the benefit of City, shall be segregated from other funds of Borrower and Business and shall be forthwith paid over to City in the same form as so received (with any necessary endorsement) and (ii) Borrower and Business shall not adjust, settle or compromise the amount or payment of any Account, or release wholly or partly any customer or obligor thereof, or allow any credit or discount thereon without the prior consent of City.

3.7 Borrower shall cause the Equipment to be maintained and preserved in the same condition, repair and working order as when new, ordinary wear and tear excepted, and in accordance with any manufacturer's manual, and shall promptly make or cause to be made all repairs, replacements, and other improvements in connection therewith that are necessary or desirable to such end.

3.8 Borrower shall maintain insurance with respect to the Collateral by carrier(s), in amounts and in form at all times satisfactory to City, which carrier(s), amounts and form shall not be changed without the prior written consent of City.

3.9 Borrower may not sell, transfer, remove or otherwise dispose of the Collateral or any part thereof without the prior written consent of City, except that so long as no Event of Default exists, Borrower shall be permitted to sell or otherwise dispose of the Collateral when obsolete, worn out, inadequate, or unnecessary for use in the operation of the Property, but only upon replacing the same or substituting for the same other Collateral at least equal in value and utility to the initial value and utility of that disposed of and in such manner that said replacement or substituted Collateral shall be subject to the security interest created hereby and that the security interest of City shall be perfected and first in priority, it being expressly understood and agreed that all replacements, substitutions and additions to the Collateral shall be and become immediately subject to the security interest created and covered hereby. Any waiver by City of this paragraph or failure to require prior written consent shall in no way operate as a waiver of Borrower's obligations hereunder for any future sale, transaction or event. Notwithstanding the foregoing, except during any period when an Event of Default exists, Borrower may sell inventory in the ordinary course of its business, provided such sale does not include a transfer in partial or total satisfaction of any indebtedness.

3.10 Borrower hereby warrants and represents to City that: (a) Borrower has the capacity, right and power and is duly authorized and empowered to enter into, execute, deliver and perform this Agreement; (b) the execution, delivery and/or performance by Borrower of this Agreement shall not constitute a violation of any applicable law or a breach of any provision contained in any agreement, instrument or document by which Borrower is now or may become bound; and (c) Borrower has and at all times hereafter shall have good and indefeasible title to the Collateral and shall not create or suffer to exist any lien, claim, security interest or other charge or encumbrance upon or with respect to any of the Collateral except for the security interest created by this Agreement.

3.11 Borrower hereby irrevocably appoints City as Borrower's attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower and Business, City or otherwise, from time to time in City's discretion, to take any action and to execute any instrument that City may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

- (a) to obtain and adjust insurance proceeds required to be paid to City;
- (b) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;
- (c) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clauses (a) and (b) above;
- (d) to file any claims or take any action or institute any proceedings that City may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of City with respect to any of the Collateral;
- (e) to pay or discharge taxes, payments in lieu of taxes or liens, levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by City in its sole discretion, and such payments made by City to become obligations of Borrower to City, due and payable immediately without demand;
- (f) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, assignments, verifications and notices in connection with Accounts and other documents (including without limitation financing statements, continuation statements and other documents necessary or advisable to perfect the security interests granted hereunder in favor of City) relating to the Collateral; and
- (g) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though City were the absolute owner thereof for all purposes, and to do, at City's option and Borrower's expense, at any time or from time to time, all acts and things that City deems necessary to protect, preserve or realize upon the Collateral.

Borrower hereby ratifies and approves all acts of City made or taken pursuant to this Section 3.11. Neither City nor any person designated by City shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law. This power, being coupled with an interest, is irrevocable so long as this Agreement shall remain in force.

SECTION 4.
EVENTS OF DEFAULT

4.1 The occurrence of each of the following events shall constitute an “**Event of Default**” by Borrower under this Agreement:

(a) failure of Borrower to perform, keep or observe any term, provision, condition or covenant contained in this Agreement, which is required to be performed, kept or observed by Borrower, which failure continues for thirty (30) days after written notice and demand from City; provided, however, if such failure by its nature cannot be cured within thirty (30) days, and if Borrower commences to cure such failure and thereafter diligently pursues the curing thereof and then, in all events, cures such failure within sixty (60) days of the original notice thereof, Borrower shall not be in default hereunder during the period of diligent curing;

(b) if any representation or warranty of Borrower hereunder shall prove to have been false or misleading in any material respect; or

(c) if an Event of Default occurs under the Loan Agreement or any of the other Loan Documents.

4.2 All of City's rights and remedies under this Agreement, the Loan Agreement and the other Loan Documents are cumulative and nonexclusive.

4.3 Upon an Event of Default, without further notice by City to or demand by City to Borrower, all of Borrower's Liabilities, at City's option, shall become immediately due and payable.

4.4 Upon an Event of Default, City, in its sole and absolute discretion, may:

(a) exercise any one or more of the rights and remedies accruing to a secured party under the Uniform Commercial Code of the state of California and any other applicable law; or

(b) sell or otherwise dispose of the Collateral at public or private sale for cash or credit.

Any notice sent to Borrower in connection with the exercise of such remedy or remedies shall be deemed reasonably given if mailed to the appropriate address set forth in the Loan Agreement not less than ten (10) days prior to any sale or other disposition of the Collateral.

4.5 Upon an Event of Default, Borrower, immediately upon request from City, shall assemble the Collateral, at Borrower's expense, at a place on the Property designated by City.

4.6 All costs and expenses incurred by City with respect to the enforcement of its rights and remedies and collection of Borrowers Liabilities under this Agreement shall be part of Borrower's Liabilities and shall be paid by Borrower to City on demand.

4.7 If City hereafter employs counsel for advice or other representation: (a) with respect to this Agreement or the other Loan Documents; (b) to represent City in any litigation, contest, dispute, suit or proceedings in any way or respect relating to this Agreement or the other Loan Documents; or (c) to enforce Borrower's Liabilities; then, in any of the foregoing events, all of the reasonable attorneys' fees arising from such services and all expenses, costs and charges in any way or respect arising in connection therewith shall be paid by Borrower to City or any assignee of City on demand.

SECTION 5 MISCELLANEOUS

5.1 Any notice or other communication required or permitted to be given shall be in writing addressed to the respective party as set forth below and may be personally served or sent by overnight courier or U.S. Mail and shall be deemed given:

- (a) if served in person, when served;
- (b) if by overnight courier, on the first business day after delivery to the courier; or
- (c) if by U. S. Mail, on the fourth (4th) day after deposit in the mail, postage prepaid, certified mail, return receipt requested and addressed as follows:

City: City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: City Manager

Borrower: Phoenix Production Company
dba Rise Up Theatre Company
2710 La Verta Court
Rancho Cordova, CA 95679
Attn: Courtney Conklin

5.2 This Agreement may not be modified, altered or amended except by an agreement in writing signed by Borrower and City. Borrower hereby consents to City's sale, assignment, transfer or other disposition, at any time and from time to time hereafter, of this Agreement or the other Loan Documents or of any portion thereof. The rights of any such assignee or transferee shall not be subject to any defense, counterclaim or setoff which Borrower may have against City.

5.3 This Agreement shall be binding upon and inure to the benefit of the successors, assigns, heirs and executors of Borrower and City.

5.4 In the event one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the City, not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

5.5 Borrower shall on demand of City do any reasonable act or execute any additional documents reasonably required by City to carry out the purposes of this Agreement in accordance with its terms and provisions.

5.6 This Agreement is and shall be deemed to be a contract entered into pursuant to the laws of the State of California and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of California, without regard to the conflicts of laws principles thereof.

5.7 This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement of the parties.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties above-mentioned have entered into this Agreement the day and year first above mentioned.

City of Rancho Cordova

Phoenix Production Company

By: _____
Micah Runner
City Manager

By _____
Title: _____

ATTEST:

By: _____
Stacy Leitner
City Clerk

Approved as to Form

By: _____
Adam Lindgren
City Attorney

Phoenix Rising Production Company Loan Agreement

March 18, 2024



Background

- In the first quarter of 2021, Phoenix Production Company, doing business as Rise Up Theatre Company (Rise-Up), submitted for a Community Enhancement Fund Grant for the 2021-22 fiscal year. After the initial examination, deliberation and due consideration, the project was not funded. However, higher than anticipated tax revenues, provided the opportunity to reevaluate and fund additional projects. Rise-Up was awarded a \$150,000 grant once a viable theater location was located. To date, the initial \$150,000 has not been spent nor allocated.
- On May 23, 2023, Rise-Up presented at the City Council Budget Work Session.
- Rise-Up presented two options for a new theater space. One option would involve a five (5) year commitment and the other option would be the initial year, with the expectation that the Rise-Up would ask for funds from the City each year.
- City Council elected to explore the five (5) year option and expressed support for the City to contribute \$1,938,298 dollars towards a ninety-nine seat multi-use performing arts facility, funds for lease payments, funds for construction of tenant improvements, and funds for production and technical costs.

Proposed Forgivable Loan Agreement



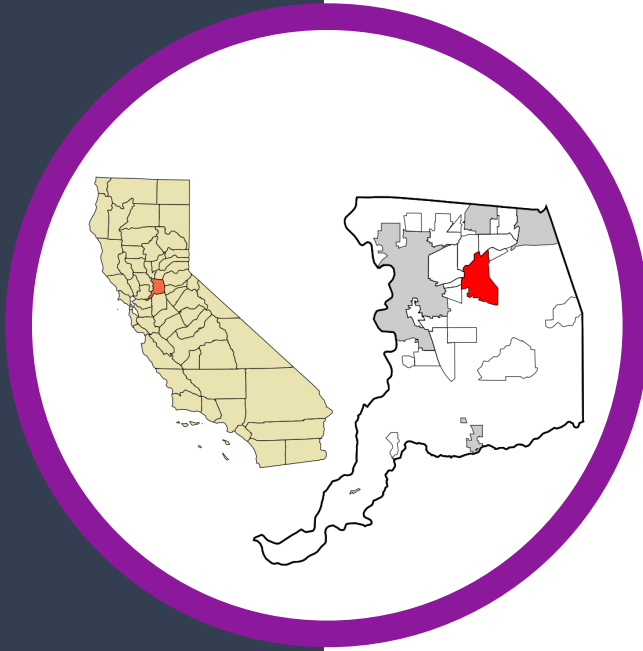
- Total loan amount of \$1,938,298
 - Funds will be dispersed as construction expenses are incurred and quarterly in advance of lease payments
 - Loan will be forgiven over a term of five (5) years
 - Loan will be secured by
 - A Construction Promissory Note
 - A Rent Payment Promissory Note
 - A Security Agreement and Fixture Filing, which grants to the City a security interest in the following property: accounts, inventory, general intangibles, documents, instruments, equipment, fixtures, all business deposit accounts, all property of the business, all records, and proceeds of all property.

Proposed Forgivable Loan Agreement



- Terms of the loan agreement:
- **Facility Use:**
 - Rise-Up shall produce six (6) theatrical productions
 - Rise-Up shall provide acting classes for youth and adults
 - Rise-Up shall provide the use of the facility to other performing arts groups for rehearsal and performance space, including but not limited to (i) musical groups such as swing bands and vocal groups, (ii) dance groups, and (iii) other theatrical groups. Rise-Up shall provide a preference to, and a discounted rate for, local Rancho Cordova Groups that use the facility.
- **Facility management:** Rise-Up shall provide full facility management. Rise-Up will develop a schedule of events for each year during the term of the Agreement.
- **Program Costs:** City is not responsible for any costs related to Rise-Up productions.
- **Payment of Construction Costs and Rent:** Rise-Up is responsible for managing and distributing payment for all costs of construction of the Improvements, for payment of rent under the lease.
- **Outcomes Report:** The Outcomes Report will set forth a description of the services and programs provided during each year.
- **Community Benefit Report:** Rise-Up shall provide a Community Benefit Report that sets forth information regarding Rise-Up's local civic and business engagement, audience engagement, artist engagement and educational engagement.

Recommendation



- Review and discuss the terms of the forgivable loan agreement.
- Consider the Resolution that would allow the City to enter into a loan agreement with Phoenix Production Company.

THANK YOU

