

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Monday, January 5, 2026

4:00 PM – Special Meeting

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://cityofranhocordova.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@cityofranhocordova.org no later than 2:00 p.m. on Monday, January 5, 2026. 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, January 5, 2026, at 2:00 p.m.

AGENDA

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Joe Little, Siri Pulipati, David Sander, and Mayor Garrett

Gatewood

2. PUBLIC COMMENT

At a special meeting, citizens wishing to address the Council for any matter on the agenda may do so at the time the matter is discussed. Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking action on any item not on the agenda.

3. SPECIAL MEETING

- 3.1. **Subject:** Summary of 2025 California Laws.
Recommendation: Receive update.

4. ADJOURNMENT OF SPECIAL MEETING

Mayor Gatewood will adjourn the special meeting to the regular meeting in the David B. Roberts Council Chambers.

5. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Joe Little, Siri Pulipati, David Sander, and Mayor Garrett Gatewood

6. METRO CABLE TV TELEVISION ANNOUNCEMENT

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

7. PLEDGE OF ALLEGIANCE

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

8. INVOCATION

Julie Steinbach with the United Methodist Church of Rancho Cordova will give the invocation.

9. PRESENTATIONS

None.

10. 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.

11. COUNCIL REPORTS

12. CITY MANAGER'S REPORT

13. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

- 13.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of December 15, 2025.
Recommendation: Adopt the minutes.
- 13.2. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2025-275 with Dokken Engineering in an Amount not to Exceed \$255,089 for Engineering Design and Environmental Services for the American River Drainage Outfall One Repair Project.
Recommendation: Adopt the Resolution.
- 13.3. **Subject:** A Resolution Authorizing the City Manager to Execute Standard Agreement No. 0000000549 Amendment 1 (City Contract Amendment No. 2024-280-1) with the State of California Employment Development Department for Quarterly Census Employment and Wages Information.
Recommendation: Adopt the Resolution.
- 13.4. **Subject:** A Resolution Approving the Annexation Boundary Map for the Autozone 4004 Sunrise Blvd Project and Annexation to the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance).
Recommendation: Adopt the Resolution.
- 13.5. **Subject:** Second Reading of an Ordinance Amending Sections 10.50.010 and 10.50.020 of the Rancho Cordova Municipal Code to Establish Radar Enforceable Speed Limits on the Roads Listed in the Ordinance.
Recommendation: Waive the second reading and adopt the Ordinance.
- 13.6. **Subject:** Second Reading of an Ordinance Approving a Second Amendment to the Development Agreement for the Douglas 103 Project.
Recommendation: Waive the second reading and adopt the Ordinance.
- 13.7. **Subject:** Second Reading of an Ordinance Establishing a Special Tax for Transit-Related Services for the Big Baller Storage RV Project.
Recommendation: Waive the second reading and adopt the Ordinance.

14. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

- 14.1. **Subject:** A Resolution Approving the Issuance of Multifamily Revenue Bonds by the California Municipal Finance Authority in Support of an Affordable 236 Unit Multifamily Development project to be known as Asteria Flats.
Recommendation: Adopt the Resolution.

15. PUBLIC HEARING ITEMS

- 15.1. **Subject:** A Resolution Authorizing the City Manager to Waive Specific City Fees for Alpha One Sports and Entertainment Group, LLC and Kozpure Development, LLC in an Amount not to Exceed \$940,000 toward the Development and Construction of a New Arena and Plaza to Be Located at the South East Corner of Trade Center Boulevard and Kilgore Road in the City of Rancho Cordova.
Recommendation: Adopt the Resolution.

16. REGULAR CALENDAR ITEMS

- 16.1. **Subject:** 2026 Legislative Update.

Recommendation: Receive presentations by Covino Smith & Simon and Joe A. Gonsalves & Son regarding key 2025 legislation affecting the city, as well as staff update regarding 2026 legislative priorities and federal funding priorities. Receive consultant presentations and updates; provide direction and/or approval to staff on city's 2026 Legislative Priorities.

16.2. **Subject:** Authorization to Execute Documents for Mather Veterans Village Phase 4 Project.

Recommendation: Adopt the Resolutions.

16.3. **Subject:** Horn Road Light Rail Station Update and Request for Design Input.

Recommendation: Receive presentation on Horn Road Light Rail Station from Sacramento Regional Transit (SacRT) and provide input.

16.4. **Subject:** A Resolution Approving an Incentive Payment for 2025 Performance and a Salary Increase for Micah Runner for Service as City Manager, and Adjusting the Full Time Employee Salary Schedule for the Position of City Manager.

Recommendation: Receive oral report summarizing the proposed changes to the City Manager's pay and benefits and adopt the Resolution.

17. **COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS**

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

January 20, 2026	5:30 PM Regular Meeting
January 27, 2026	5:30 PM Special Meeting/Work Session
February 2, 2026	4:00 PM Special Meeting/5:30 PM Regular Meeting
February 10, 2026	9:00 AM Special Meeting/Work Session
February 17, 2026	5:30 PM Regular Meeting
March 2, 2026	4:00 PM Special Meeting/5:30 PM Regular Meeting
March 16, 2026	5:30 PM Regular Meeting

March 24, 2026

5:30 PM Special Meeting/Work Session

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 and Direct TV 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 January 5, 2026 Regular Meeting of the Rancho Cordova City Council was posted and available for review on December 31, 2025 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 December 31, 2025 at Rancho Cordova, California.



Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 3.1.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Adam U. Lindgren, City Attorney
Anthony D. Amara, Deputy City Attorney
J. Palmer Hilton, Deputy City Attorney
SUBJECT: **SUMMARY OF 2025 CALIFORNIA LAWS**

RECOMMENDATION

Receive update.

RESULT OF RECOMMENDED ACTION

This item will assist the Council and staff to comply with newly enacted state laws on a range of topics critical to the City.

This Agenda Item and report briefly summarize new California laws adopted in 2025 that are of interest to the City. Unless otherwise stated, these laws go into effect January 1, 2026. We will work closely with Council and staff in coming months to ensure compliance with these new obligations.

DISCUSSION

HOUSING

- AB 507 (Haney) "Office to Housing Conversion Act."
- SB 79 (Wiener) Housing Development: Transit-Oriented Development.
- AB 712 (Wicks) "Housing Reform Laws: Enforcement Actions: Fines and Penalties."
- AB 648 (Zbur) Community Colleges: Housing: Local Zoning Regulations.
- SB 346 (Durazo) Local Agencies: Transient Occupancy Taxes: Short-Term Rental Facilitator.
- AB 610 (Alvarez) Housing Element: Governmental Constraints: Disclosure Statement.

- AB 726 (Farias) Planning and Zoning: Annual Report: Rehabilitated Units.

LAND USE

- SB 415 (Reyes): PLANS Act

PUBLIC WORKS

- AB 538 (Berman) Public Works Payroll Records

LOCAL GOVERNMENT

- SB 707 (Durazo) “Major Changes to The Brown Act Meeting and Teleconference Requirements.”
- SB 827 (Gonzalez) Local Agency Officials: Training.
- SB 456 (Ashby) Contractors: Exemptions: Muralists.
- SB 42 (Umberg) Political Reform Act of 1974: Public Campaign Financing: California Fair Elections Act of 2026.

ATTACHMENT(S)

1. Memorandum - Handout

MEMORANDUM

DATE: January 5, 2026
TO: City of Rancho Cordova Council & Staff
FROM: Adam U. Lindgren
RE: Summary of 2026 California Laws Updates

All new laws discussed herein are effective January 1, 2026, unless otherwise stated.

Housing

AB 507 (Haney) “Office to Housing Conversion Act.”

Summary: Assembly Bill (AB) 507 incentivizes investment, streamlines processes, and removes barriers for developers to convert unused commercial spaces into housing (adaptive reuse projects). Under this bill, specified adaptive reuse projects will be a use by right in all zones, regardless of the zoning of the site (except industrial zones that do not permit residential uses)—subject to a streamlined, ministerial review process. These adaptive use projects are exempt from CEQA. Existing local procedural hurdles to approving these projects will no longer apply. These changes are operative July 1, 2026 and apply to all cities.

To qualify as an adaptive reuse project under this bill, the project must repurpose an existing building¹ —for buildings 50 years or older, specific rehabilitation/historic preservation requirements apply— and meet certain affordability requirements. The bill requires all adaptive reuse projects to include affordable housing units. For rental housing developments, either 8% of the units must be for very low income households and 5% of the units for extremely low income households, or 15% of the units for lower income households. For owner-occupied housing developments, either 30% of the units must be affordable to

¹ Hotels are not eligible existing buildings for adaptive reuse projects unless they have been inoperative for a minimum of five years, since January 1, 2021 .

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moderate-income households, or 15% of the units must be affordable to lower income households. For adaptive reuse projects including mixed uses, at least one-half of the square footage must be residential.

Adaptive reuse projects can include new housing developments on undeveloped parts of the same or adjacent property, if certain conditions are met. Parking will not be required for adaptive reuse projects where the project site does not have existing onsite parking. Adaptive reuse projects are exempt from all impact fees that are not reasonably related to the impacts resulting from the commercial-to-residential conversion (fees must be roughly proportional to the difference in impacts caused by the change of use).

The City can choose to adopt an ordinance to implement this bill and explain how adaptive reuse projects will be reviewed and approved, so long as the ordinance is consistent with and does not prohibit projects pursuant to it. If the City does not adopt such an ordinance, it must process projects by a simple, ministerial approval process by City Planning staff—with only objective not subjective standards—to approve or deny adaptive reuse permit applications. The City can update its zoning rules to allow for adaptive reuse projects, even if those zoning rules conflict with an existing specific plan, and in those cases, the zoning rules allowing adaptive reuse will take priority. The bill also allows the city by ordinance or resolution to create a tax incentive program to encourage developers to invest in these adaptive reuse projects. By establishing a streamlined, ministerial review process for adaptive reuse projects, the bill would exempt approval of them from CEQA.

Next Steps for the City: The City should develop a process for receiving, reviewing, and approving adaptive reuse projects pursuant to these updated provisions. This will likely take the form of a new ordinance, which lays out the objective standards and process for approval. The City should also consider if it wants to create a tax incentive program to encourage adaptive reuse developments.

SB 79 (Wiener) Housing Development: Transit-Oriented Development.

Summary: Senate Bill (SB) 79, effective July 1, 2026, establishes statewide minimum development standards around Transit-Oriented Development (“TOD”) stops. SB 79 allows housing as a permitted use on most residential, mixed-use, and commercial sites within one-half mile of a TOD stop, including single-family zones, and sets minimum height, density, and floor area ratio standards based on proximity to transit. Projects meeting these standards may also qualify for additional concessions or incentives under the State Density Bonus Law. Eligible projects may receive streamlined ministerial approval under SB 35 and be exempt from CEQA. This new law includes strict penalties for cities that do not approve an eligible project, and are subject to the same penalties as those contained in the Housing Accountability Act (Government Code section 65589.5).

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Local governments may avoid strict compliance with SB 79's default density standards in two ways. First, a city may adopt a local implementing ordinance, subject to consultation with and approval by HCD, that aligns local zoning with SB 79 and may exempt certain sites if there is substantial evidence that no walking path exists between the site and the transit stop. Second, a local government may adopt an HCD-approved TOD "alternative plan" that preserves the same overall increase in housing capacity near transit but allows site-specific reductions in density, units, or residential floor area, with some exceptions. These modifications must comply with the objective development standard contained in the Housing Accountability Act.

Next Steps for the City: In the first quarter of 2026, before the law becomes effective, the City should consider whether or not to adopt an ordinance and consult with HCD to exempt certain sites from its requirements.

AB 712 (Wicks) "Housing Reform Laws: Enforcement Actions: Fines and Penalties."

Summary: Senate Bill (AB) 712 increases penalties against public agencies that violate housing reform laws. The state has passed numerous statutes to make housing permitting easier and more predictable in an effort address ongoing housing crisis. But for these laws to be effective, they have to be easily enforced and have real consequences when they are broken. Most existing housing reform laws currently rely on housing developers to sue public agencies that break the law. This bill applies the same significant penalties for violations of the Housing Accountability Act to other housing reform laws. Housing reform law is defined as a law that establishes or facilitates protections for the benefit of applicants for housing development projects or imposes limitations on a public agency for the benefit of housing development projects.

For violations of housing reform law, SB 712 will impose a minimum fine of \$10,000 per housing unit in the development project, unless the project consists of 4 units or fewer, in which the fine would be \$50,000 per violation. AB 712 provides the housing developer with attorney's fees and costs when they prevail in court. SB 712 also subjects public agencies to fines in court cases where they were previously warned by the Attorney General or the Department of Housing and Community Development that their actions are in violation of the law. Fines may also increase when a public agency has previously broken the same law. The bill requires housing developers to provide local agencies with a 60-day notice and right to cure before any fines can be issued or lawsuits can be filed. SB 712 ends the practice of some public agencies asking housing developers to indemnify them against lawsuits when the public agency is found to have violated the developer's rights.

Next Steps for the City: City staff should ensure that they have a clear understanding of and are in compliance with housing reform laws, and ask for review by legal counsel, in the

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review and approval of housing development projects. This bill increases risk of lawsuits and penalty if these laws are not strictly complied with.

AB 648 (Zbur) Community Colleges: Housing: Local Zoning Regulations.

Summary: Assembly Bill (AB) 648 exempts California community college districts from local zoning ordinances for housing development projects on land they own or lease within a one-half mile radius of a main campus or of a satellite campus that existed before July 1, 2025. This new law addresses student and staff housing insecurity by providing community colleges with the same zoning bypass authority held by the UC and CSU systems. This may lead to more density around Folsom Lake College without the City's approval.

Next Steps for the City: The City might consider proactive outreach to both Folsom Lake College and surrounding neighborhoods to discuss this law and encourage early communication about any proposals for housing development by the College.

SB 346 (Durazo) Local Agencies: Transient Occupancy Taxes: Short-Term Rental Facilitator.

Summary: Senate Bill (SB) 346 gives cities new power to improve accountability and enforcement of short-term rentals ("STR") by regulating STR facilitators, i.e. online marketplaces like Airbnb and Vrbo. The bill allows cities to adopt ordinances requiring STR facilitators to report detailed property information during specified reporting periods (every 3 months), including assessor's parcel numbers, full physical addresses, and other unique location identifiers, and to display local license numbers or TOT certifications on listings. SB 346 strengthens cities ability to identify non-compliant properties and more effectively enforce local TOT laws and collection through increased data access. SB 346 also gives cities the power audit records related to STR facilitators TOT payments.

Next Steps for the City: The City, like many others, has been struggling to collect TOT from short term rentals. This bill gives the City leverage to require that needed information be disclosed so that the City can better enforce its short-term rental laws. The City should decide whether to implement an ordinance to give the City authority to require short-term rental platforms to comply with its provisions.

AB 610 (Alvarez) Housing Element: Governmental Constraints: Disclosure Statement.

Summary: Assembly Bill (AB) 610 attempts to confront governmental housing constraints between housing elements. Existing State law mandates that future housing elements contain an identification and analysis of "potential and actual governmental constraints" that will impact housing development and remove those governmental constraints as needed to meet the Regional Housing Needs Allocation ("RHNA"). AB 610 will impose additional

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requirements on cities. Beginning in the seventh RHNA cycle, local governments will also be required to disclose (1) any housing-related governmental constraints that have been added or tightened since adoption of the previous housing element, and (2) any such constraints the jurisdiction is contemplating adopting within three years after housing element certification.

Next Steps for the City: AB 610 indicates that the state is regulating both past and contemplated future conduct to increase opportunities for new housing. It will challenge staff to consider and attempt to predict what constraints on housing the City might need or want to consider over the next three years.

AB 726 (Farias) Planning and Zoning: Annual Report: Rehabilitated Units.

Summary: Assembly Bill (AB) 726 likewise updates housing element requirements. Existing law requires local governments to submit an annual report by April 1 to HCD and the Office of Land Use and Climate Innovation detailing their progress toward meeting their assigned share of regional housing needs. Existing law allows preservation of affordable housing to count toward State goals. AB 726 fills a gap in reporting by also accounting for the high costs of repairing older affordable units serving very low-income households by allowing this information to be reported to the relevant State agencies. AB 726 incentivizes local investment by allowing city-funded substantially rehabilitated affordable units to count toward RHNA obligations.

Land Use

SB 415 (Reyes): PLANS Act

Summary: Senate Bill (SB) 415 is intended as a clean-up bill to the recently enacted AB 98, which provides specific regulations on logistics development. AB 98 established comprehensive standards for siting and operating logistics development, warehouses, distribution centers and other related uses. AB 98 contained a few ambiguous definitions and lack of clarity for the application of certain exceptions and geographical requirements.

Notable changes and clarifications for the City to be aware of in SB 415 include:

- A significant focus of AB 98 was to regulate logistics use development that is sited near “sensitive receptors”. Many of the restrictions on logistics use development in AB 98 are related to the proximity of the development to a sensitive receptor. Under AB 98, a sensitive receptor included residences, schools, daycare facilities, publicly owned parks, playgrounds, and recreational facilities primarily used by children, nursing homes and similar type uses, and hospitals. SB 415 tightens the definition of “sensitive receptor” by adding two exceptions to the definition of a sensitive receptor: (1) land used to ensure the public’s right of access to the sea, and other public access,

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- pursuant to the California Coastal Act or the McAteer-Petris Act; and (2) land developed at or adjacent to an airport or seaport for the purpose of creating a buffer area between sensitive receptors and an airport or seaport. This revision is relevant to the City because of the presence of Mather Airport, which could effect the extent of logistics development in the proximity of the airport. SB 415 also clarifies that any park and recreation areas that are included as a condition of approval (such as a parkland dedication) do not count as a sensitive receptor under the law.
- SB 415 clarifies that manufacturing uses that contain ancillary distribution uses do not qualify as “logistics use developments” regulated by the act. This revision provides additional flexibility for developers to include distribution as an ancillary use without being subject to the requirements of SB 415.
 - SB 415 also clarifies the applicability of certain regulations by adding a definition of “Logistic Park” which is intended to apply to multi-building projects. As applied, the addition of this definition results in most development standards in the bill applying on a building-by-building basis. One exception to this general rule is that the requirement for a separate entrance for heavy duty trucks for any proposed new or expanded logistics use development of at least 250,000 square feet located in close proximity to a sensitive receptor may be applied either on a building-by-building basis or on a project level basis.
 - SB 415 clarifies that beginning in 2026, all new logistics use developments are required to be located on roadways that meet the following classifications: (1) arterial roads; (2) collector roads; (3) major thoroughfares; and (4) local roads that predominantly serve commercial, agricultural, or industrial uses.
 - Lastly, the bill clarifies and softens a number of siting requirements. AB 98 required truck bays located within 900 feet of a sensitive receptor to be located on the opposite side of the sensitive receptor. SB 415 changes the requirement of “opposite of” to located “away from” leaving flexibility for developers. Additionally, AB 98 provided a requirement for buffer areas for logistics use development located within 900 feet of a sensitive receptor, but did not provide information on what that meant. AB 415 provides that a buffer area must include a solid decorative wall, landscape berm and wall, or a landscaped berm 10 feet or more in height. The buffer area may also include hardscape, access, passenger vehicle parking improvements, and landscaped areas within the public right-of-way or public or private pedestrian walkways.

Next Steps for the City: Ensure that applications for new or expanded logistics use developments are evaluated under the new AB 98 and SB 415 development standards.

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Public Works

AB 538 (Berman) Public Works Payroll Records

Summary: Assembly Bill (AB) 538 existing law requires contractors and subcontractors on public works projects to keep accurate certified payroll records to assist the Labor Commissioner in investigating allegations of violations of the law regarding public works project, including the payment of prevailing wage. Existing law requires the payroll records to show the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed in connection with the public work. Existing law also requires that certified copies of these records be available upon request by the public.

AB 538 strengthens the public availability of these required payroll records, by requiring the awarding body, if a request is made by the public – and the awarding body is not in possession of the certified records, to obtain them from the applicable contractor and make them available to the requestor. If a contractor fails to comply with such a request within 10 days of receipt of the notice, upon notification by the awarding body, the Division of Labor Standards Enforcement may enforce penalties on the contractor.

Local Government

SB 707 (Durazo) “Major Changes to The Brown Act Meeting and Teleconference Requirements.”

Summary: Senate Bill (SB) 707, signed into law on October 3, 2025, updates requirements of the Ralph M. Brown Act to enhance public accessibility and the use of technology in local government meetings. Some of the updates only impact “eligible legislative bodies,” which would include the City Council but not the Planning Commission, while other changes impact all legislative bodies covered by the Brown Act.

Changes in SB 707 that apply to all legislative bodies covered by Brown Act. Beginning January 1, 2026, all legislative bodies are required to comply with updated meeting requirements, including:

- **Expanded Teleconferencing Requirements:** Previous (“traditional”) teleconferencing provisions remain and can be used for all purposes in connection with any meeting of a legislative body. Additionally, “emergency cause” remote participation was eliminated. “Just cause” remote participation remains limited to five meetings a year and is clarified to remove the requirement for legislative body approval, and add the additional just cause reason of an immunocompromised family member.

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- Teleconferencing as a Reasonable Accommodation: Legislative body members may participate by teleconference as an accommodation for a disability.
- Social Media Exception: Updates extend this exception. A member of a legislative body can use this exception to communicate, outside of public meetings, with the public on social media, so long as members do not discuss agency business among themselves.
- Expanded Compensation Reporting Requirements: Prior to taking final action, legislative bodies must now provide an oral summary report of a recommendation for a final action on compensation decisions for not just a local agency executive, but also “a department head or other similar administrative officer of the local agency.”
- Greater Access to Meetings: The updated requirements now allow for an elected legislative body to impose greater access and transparency requirements for appointed legislative bodies.
- Reaffirmed Public Recording Rights: The public’s right to record open legislative body meetings is reaffirmed, to now include any device used to record meetings. This right exists unless the legislative body makes a reasonable finding that the recording cannot continue without causing a persistent disruption to the proceedings.
- Expanded Special Meetings Requirements: For special meetings, the requirement that the agenda be posted on the local agency's internet website, if the local agency has one, now applies to all legislative bodies. Further, the ban on calling a special meeting to discuss specified compensation of certain persons is expanded to include a local agency executive and now the legislative body itself. Lastly, requirements for holding emergency meetings now apply to all legislative bodies, including the ability to send required notifications via email instead of telephone.
- Authority to Remove Disruptive Participants: The existing authority of a legislative body – or its presiding officer – to remove or limit participation of a disruptive person now explicitly is reaffirmed to include virtual meetings.

In addition, there are changes in SB 707 that to the Rancho Cordova City Council as an “eligible legislative body.” Beginning July 1, 2026, and until January 1, 2030, “eligible legislative bodies” have (subject to limited exceptions) additional meeting requirements, including:

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- “all open and public meetings” include opportunities for the public to attend via a 2–way telephonic service or a 2–way audiovisual platform, with an equal opportunity and time to participate as in-person attendees;
- that the eligible legislative body take specified actions to encourage residents to participate in public meetings;
- that on or before July 1, 2026, to approve at a noticed public meeting, in open session, not on the consent calendar, a policy regarding disruption of telephonic or internet services occurring during meetings;
- to comply with certain requirements relating to disruption, including for certain disruptions, recessing the open session for at least one hour and making a good faith attempt to restore the service;
- the agenda, joining instructions, and postings for each meeting of an eligible legislative body must be translated into all applicable languages. “Applicable languages” means languages, according to data from the most recent American Community Survey, spoken jointly by 20% or more of the applicable population, as specified, provided that 20% or more of the population that speaks that language that in that city or county speaks English less than “very well.”

Next Steps for the City: Implement all needed actions for compliance prior to next public meeting.

SB 827 (Gonzalez) Local Agency Officials: Training.

Summary: Senate Bill (SB) 827 expands ethics training requirements and establishes a new fiscal training requirement for cities. Existing law requires two hours of ethics training for City officials every two years. This bill broadens the existing AB 1234 ethics training requiring officials who begin service on or after January 1, 2026 to complete ethics training within six months. It also creates a requirement that, before January 1, 2028, officials with financial responsibilities receive a two-hour fiscal and financial training every two years. The new training must cover laws and principles relating to financial administration and fiscal management, capital financing and debt management, and general fiscal and financial planning, including more than a dozen specific topics such as budgeting, debt management, auditing, revenues, pensions and other postemployment benefits, investments, and ethical stewardship. A local official who serves more than one local agency is only required to take the SB 827 training once every two years, regardless of how many agencies they serve. In addition, SB 827 requires agencies to post information on how the public may request ethics and fiscal training records, and to retain training records for at least five years subject to the Public Records Act.

Next Steps for the City: In 2026, City staff should identify and recommend a service provider to provide the training course, starting in early 2027. Thereafter, we suggest that the

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SB 827 fiscal and financial training be provided each odd year and that the AB 1234 ethics training be provided in February of each even year.

SB 456 (Ashby) Contractors: Exemptions: Muralists.

Summary: Senate Bill (SB) 456 allows muralists to create artwork on public and private buildings without needing to get a contractor's license from the state. Previously, muralists were required to get a Contractors State License Board license and risked a misdemeanor if they did not have one. SB 456 takes effect on January 1, 2026, and now classifies “muralists” as exempt from state licensing requirements allowing them to create murals on buildings without a license. This bill will increase opportunities for Rancho Cordova to support emerging local artists to create engaging and vibrant public and private spaces.

SB 42 (Umburg) Political Reform Act of 1974: Public Campaign Financing: California Fair Elections Act of 2026.

Summary: Senate Bill (SB) 42 may amend the Political Reform Act; because the Political Reform Act was adopted by initiative, the bill would require voter approval and directs the Secretary of State to place it on the November 3, 2026, statewide general election. The bill is aimed at reducing the influence of wealthy donors and special interests, and the advantages of incumbency. If approved by the voters, SB 42 would allow public officers and candidates to expend or accept public funds for seeking elective office, except where those funds are specifically earmarked by a state or local entity for education, transportation, or public safety. Use of public funding by public officers and candidates is subject to strict eligibility criteria and expenditure limits. Public funds could not be used for legal defense costs, fines, or to repay personal loans to a campaign. Local statutes, ordinances, or charters could authorize increased spending limits for participating candidates under a defined formula. The bill also clarifies that the Fair Political Practices Commission would not administer or enforce any local public campaign financing system. SB 42 would give the option, but not mandate, cities to choose to create public campaign financing programs, while setting basic safeguards to ensure fairness, accountability, and appropriate funding sources.

AUL:AUL

6364233.6

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Monday, December 15, 2025

5:00 PM – Special Meeting

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 Pulipati called the Special meeting to order in the David B. Roberts Council Chambers at 5:09 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

Council Members Absent: None

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

2. PUBLIC COMMENT

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

3. SPECIAL MEETING ITEMS

3.1. Subject: Selection of the 2026 Mayor and Vice Mayor.

Recommendation: Council selection of the 2026 Mayor and Vice Mayor.

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

1. Helen Whelan Bashaw
2. James Garcia
3. James Garcia

ITEM 13.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, December 15, 2025

ATTACHMENT 1

4. Helen Whelan Bashaw

Mayor Pulipati closed the public comment period.

ACTION: Motion to nominate Garrett Gatewood as Mayor and Linda Budge as Vice Mayor by Sander second by Pulipati;
Motion passed with a 5:0 vote.

4. ADJOURN TO REGULAR MEETING

Mayor Pulipati adjourned to the Regular meeting at 5:17 p.m.

5. REGULAR MEETING - CALL TO ORDER/ROLL CALL

Mayor Pulipati called the Regular meeting to order in the David B. Roberts Council Chambers at 5:34 p.m.

Council Members Present: Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

Council Members Absent: None

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

6. METRO CABLE TV TELEVISION ANNOUNCEMENT

The City Clerk read the meetings recordings and playback schedule.

7. PLEDGE OF ALLEGIANCE

Sacramento Metropolitan Fire District Fire Chief Adam House led the pledge.

8. INVOCATION

Sylvia Espinoza with the Sacramento Law Enforcement Chaplaincy gave the invocation.

9. SPECIAL CEREMONIES - SWEAR IN MAYOR AND VICE MAYOR

9.1. Swearing-in of Vice Mayor.

9.2. Swearing-in of Mayor.

9.3. Presentation to Outgoing Mayor Pulipati.

10. CELEBRATORY BREAK

Break 5:57 p.m. - 6:22 p.m.

11. PRESENTATIONS

None.

12. PUBLIC COMMENT

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

1. Michael Harris
2. Cathy Birch
3. Helen Whelan Bashaw
4. Larry Ladd

ITEM 13.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, December 15, 2025

ATTACHMENT 1

Mayor Gatewood closed the public comment period.

13. COUNCIL REPORTS

Council reported on events since the last meeting.

14. CITY MANAGER'S REPORT

City Manager Micah Runner gave his report.

15. CONSENT CALENDAR ITEMS - ROLL CALL VOTE

Mayor Gatewood stated that Item 15.5 would be pulled for separate discussion.

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

1. Donald Childs

Mayor Gatewood closed the public comment period.

ACTION: Motion to approve items 15.1 through 15.4 and items 15.6 through 15.8 by
Budge second by Sander;
Motion passed with a 5:0 vote.

- 15.1. **Subject:** Meeting Minutes from the Regular City Council Meeting of December 1, 2025, and the Special Meeting of December 9, 2025.

Recommendation: Adopt the minutes.

- 15.2. **Subject:** A Resolution Making Certain Findings and Determinations Related to, and Accepting, the Fiscal Year 2024-25 Development Impact Fee Report for Assembly Bill No. 1600 Development Fees.

Recommendation: Adopt the Resolution.

- 15.3. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2025-248 with the Sacramento Society for the Prevention of Cruelty to Animals (SPCA) in an Amount not to Exceed \$1,302,248 for a Three-Year Term for Animal Sheltering Services.

Recommendation: Adopt the Resolution.

- 15.4. **Subject:** A Resolution Authorizing the City Manager to Execute Contract No. 2025-247 with Mark Thomas & Co in an Amount not to Exceed \$383,830.00 to Provide an Independent Structural Engineering Analysis for the Zinfandel Drive Bicycle and Pedestrian Overcrossing Project.

Recommendation: Adopt the Resolution.

- 15.5. **Subject:** A Resolution Approving the Annexation Boundary Map for the Autozone 4004 Sunrise Blvd Project and Annexation to the City of Rancho Cordova Community Facilities District No. 2008-1 (Street lighting and Road Maintenance).

Recommendation: Adopt the Resolution.

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

ACTION: Motion to continue item 15.5 to the January 5, 2025, City Council meeting by
Budge second by Sander;

ITEM 13.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, December 15, 2025

ATTACHMENT 1

Motion passed with a 5:0 vote.

- 15.6. **Subject:** A Resolution Approving the Annexation of the Big Baller Storage RV Project to the City of Rancho Cordova Community Facilities District No. 2014-2 (Street, Lighting, and Landscape Maintenance).

Recommendation: Adopt the Resolution.

- 15.7. **Subject:** An Ordinance Amending Sections 10.50.010 and 10.50.020 of the Rancho Cordova Municipal Code to Establish Radar Enforceable Speed Limits on the Roads Listed in the Ordinance.

Recommendation: Waive the first reading and introduce the Ordinance.

- 15.8. **Subject:** A Resolution Approving Contract No. 2020-7-3 with Dewberry Engineers Inc to Increase the Contract Amount by \$965,602.20 to an Amount not to Exceed \$4,097,641.97 for Final Engineering Design of the Zinfandel Drive Bicycle and Pedestrian Overcrossing Project.

Recommendation: Adopt the Resolution.

16. CONSENT PUBLIC HEARING ITEMS - ROLL CALL VOTE

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

ACTION: Motion to approve item 16.1 and 16.2 by Budge second by Pulipati;
Motion passed with a 5:0 vote.

- 16.1. **Subject:** An Ordinance of the City Council of Rancho Cordova approving the Second Amendment to the Development Agreement and A Resolution Approving the Amendment to the Conditions of Approval Between the City of Rancho Cordova and LAL Brothers, LLC Relative to the Douglas 103 Project.

Recommendation: Waive the first reading and introduce the Ordinance and Adopt a Resolution Approving the Amendment to the Conditions of Approval.

- 16.2. **Subject:** A Resolution Creating Special Tax Area Zone 35 and an Ordinance Establishing a Special Tax for Transit-Related Services for the Big Baller Storage RV Project.

Recommendation: Adopt the Resolution and waive the first reading and introduce the Ordinance.

17. PUBLIC HEARING ITEMS

None.

18. REGULAR CALENDAR ITEMS

- 18.1. **Subject:** A Resolution Authorizing the Issuance of Special Tax Bonds for and on Behalf of Improvement Area No. 2 of the City of Rancho Cordova Arista Del Sol Community Facilities District No. 2022-1, Approving and Directing the Execution of a Fiscal Agent Agreement, Approving the Form of Preliminary Official Statement, Approving Sale of Such Bonds, and Approving Other Related Documents and Actions.

Recommendation: Adopt the Resolution.

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

ACTION: Motion to approve item 18.1. by Budge second by Pulipati;

ITEM 13.1.

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, December 15, 2025

ATTACHMENT 1

Motion passed with a 5:0 vote.

- 18.2. **Subject:** Discussion and Approval of 2026 Council Member Appointments to Regional Boards, Commissions, and Committees.

Recommendation: Staff recommends the City Council provide direction and approve the 2026 Council Member appointments to regional boards, commissions, and local committees.

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

1. James Garcia
2. Helen Whelan-Bashaw
3. Larry Ladd
4. Donald Childs

Mayor Gatewood closed the public comment period.

ACTION: Motion to approve item 18.2 with amendments to the Sacramento Metropolitan Fire District strategy by Budge second by Sander;
Motion passed with a 5:0 vote.

- 18.3. **Subject:** Tolling and Settlement Agreement between the City of Rancho Cordova and TH Rancho Cordova LLC et al (Trumark).

Recommendation: The City Manager and the City Attorney recommend that the City Council take no action on this item. Staff anticipates placing a Kassis update or related item on the January 20, 2026, City Council agenda.

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

1. James Garcia
2. Helen Whelan Bashaw
3. Michelle St. Clair
4. John Briggs
5. Larry Ladd
6. Sergio Diaz
7. Brenda Gustin
8. Julie Gabele
9. Lisa Phenix
10. Carl Salmonsens
11. Michelle St. Clair
12. Pete Spaulding
13. John Briggs
14. Mark Berry
15. Brenda Gustin

Mayor Gatewood closed the public comment period.

The City Council took no action on this item.

19. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

None.

20. ADJOURN TO CLOSED SESSION

ITEM 13.1.

ATTACHMENT 1

Rancho Cordova City Council - DRAFT MINUTES
Meeting of Monday, December 15, 2025

Mayor Gatewood adjourned the meeting to closed session at 7:49 p.m.

21. CLOSED SESSION - CALL TO ORDER/ROLL CALL

Mayor Gatewood called closed session to order at 7:49 p.m.

Council Members Present: Linda Budge, Joe Little, Siri Pulipati, David Sander, and Mayor Garrett Gatewood

Council Members Absent: None

Staff Members Present: Adam Lindgren

22. CLOSED SESSION

Council met in closed session to discuss the following item:

- 22.1. CONFERENCE WITH LABOR NEGOTIATORS: Pursuant to Government Code Section 54957.6. Agency Designated Representatives: Mayor and City Attorney Adam U. Lindgren; Unrepresented Employee: City Manager.

23. 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.

24. ADJOURNMENT

Mayor Gatewood adjourned the meeting at 8:00 p.m.

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 13.2.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Albert Stricker, Public Works Director
Margarita Dronov, Associate Civil Engineer
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT NO. 2025-275 WITH DOKKEN ENGINEERING IN AN AMOUNT NOT TO EXCEED \$255,089 FOR ENGINEERING DESIGN AND ENVIRONMENTAL SERVICES FOR THE AMERICAN RIVER DRAINAGE OUTFALL ONE REPAIR PROJECT**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution and awarding the design contract would initiate the design of the American River Storm Drain Outfall One Repair Project, an important deferred maintenance project that is necessary for safety and quality of life in Rancho Cordova.

BACKGROUND

The American River Drainage Outfall One is located on the southern bank of the American River, south of River Bend Park (see [Attachment 2](#) for Project Map and Photos). Stormwater runoff from 305 acres of the City of Rancho Cordova (city) flows into the river at the outfall, which was installed in approximately 1970. The outfall was maintained by the County of Sacramento until 2014, when the City of Rancho Cordova began providing drainage maintenance services. Decades of inclement weather and river scour have damaged the concrete apron of the outfall structure. The scope of work for the professional services contract will consist of designing the concrete apron and outfall structure repair, in addition to obtaining the necessary permits from all federal and state agencies with jurisdiction over the project.

The city established an on-call short list for engineering and environmental services in 2024 based on a competitive process. Seven firms were shortlisted based on their qualifications. Dokken Engineering has been selected as the most qualified firm to design this project based on their experience with similar projects, their proposed project team, and ability to deliver successful projects.

On October 20, 2025, City Council approved a major investment of \$20 million to address deferred infrastructure maintenance across the community, reinforcing the city's commitment to safe, reliable roads and stormwater systems that support everyday life for residents and

businesses. The American River Drainage Outfall One Repair Project is a high priority project that is necessary for safety and quality of life in Rancho Cordova.

The Project design and permitting will start in 2026, with construction expected in 2027.

FISCAL IMPACT AND FUNDING SOURCE

The American River Drainage Outfall One Repair Project is funded from the City Council's twenty-million-dollar deferred maintenance investment from the Community Enhancement & Investment Fund, approved in October 2025.

ATTACHMENT(S)

1. Resolution
2. Project Map and Photos
3. Contract No. 2025-275

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT
NO. 2025-275 WITH DOKKEN ENGINEERING IN AN AMOUNT NOT TO EXCEED \$255,089
FOR CIVIL ENGINEERING DESIGN AND ENVIRONMENTAL SERVICES FOR THE
AMERICAN RIVER DRAINAGE OUTFALL ONE REPAIR PROJECT**

WHEREAS, on October 20, 2025, City Council approved a major investment of \$20 million to address deferred infrastructure maintenance across the community, reinforcing the city's commitment to safe, reliable roads and stormwater systems that support everyday life for residents and businesses; and

WHEREAS, the scope of work for the American River Drainage Outfall One Repair Project includes designing the concrete apron and outfall structure repair, in addition to obtaining the necessary permits from all federal and state agencies with jurisdiction over the project; and

WHEREAS, Dokken Engineering has been selected as the most qualified firm to design this project from the firms on the city's 2024 on-call short list for engineering and environmental services; and

WHEREAS, the City of Rancho Cordova desires to enter into Contract No. 2025-275 with Dokken Engineering in an amount not to exceed \$255,089 for civil engineering design and environmental services for the American River Drainage Outfall One Repair Project; and

WHEREAS, the American River Drainage Outfall One Repair Project is funded from the City Council's \$20 million deferred maintenance investment from the Community Enhancement & Investment Fund, approved in October 2025; and

WHEREAS, the services will exceed the maximum amount the City Manager has authorization to approve.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager to execute Contract No. 2025-275 with Dokken Engineering in an amount not to exceed \$255,089 in a form approved by the City Attorney for the American River Drainage Outfall One Repair Project.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ITEM 13.2.

ATTACHMENT 1

ATTEST:

Stacy Leitner, CMC
City Clerk

Garrett Gatewood, Mayor

American River Drainage Outfall One Repair Project Map & Photos

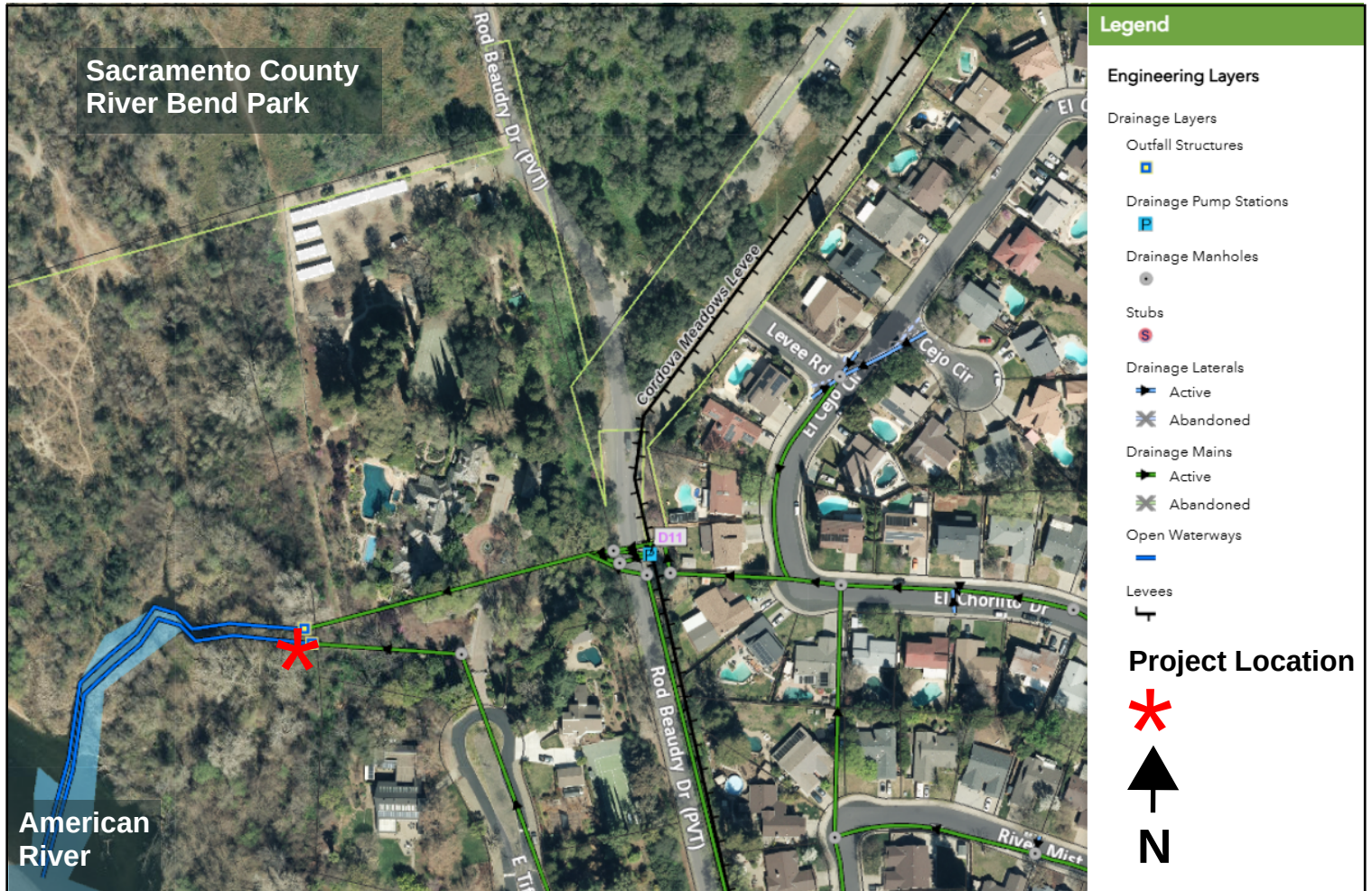


Figure 1: Project Location - Southern Bank of the American River south of River Bend Park



Figures 2 & 3: Project Site Existing Conditions

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND DOKKEN ENGINEERING FOR
THE AMERICAN RIVER DRAINAGE OUTFALL ONE PROJECT**

THIS AGREEMENT (hereinafter referred to as "Agreement") for professional services is made by and between the City of Rancho Cordova, a California municipal corporation, (herein "City") and Dokken Engineering, ("Professional") as of January 5, 2026.

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

- 1.1 Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on December 31, 2028, the date of completion specified in Exhibit A. Professional shall complete the services described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Professional to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 Standard of Performance.** Professional shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Professional is engaged in the geographical area in which Professional practices its profession. Professional shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Professional's profession.
- 1.3 Assignment of Personnel.** Professional shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Professional shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 Time.** Professional shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above and to satisfy Professional's obligations hereunder.

SECTION 2. COMPENSATION. City hereby agrees to pay Professional a sum not to exceed **Two Hundred Fifty Five Thousand, Eighty-Nine Dollars (\$255,089.00)**, notwithstanding any contrary indications that may be contained in Professional's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Professional's proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay Professional for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Professional for services rendered pursuant to this Agreement. Professional shall submit all invoices to City in the manner specified

herein. Except as specifically authorized by City, Professional shall not bill City for duplicate services performed by more than one person.

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

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

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

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Professional.

2.3 Final Payment. City shall make the final payment within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 Total Payment. City shall pay for the services to be rendered by Professional pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Professional in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Professional submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

- 2.5 Hourly Fees.** Fees for work performed by Professional on an hourly basis shall not exceed the amounts shown on the fee schedule set forth in Exhibit B.
- 2.6 Reimbursable Expenses.** Reimbursable expenses, if any, are set forth shall not exceed the amount in Exhibit B. Expenses not listed in Exhibit B are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.
- 2.7 Payment of Taxes.** Professional is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the City or Professional terminates this Agreement pursuant to Section 10, the City shall compensate the Professional for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Professional shall maintain adequate logs and timesheets in order to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** The Professional is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

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

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Professional's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

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

provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Professional shall maintain all required insurance listed herein for the duration of this Agreement.

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

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

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

Professional hereby acknowledges and agrees to the insurance requirements set forth in this section which shall be monitored for compliance by Ebix, RCS, Inc.

Initial

4.2 Commercial General and Automobile Liability Insurance.

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

contemplated under this Agreement, including the use of owned and non-owned automobiles.

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

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

- a. City and its officers, employees, agents, and volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of activities performed by or on behalf of Professional, including the insured's general supervision of Professional; products and completed operations of Professional; premises owned, occupied, or used by Professional; and automobiles owned, leased, or used by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.
- b. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
- c. An endorsement must state that coverage is primary insurance with respect to the City and its officers, officials, employees, and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.
- d. Any failure of Professional to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.
- e. An endorsement shall state that coverage shall not be canceled except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Professional shall notify City within fourteen (14) days of notification from Professional's insurer if such coverage is suspended, voided or reduced in coverage or in limits.

Professional hereby acknowledges and agrees to the insurance requirements set forth in this section which shall be monitored for compliance by Ebix, RCS, Inc.

Initial

4.3 Professional Liability Insurance. Professional, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed

professionals performing work pursuant to this Agreement in an amount not less than TWO MILLION DOLLARS (\$2,000,000) covering the licensed professionals' errors and omissions.

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

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

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

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

Professional hereby acknowledges and agrees to the insurance requirements set forth in this section which shall be monitored for compliance by Ebix, RCS, Inc.

Initial

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Professional shall furnish City with certificates of insurance and with original endorsements effecting coverage required herein. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

4.4.3 Subcontractors. Professional shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

4.4.4 Deductibles and Self-Insured Retentions. Professional shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Professional may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Professional procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.5 Waiver of Subrogation. Professional hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Professional, its employees, agents, and subcontractors.

4.4.6 Notice of Reduction in Coverage. In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Professional shall provide written notice to City at Professional's earliest possible opportunity and in no case later than five (5) days after Professional is notified of the change in coverage.

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

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

SECTION 5. INDEMNIFICATION AND PROFESSIONAL'S RESPONSIBILITIES.

- 5.1 General Requirements.** Professional shall indemnify, defend with counsel selected by the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Professional or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Professional shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Professional or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Professional to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Professional from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Professional acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 5.2 PERS Indemnification.** In the event that Professional or any employee, agent, or subcontractor of Professional providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System ("PERS") to be eligible for enrollment in PERS as an employee of City, Professional shall indemnify, defend, and hold harmless City for the payment of any and all employee and/or employer contributions for PERS benefits on behalf of Professional or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City, and any attorneys' fees and costs incurred by the City to enforce this Section.
- 5.3 Design Professionals.** To the extent that the services under this Agreement include design professional services subject to California Civil Code Section 2782.8, as may be amended from time to time, Professional's duty to indemnify under Sections 5.1 and 5.2 shall only be to the maximum extent permitted by California Civil Code Section 2782.8.

SECTION 6. STATUS OF PROFESSIONAL.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Professional shall be an independent contractor as defined in Labor Code Section 3353, and shall not be an employee of City. Nothing contained in this Agreement shall be construed to be inconsistent with the foregoing relationship or status. City shall have the right to control Professional only insofar as the results of Professional's services rendered pursuant to this Agreement and

assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means and methods by which Professional accomplishes services rendered pursuant to this Agreement. Professional shall have no power or authority by this Agreement to bind the City in any respect. All employees and agents hired or retained by Professional are employees and agents of Professional and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Professional by any such employees or agents, or any other person resulting from performance of this Agreement.

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

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

SECTION 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Professional and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Professional's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Professional and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Professional represents and warrants to City that Professional and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Professional represents and warrants to City that Professional and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing,

Professional and any subcontractors shall obtain and maintain valid Business Licenses from City during the term of this Agreement.

- 7.5 Nondiscrimination and Equal Opportunity.** Professional shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Professional under this Agreement. Professional shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Professional thereby.

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

SECTION 8. TERMINATION AND MODIFICATION.

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

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

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

- 8.2 Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Professional understands and agrees that, if City grants such an extension, City shall have no obligation to provide Professional with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Professional for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 Assignment and Subcontracting.** City and Professional recognize and agree that this Agreement contemplates personal performance by Professional and is based upon a determination of Professional's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this

Agreement was and is the professional reputation and competence of Professional. Professional may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Professional shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

8.5 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Professional shall survive the termination of this Agreement.

8.6 Options upon Breach by Professional. If Professional materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Professional pursuant to this Agreement;

8.6.3 Retain a different Professional to complete the services described in Exhibit A not finished by Professional; and

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

SECTION 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Professional's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Professional prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Professional hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Professional agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

9.2 Professional's Books and Records. Professional shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Professional pursuant to this Agreement.

- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Professional to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

SECTION 10. MISCELLANEOUS PROVISIONS.

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

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

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

10.8 Solicitation. Professional agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 Contract Administration. This Agreement shall be administered by Kristine Courdy ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.10 Notices.

Any written notice to City shall be sent to:

ATTN: Margarita Dronov
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670

Any written notice to Professional shall be sent to:

ATTN: Ashley Orsaba-Finders
110 Blue Ravine Rd #200
Folsom, CA 95630
Email Address: MWeldy@dokkenengineering.com

10.11 Professional Seal. Where applicable in the determination of the Contract Administrator or when required by law, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility," as in the following example.



Seal and Signature of Registered Professional with report/design responsibility.

- 10.12 Integration.** This Agreement, including the scope of services attached hereto and incorporated herein as Exhibit A, and the compensation schedule attached hereto and incorporated herein as Exhibit B, represents the entire and integrated agreement between City and Professional and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 IRS Form W-9.** Professional shall complete and submit Internal Revenue Service Form W-9 to the City before execution of this Agreement. The City's Finance Director shall have authority to waive this requirement.

ITEM 13.2.

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

CITY OF RANCHO CORDOVA

PROFESSIONAL

Micah Runner, City Manager

John Klemunes, President

Date:_____

Date:_____

Attest:

Stacy Leitner, CMC, City Clerk

Date:_____

Approved as to Form:

Adam U. Lindgren, City Attorney

Date:_____

EXHIBIT A
SCOPE OF SERVICES



December 18, 2025

Margarita Dronov
Associate Engineer
City of Rancho Cordova

RE: Outfall One Proposal

Mrs. Dronov:

Dokken Engineering (Dokken) is pleased to provide the City of Rancho Cordova with this design services scope and fee to provide engineering services for the Outfall One project. This scope and fee include the coordination, engineering design, and bid/construction support required for this effort.

Scope of Work

Task 1 – Project Management

Dokken will coordinate and attend meetings with the City's Project Manager and other required representatives from affected stakeholders as deemed necessary by the City's Project Manager. Dokken will prepare meeting minutes for each meeting and distribute them to the City's Project Manager and other attendees.

Task 1.1 Project Management

Dokken shall prepare progress reports to record the progress of the project and supporting data for invoices presented monthly to the City. The progress report shall include accomplished tasks for the month, anticipated progress for the next month, pending issues, and schedule completion target dates. Dokken shall mail a progress report with each monthly invoice. Dokken shall maintain a project baseline schedule indicating milestones, major activities, critical path tasks, and deliverables to the City for review and comments.

Task 1.2 Meetings and Coordination

Dokken shall coordinate and attend Project Development Team (PDT) meetings with the City staff and other representatives from resource agencies and stakeholders. PDT meetings will be held monthly, as appropriate. Meeting minutes shall be prepared by the Dokken for each meeting and distributed to the City's Project Manager and attendees. An Action Item List and a Deliverables Status Matrix shall be prepared and updated for each PDT meeting.

Task 1.3 Quality Assurance and Quality Control

Dokken shall have a quality control plan in effect during the entire course of the project. Dokken shall develop a plan establishing a process to ensure design calculations are independently checked. Exhibits and plans shall also be checked, corrected, and backchecked for accuracy and completeness. Dokken shall review subconsultant submittals to ensure that appropriate background information, study methodology, interpretation of data, format, and content are completed in accordance with current standards.

*Deliverables:*

- ✓ Scope of work
- ✓ Project schedule
- ✓ Monthly progress reports
- ✓ Meeting agendas and minutes

Task 2 – Environmental*Task 2.1 Agency Coordination*

Dokken will coordinate with regulatory agencies for the proposed drainage Outfall One project, including coordination with the U.S. Army Corps of Engineers (USACE) for Clean Water Act Section 404 authorization, the Central Valley Regional Water Quality Control Board (RWQCB) for Clean Water Act Section 401 requirements, the U.S. Fish and Wildlife Service (USFWS) for valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*), the National Marine Fisheries Service (NMFS) for California Central Valley steelhead (*Oncorhynchus mykiss*), the California Department of Fish and Wildlife (CDFW) for riparian habitat and restoration requirements, and the Central Valley Flood Protection Board (CVFPB) for flood protection compliance.

Deliverables:

- ✓ Agency coordination documentation and correspondence

Task 2.2 Biological Technical Resources Report

Dokken will prepare one Biological Resources Technical Report (BRTR) to evaluate potential project impacts on special-status species and sensitive habitat communities within the Project Area for the drainage Outfall One project. Two special-status species have the potential to occur in the project area and may be affected by project activities, California Central Valley steelhead and valley elderberry longhorn beetle. Dokken will conduct a biological survey to support the BRTR. The BRTR will serve as supporting documentation for regulatory permit applications and will provide sufficient detail for the USACE to initiate consultation with the NMFS and the USFWS regarding project effects on special-status species.

Deliverables:

- ✓ Biological Resources Technical Report

Task 2.3 Cultural Resources Inventory Report

Dokken's archaeological team will identify cultural resources and prepare documentation in accordance with AB-52 and Section 106 of the National Historic Preservation Act and the California Environmental Quality Act (CEQA) guidelines for the Outfall One project. This work will include a search of cultural records on file at the North Central Information Center of the California Historical Resources Inventory System (\$1,000 for other direct cost (ODC) is included), a Native American Heritage Commission Sacred Lands File search, historic map and literature research, Native American Consultation under AB-52, and an archaeological surface survey (Phase 1). The archaeological staff will document any cultural resources identified during the survey on California Department of Parks and Recreation Series 523 forms. The efforts and results of these identification efforts will be documented in one comprehensive Cultural Resources Inventory Report (CRIR).

Deliverables:

- ✓ Cultural Resources Inventory Report

*Task 2.4 Riparian Restoration Plan*

Dokken will prepare a Riparian Restoration Plan to address the temporary and permanent removal of native and non-native riparian vegetation required for the drainage Outfall One project. The plan will be developed to ensure compliance with regulatory agency requirements, particularly those of the CDFW and the RWQCB, and to minimize and compensate for impacts to riparian habitat. The Riparian Restoration Plan will identify restoration goals, plant palettes, planting methods, performance criteria, and monitoring requirements to ensure disturbed riparian areas are successfully restored following construction.

Deliverables:

- ✓ Riparian Restoration Plan

Task 2.5 Section 1600 Verification Request Form

The project is consistent with the City's existing Routine Maintenance Agreement (RMA), and a Verification Request Form (VRF) is required to fully document project features and verify compliance with permit conditions listed in the RMA. A standalone Section 1600 permit is not expected to be required. Due to the project's scale and complexity, more detail is required than on typical VRFs prepared for vegetation management projects. The VRF will include a thorough project description with attached engineering plans and the Biological Resources Technical Report described in Task 2.2.

Deliverables:

- ✓ Verification Request Form

Task 2.6 401 Water Quality Certification

Dokken will prepare a Water Quality Certification application for filing with the RWQCB, as required by Section 401 of the Clean Water Act (CWA). The 401 application will include project details, quantities, and exhibits. This scope includes coordination of the pre-filing meeting and any needed coordination with RWQCB to secure the certifications. This scope does not include the Water Quality Certification application fees, which will be paid by the City.

Deliverables:

- ✓ Section 401 Application and Water Quality Certification

Task 2.7 404 Preconstruction Notification

The proposed project will affect Waters of the United States and requires authorization from the USACE under Section 404 of the Clean Water Act. The proposed project is consistent with Nationwide Permit #3 and would not typically require submitting a notification package to the USACE to replace the structure; however, the proposed project will affect threatened species (California central valley steelhead). Under General Condition 18.(c) of the Nationwide Permits, the City must submit a pre-construction notification (PCN) with enough information for the Army Corps to either make a "No Effect" determination or consult with NMFS regarding project impacts to listed fish. Dokken Engineering will prepare a PCN in accordance with Nationwide Permit #3. Dokken Engineering will coordinate with the USACE following submittal of the PCN to minimize permitting delays.

*Deliverables:*

- ✓ Section 404 Preconstruction Notification

Task 2.8 Flood Encroachment Permit (Minor Alteration Letter)

Dokken will prepare and submit a Minor Alteration Letter to the Central Valley Flood Protection Board (CVFPB) for the Outfall One project. This task will include describing the project work, including any vegetation removal or maintenance activities within the levee or floodway, and coordinating with CVFPB staff to address any questions or information requests needed to secure approval prior to construction.

Deliverables:

- ✓ Minor Alteration Letter

Task 3 – Surveying and Basemapping

UNICO will provide the following services necessary to complete its portion of the project.

Project Survey Control

UNICO will research City approved horizontal and vertical control for the project. UNICO will utilize current NAD83, California State Plane Coordinates, horizontal datum and the NAVD88 vertical datum for all surveys and mapping. UNICO will set durable project control points for utilization of all surveys and for future construction control, including a minimum of three (3) points outside of the project limits. UNICO will prepare a survey adjustment report of all control used for the project.

Deliverables:

- ✓ Survey Adjustment Report

Aerial Photogrammetric/LiDAR Topographic Mapping

UNICO will facilitate the delivery of an overall photogrammetric aerial/LiDAR map, with color orthophotography at the project area. UNICO will set all necessary aerial control panels at locations and frequency adequate to meet National Mapping Accuracy Standards of 1" = 40' scale mapping with 1' contour intervals based on the approved mapping limits. The general aerial topographic limits have been provided by the design team and contain approximately 6 acres. Aerial based topographic mapping will show all visible surface features, improvements, 1' contours, DTM ground surface and spot elevations within the mapping limits. Color photo background imagery will be provided. The imagery will be adjusted using ortho-correction within the mapping limits, and simple rectification within the ground control limits.

Deliverables:

- ✓ Aerial Base Map

Supplemental Design Topographic Surveying and Mapping

To augment the aerial topographic survey, supplemental design level topographic surveys will be performed utilizing conventional (non-aerial) field surveying methods. UNICO will locate and map



all necessary supplemental topographic features necessary to complete the design and construction. Items located will include, but are not limited to, outfall structures, drainage features, culverts, signs, fences, gates, structures, and trees to include size, type if known and drip circle. UNICO will locate all visible above ground utility features such as manholes, valves, vaults and utility poles, including overhead line heights and alignment. UNICO will survey utility paint markings or potholes (marked by Geotech team) and incorporate into the topographic survey base file. UNICO will perform base mapping of all topographic information to include mapping, 1' contours and resolved 3D surface in an AutoCAD based drawing.

Deliverables:

- ✓ Updated Base File
- ✓ Points Files

Right of Way and Boundary

To establish the right of way and impacted properties, UNICO will research record maps, deed documents and other record information of the right of way and property boundaries. UNICO will perform a field survey to locate monuments of record to resolve and map the record right of way, easements and property boundaries. UNICO will request City to provide title reports for properties that may be impacted by the project to best determine parcel boundaries, right of way, additional easements or other boundary constraints. UNICO will prepare an overall Land NET boundary base drawing in AutoCAD format based from record information, dedications, easements, title exceptions and field observed information. Base map will be prepared for insertion into the main topographic survey base file. Base map will be prepared with sufficient detail so as to prepare plats and legal descriptions as needed for acquisition or easement purposes.

As part of future monument perpetuation in accordance with Section 8771 of the Professional Land Surveyors Act in the Business and Professionals Code of the State of California, UNICO will survey and show all monuments in the AutoCAD base file that are found within the project limits. This will allow for insertion into the design plan set for pre and post construction monument perpetuation activities.

Deliverables:

- ✓ Record Maps and Deed Documents
- ✓ Land NET AutoCAD Base File

Task 4 – Engineering Design and Construction Document Preparation

Dokken Engineering will prepare the plans, specifications, and estimate in accordance with City standards to be reviewed by the City at 60%, 90%, and Final milestones.

Task 4.1 Hydraulic Analysis and Design

Dokken will review the existing culvert hydraulic information provided by the City to develop the culvert outfall velocities. Dokken will also review available flood studies of the American River including the current FEMA Flood Insurance Study and other available information. This information



will be used to confirm the scour mechanism and river elevations at the location of the outfall structure as needed to design the repair.

Discussions with the CVFPB have indicated that the project is likely to be permitted as a “minor alteration” which will require hydraulic analysis of the river including the existing condition and proposed repair with respect to water surface elevation and velocity impacts. Dokken assumes that existing hydraulic models of the river can be obtained from SAFCA, USACE, or FEMA and used for the existing condition analysis as is and modified for the proposed condition analysis.

Deliverables:

- ✓ Hydraulic Analysis Memorandum for submittal to CVFPB and USACE

Task 4.2 Structural Analysis and Design

Dokken’s structural engineering team will analyze and design any modifications or repairs to the headwall structure as needed for the repair solution in coordination with the hydraulic analysis.

Deliverables:

- ✓ Structural engineering calculations

Task 4.3. Plans, Specifications, and Estimate

Task 4.3.1 60% Plans & Estimate

Based on the design identified in the hydraulic analysis, Dokken will prepare 60% plans and estimate for the City’s review. The sheets are expected to include a title sheet, notes sheet, general layout sheet, and 1-2 detailed repair sheets. The plans will include all geometric data required to construct the project. Removals, access needs, and tree impacts will also be shown.

Deliverables:

- ✓ 60% Plan and Estimate

Task 4.3.2 90% PS&E

Based on comments received on the 60% plan set, Dokken Engineering will update the sheets and estimate. Repair details will be further refined in accordance with the environmental permits. Additional sheets incorporating additional structural and erosion mitigation detailing, post-construction erosion control/revegetation, and access information will be added to the plans. As part of the 90% submittal, Dokken Engineering will update the engineer’s estimate, based on detailed quantity takeoffs and current unit prices. Quantities for all contract items, including cost of lump sum items, will be substantiated by calculations. Dokken will also develop technical specifications for the project.

Dokken will provide written responses for each comment received and mark each comment as “incorporated” or “not incorporated.” For each “not incorporated” response, Dokken will provide descriptive reasoning stating why and what design standards or impact implementing the requested change would have. A meeting will be held following each submittal to resolve any disputed comments. The comment response matrix will be updated to show the final resolution after the meeting.

*Deliverables:*

- ✓ One PDF copy of the complete (full size) plans for City review and comments
- ✓ One PDF copy of the Engineer's Estimate for Construction
- ✓ Word document copy of the Specifications
- ✓ Response to all City comments in matrix format
- ✓ Civil 3D files, as requested by the City

Task 4.3.3 Final PS&E

Upon receipt of the 90% review comments from the City, Dokken Engineering will revise the PS&E to create the final bid documents for the City to advertise the project for construction. The package will be formally reviewed for final quality control by a principal-level engineer for consistency between the plans, specifications and estimate quantities. As part of this task, a Resident Engineer's (RE) File will be prepared, complete with information necessary for the RE to administer the construction. Final technical specifications will be modified to address any City comments, changes to the plans, or unique revisions to coordinate them with the City boilerplate. The Final PS&E submittal will address all comments from the City and the internal QC review.

Deliverables:

- ✓ Electronic copy of the draft PS&E
- ✓ Signed and stamped final plans: one set of 22"x34", one set of 11"x17" bond copies, and one PDF full-size copy
- ✓ Response to all City comments in matrix format
- ✓ One PDF copy and one Excel copy of the Engineer's Estimate
- ✓ One signed and stamped copy of the Specifications, and one electronic (Word document) copy
- ✓ Quantity calculations (as requested)
- ✓ Civil 3D files (as requested)

Task 5 – Bidding and Construction Support*Task 5.1 Bid Support*

Dokken will be available to provide clarification and information about the PS&E package during the construction advertising and bidding process. Dokken will assist the City in the preparation of any addenda to the PS&E during the advertisement period attend the project pre-bid meeting and provide written meeting notes. Dokken will review and comment on pre-bid meeting notes to determine any necessary addenda. Dokken shall prepare any plan revisions as determined necessary by addenda.

Deliverables:

- ✓ Assist in developing the pre-bid meeting agenda, attend, and take notes
- ✓ Provide clarification and revisions of documents during advertising and preparation of any addenda as required

**Task 5.2 Construction Support**

Dokken will provide Construction Support Engineering and Record Drawing services, as requested by the City. This task will include typical construction engineering support design services during an estimated 1-month construction period.

The deliverables included in this task include the preparation and response to Requests for Information (RFIs), and the work will conclude with the preparation of as-built documents.

Deliverables:

- ✓ Response to RFIs

Task 5.3 Record Drawings

Dokken will prepare record drawings based upon the redlines and construction change documents provided by the City following construction.

Deliverables:

- ✓ Record Drawings

Task 6 – Right of Way (Optional)**Task 6.1 Right Of Way Management And Coordination Services**

To eliminate any unforeseen issues, Dokken Engineering's team works closely with the applicable funding sources to ensure all changes regarding certification, documentation, and procedures are implemented. Dokken Engineering ensures that all the current documentation and procedures are used for all right of way efforts for local public City projects.

Dokken Engineering's Right of Way team will do the following once a task is assigned:

- Review title report and implement solutions for items that may affect title or cause a delay in escrow; Title report are to be provided by the City and are not included in this scope;
- Provide all gathered information to the appraiser and attain a detailed timeline to complete the assigned task;
- Monitor progress and provide any additional information to the designated appraiser;
- Review all reports supplied by the appraiser for quality assurance;
- Prepare draft acquisition documentation for City review and approval;
- Provide final appraisal report and acquisition documentation to the City for final review;
- Prepare staff reports for approval of just compensation;
- Make offers in person to each property owner;
- Attain executed acquisition documentation from each affected property owner;
- Provide possession documentation in lieu of purchase contracts;
- Deliver fully executed documentation to escrow/title officers to close escrow and provide title insurance;
- Coordinate the close of escrow and provide original copies of acquisition files to the City;
- Provide the City with original acquisition files.

Task 6.2 Project Update And Introductory Letter

In adherence to the project schedule and the upcoming transition into the right of way phase, one (1) notification letters will be prepared and delivered for one (1) affected parcel. These letters will



inform the respective property owners of the status of the project and provide recent updates. Additionally, the notification letter will serve to introduce Dokken Engineering as the designated right of way team and notify the property owners that the right of way phase will commence shortly.

Deliverables:

- ✓ One (1) Project Update And Introductory Letter

Task 6.3 Project Tracking Table

As a component of effective project management and in an effort to keep the project on schedule and the City current with acquisition data, a project tracking table will be created. Dokken's right of way manager will maintain the project tracking table and ensure that it is sent to the City on the regularly requested schedule. This table will outline milestones and supply completion dates, comments, and any additional information the City may request.

Deliverables:

- ✓ Project Tracking Table

Task 6.4 Appraisal Process

One (1) appraisal will be completed for one (1) affected parcel by a Certified General Real Estate Appraiser. Notice of intent to appraise letters along with acquisition policy brochures will be provided to all impacted property owners. Appraisals will be arranged so that the property owner may accompany the appraiser during the inspection of the property. This allows the property owner the opportunity to provide additional information to the appraiser.

All appraisals will be prepared by an appraiser licensed with the State of California and will comply with all laws applicable to the specific appraisal and the Uniform Standards of Professional Appraisal Practice 49 CFR 24.2(a)(3). Appraisals will include a summary and a complete analysis for all valuation conclusions. Documentation obtained during the inspection, such as pictures, will be included in each report. Title information pertaining to ownership, drawings, and information relative to the parcel will be reviewed by the appraiser.

Deliverables:

- ✓ One (1) Appraisal Report

Task 6.5 Negotiate For Right Of Way

Dokken Engineering will draft offer package and negotiate for one (1) parcel to acquire right of way for the affected parcels.

All "Good Faith Negotiations" will be completed by Dokken Engineering's Right of Way Team for one (1) parcel. After completion of the appraisal process and just compensation determination, Dokken Engineering will prepare offer package and meet with all owners in person to present and explain the offer package details. The offer package will include the offer letter, written summary of just compensation with supporting appraisal information, property owner exhibit showing property map with right of way take location, Title VI information, and "Your Property – Your Transportation Project" booklet. Dokken Engineering will negotiate with the property owner to arrive at a mutually agreeable settlement and prepare necessary purchase agreement such as Grant Deed, Easement Deed, and Temporary Construction Easement Deed. Dokken Engineering will obtain receipt of delivery of offer and/or present and secure tenant information statements, as applicable, during the initial meeting.



Dokken Engineering will work closely with the City to aid in the recommendation of the appropriate course of action with regard to the acquisition with property owners requesting additional compensation and/or services beyond the initial offer package. Recommended settlement package with justifications and impasse letters will be provided to the City for review. Working with the property owner on agreeable terms will be Dokken Engineering's focus. There may be situations where condemnation is unavoidable, such as clouds in the title. In the event the City will need to attain property through the condemnation process, Dokken Engineering will assist in the preparation of a necessary condemnation report, letter, and package.

Dokken Engineering's Right of Way Agents hold California Real Estate Salesperson's Licenses and are working under the direct supervision of a California Real Estate Licensed Broker.

Deliverables:

- ✓ Right Of Way Agreement, Grant and Easements Deed, Administrative Settlement, Diaries, Written Summary of Acquisition, Impasse Letter

Task 6.6 Escrow Coordination

Upon reaching an agreement on the terms and conditions of the acquisition with the property owner, Dokken will be available to assist the City in opening escrow for one (1) parcel. Dokken will supply a fully executed agreement along with other supporting information to escrow in order to close each transaction. Dokken will work closely with the City to assist in the timely closing of all transactions. For the convenience of the property owner, our right-of-way team has a California Notary who will be available to notarize any documentation that is required. Fully executed deeds and easements will be delivered to the City for acceptance prior to recording. In the event escrow services are not required, Dokken is available to perform these services and record the required documentation.

Deliverables:

- ✓ Escrow Document And Closing Statement

Task 6.7 Project Close-Out

The original acquisition file for one (1) parcel will be provided to the City upon completion of the project. The acquisition file will contain property information, diary reports, written correspondence, just compensation documentation, appraisal, offer package, negotiations, title documentation, copies of recorded documents and all applicable documentation.

Deliverables:

- ✓ Original Acquisition File

Task 6.8 Plats and Legal Descriptions

UNICO will prepare plats, legal descriptions and closure calculations as needed for the project. The exact number and locations will be better understood during design. For this proposal, UNICO will assume that two (2) plats and legal descriptions will be needed for right of way, easement and/or temporary construction easements (TCE). UNICO will request exhibits and CAD files be provided by design team for the preparation of all plats and legal descriptions. UNICO will prepare preliminary plats and legal descriptions for review. Upon approval, UNICO will prepare final signed and stamped PDF plats and legal descriptions.

Deliverables:

- ✓ PDF Plats and Legal Descriptions (2)

**DOKKEN ENGINEERING***Transportation Solutions from Concept to Construction*

Sincerely,

DOKKEN ENGINEERING

Ashley Orsaba-Finders, PE
Senior Engineer
Project Manager

ITEM 13.2.

ATTACHMENT 3
Contract No. 2025-275

TASK DESCRIPTION	DOKKEN ENGINEERING																				TOTAL HOURS	ESCALATION	OTHER DIRECT COST	TOTAL COST
	Principal in Charge	QA /QC Manager	Project Manager	Senior Engineer 3	Senior Engineer 2	Senior Engineer 1	Associate Engineer 1	Assistant Engineer 2	Assistant Engineer 1	CAD / Detailer	Right of Way Manager	Senior Right of Way Agent	Right of Way Agent	Right of Way Appraiser	Right of Way Assistant	Environmental Manager	Senior Environmental Planner 1	Associate Environmental Planner	Environmental Planner					
	BILLING RATES	\$465	\$405	\$315	\$315	\$285	\$245	\$185	\$160	\$135	\$160	\$245	\$205	\$125	\$125	\$95	\$285	\$195	\$145	\$115				
TASK 1 - PROJECT MANAGEMENT		12	36																		48	\$243		\$16,443
Task 1.1 - Meetings and Coordination			24																		24	\$113		\$7,673
Task 1.2 - Project Administration			12																		12	\$57		\$3,837
Task 1.3 - Quality Control		12																			12	\$73		\$4,933
TASK 2 - ENVIRONMENTAL					4		14	10									14	81	156	226	505	\$1,106	\$1,000	\$75,831
Task 2.1 - Agency Coordination																	2	5	9	18	34	\$74		\$4,994
Task 2.2 - Biological Resources Technical Report																	2	8	25	40	75	\$155		\$10,510
Task 2.3 - Cultural Resources Report																	2	30	50		82	\$205	\$1,000	\$14,875
Task 2.4 - Riparian Restoration Plan																	2	5	10	40	57	\$114		\$7,709
Task 2.5 - 1600 Verification Request Form																		4	2	8	14	\$30		\$2,020
Task 2.6 - 401 Water Quality Certification																	2	12	20	40	74	\$156		\$10,566
Task 2.7 - 404 Nationwide Permit Preconstruction Notification																	2	12	25	50	89	\$184		\$12,469
Task 2.8 - Flood Encroachment Permit (Minor Alteration Letter)					4		14	10									2	5	15	30	80	\$188		\$12,688
TASK 3 - SURVEY AND BASE MAPPING																								
Task 3.1 - Topographic Survey and Base Mapping																								
TASK 4 - ENGINEERING DESIGN AND CONSTRUCTION DOCUMENT PREPARATION			14	2	4	88	20	248		56											432	\$1,201		\$81,281
Task 4.1 - Hydraulic Analysis and Design					4		10	50													64	\$165		\$11,155
Task 4.2 - Structural Analysis and Design				2		8	10	30													50	\$139		\$9,379
Task 4.3 - Plans, Specifications, and Estimate																								
4.3.1 - 60% Plans and Estimate			6			32		96		32											166	\$453		\$30,663
4.3.2 - 90% Plans, Specifications, and Estimate			4			32		48		16											100	\$290		\$19,630
4.3.3 - Final Plans, Specifications, and Estimate			4			16		24		8											52	\$155		\$10,455
TASK 5 - BIDDING AND CONSTRUCTION SUPPORT			7			42			50												99	\$289		\$19,534
Task 5.1 - Bid Support			4			20			10												34	\$113		\$7,623
Task 5.2 - Construction Support			2			20			40												62	\$164		\$11,094
Task 5.3 - Record Drawings			1			2															3	\$12		\$817
TASK 6 - RIGHT OF WAY (OPTIONAL)											13	14	76	40	58						201	\$391		\$26,456
Task 6.1 Right of Way Management and Coordination Services											8										8	\$29		\$1,989
Task 6.2 Project Update and Introductory Letter											1	2			2						5	\$13		\$858
Task 6.3 Project Tracking Table											4	6			6						16	\$42		\$2,822
Task 6.4 Appraisal Process												4		40	4						48	\$93		\$6,293
Task 6.5 Negotiate for Right of Way													50		20						70	\$122		\$8,272
Task 6.6 Escrow Coordination														20	20						40	\$66		\$4,466
Task 6.7 Project Close-out												2	6		6						14	\$26		\$1,756
Task 6.8 Plats and Legal Descriptions																								
TOTAL HOURS WITHOUT OPTIONAL TASKS		12	57	2	8	130	34	258	50	56						14	81	156	226	1,084				
TOTAL COST WITHOUT OPTIONAL TASKS		\$4,860	\$17,955	\$630	\$2,280	\$31,850	\$6,290	\$41,280	\$6,750	\$8,960						\$3,990	\$15,795	\$22,620	\$25,990		\$2,839	\$1,000	\$193,089	
TOTAL HOURS WITH OPTIONAL TASKS		12	57	2	8	130	34	258	50	56	13	14	76	40	58	14	81	156	226	1,285				
TOTAL COST WITH OPTIONAL TASKS		\$4,860	\$17,955	\$630	\$2,280	\$31,850	\$6,290	\$41,280	\$6,750	\$8,960	\$3,185	\$2,870	\$9,500	\$5,000	\$5,510	\$3,990	\$15,795	\$22,620	\$25,990		\$3,230	\$1,000	\$219,545	



COST PROPOSAL - HOURS BREAKDOWN BY TASK
CITY OF RANCHO CORDOVA
DRAINAGE OUTFALL 1
December 2025

TASK DESCRIPTION	UNICO ENGINEERING								TOTAL HOURS	OTHER DIRECT COST	TOTAL COST		
	Rob Markes Survey Manager	Ryan Ming, PLS Senior Land Surveyor	Todd Jordan, PLS Land Surveyor	Roy Porter, LST Land Surveyor	Staff Party Chief	Staff Rodman	Staff Survey Technician/ Drafter	TOTAL HOURS				OTHER DIRECT COST	TOTAL COST
BILLING RATES	\$241.27	\$170.30	\$141.94	\$141.94	\$212.88	\$212.88	\$96.50						
TASK 1 - PROJECT MANAGEMENT											48	\$16,443	
Task 1.1 - Meetings and Coordination											24	\$7,673	
Task 1.2 - Project Administration											12	\$3,837	
Task 1.3 - Quality Control											12	\$4,933	
TASK 2 - ENVIRONMENTAL											505	\$1,000	\$75,831
Task 2.1 - Agency Coordination											34		\$4,994
Task 2.2 - Biological Resources Technical Report											75		\$10,510
Task 2.3 - Cultural Resources Report											82	\$1,000	\$14,875
Task 2.4 - Riparian Restoration Plan											57		\$7,709
Task 2.5 - 1600 Verification Request Form											14		\$2,020
Task 2.6 - 401 Water Quality Certification											74		\$10,566
Task 2.7 - 404 Nationwide Permit Preconstruction Notification											89		\$12,469
Task 2.8 - Flood Encroachment Permit (Minor Alteration Letter)											80		\$12,688
TASK 3 - SURVEY AND BASE MAPPING	10	16	12	24	36	36	32	166	\$4,185	\$32,847	166	\$4,185	\$32,847
Task 3.1 - Topographic Survey and Base Mapping	10	16	12	24	36	36	32	166	\$4,185	\$32,847	166	\$4,185	\$32,847
TASK 4 - ENGINEERING DESIGN AND CONSTRUCTION DOCUMENT PREPARATION											432		\$81,281
Task 4.1 - Hydraulic Analysis and Design											64		\$11,155
Task 4.2 - Structural Analysis and Design											50		\$9,379
Task 4.3 - Plans, Specifications, and Estimate													
4.3.1 - 60% Plans and Estimate											166		\$30,663
4.3.2 - 90% Plans, Specifications, and Estimate											100		\$19,630
4.3.3 - Final Plans, Specifications, and Estimate											52		\$10,455
TASK 5 - BIDDING AND CONSTRUCTION SUPPORT											99		\$19,534
Task 5.1 - Bid Support											34		\$7,623
Task 5.2 - Construction Support											62		\$11,094
Task 5.3 - Record Drawings											3		\$817
TASK 6 - RIGHT OF WAY (OPTIONAL)	2	8		6				16		\$2,697	217		\$29,153
Task 6.1 Right of Way Management and Coordination Services											8		\$1,989
Task 6.2 Project Update and Introductory Letter											5		\$858
Task 6.3 Project Tracking Table											16		\$2,822
Task 6.4 Appraisal Process											48		\$6,293
Task 6.5 Negotiate for Right of Way											70		\$8,272
Task 6.6 Escrow Coordination											40		\$4,466
Task 6.7 Project Close-out											14		\$1,756
Task 6.8 Plats and Legal Descriptions	2	8		6				16		\$2,697	16		\$2,697
TOTAL HOURS WITHOUT OPTIONAL TASKS	10	16	12	24	36	36	32	166			1,250		
TOTAL COST WITHOUT OPTIONAL TASKS	\$2,413	\$2,725	\$1,703	\$3,406	\$7,664	\$7,664	\$3,088		\$4,185	\$32,847		\$5,185	\$225,936
TOTAL HOURS WITH OPTIONAL TASKS	12	24	12	30	36	36	32	182			1,467		
TOTAL COST WITH OPTIONAL TASKS	\$2,895	\$4,087	\$1,703	\$4,258	\$7,664	\$7,664	\$3,088		\$4,185	\$35,544		\$5,185	\$255,089

EXHIBIT B
COMPENSATION SCHEDULE

**BILLING RATE SCHEDULE****CITY OF RANCHO CORDOVA
DRAINAGE OUTFALL 1***Effective January 1, 2026 through December 31, 2028*

Professional and supporting staff services will be billed at the following hourly billing rates:

	CLASSIFICATION	2026 BILLING RATE	2027 BILLING RATE	2028 BILLING RATE
PROJECT MANAGEMENT	Principal in Charge	\$465.00	\$479.00	\$493.00
	QA/QC Manager	\$405.00	\$417.00	\$430.00
	Project Manager	\$315.00	\$324.00	\$334.00
DESIGN	Senior Engineer 3	\$315.00	\$324.00	\$334.00
	Senior Engineer 2	\$285.00	\$294.00	\$303.00
	Senior Engineer 1	\$245.00	\$252.00	\$260.00
	Associate Engineer 2	\$215.00	\$221.00	\$228.00
	Associate Engineer 1	\$185.00	\$191.00	\$197.00
	Assistant Engineer 2	\$160.00	\$165.00	\$170.00
	Assistant Engineer 1	\$135.00	\$139.00	\$143.00
	Senior CAD	\$255.00	\$263.00	\$271.00
	CAD/Detailer	\$160.00	\$165.00	\$170.00
	Engineering Technician	\$125.00	\$129.00	\$133.00
RIGHT OF WAY	Right of Way Manager	\$245.00	\$252.00	\$260.00
	Senior Right of Way Agent	\$205.00	\$211.00	\$217.00
	Right of Way Agent	\$125.00	\$129.00	\$133.00
	Right of Way Appraiser	\$125.00	\$129.00	\$133.00
	Right of Way Assistant	\$95.00	\$98.00	\$101.00
	Right of Way Technician	\$85.00	\$88.00	\$91.00
ENVIRONMENTAL PLANNING	Environmental Manager	\$285.00	\$294.00	\$303.00
	Principal Planner	\$215.00	\$221.00	\$228.00
	Senior Environmental Planner 3	\$235.00	\$242.00	\$249.00
	Senior Environmental Planner 2	\$215.00	\$221.00	\$228.00
	Senior Environmental Planner 1	\$195.00	\$201.00	\$207.00
	Associate Environmental Planner	\$145.00	\$149.00	\$153.00
	Environmental Planner	\$115.00	\$118.00	\$122.00
	Environmental Technician	\$95.00	\$98.00	\$101.00
PUBLIC OUTREACH	Community Engagement Director	\$195.00	\$201.00	\$207.00
	Technical Editor	\$145.00	\$149.00	\$153.00
	Graphic Designer	\$125.00	\$129.00	\$133.00

ESCALATION: Billing Rates will be escalated by 3% in January of each year as shown above, rounded to the nearest dollar.**REIMBURSABLES:** Ordinary supplies and equipment are included in the above hourly rates. The following are considered project-specific items and will be billed at their actual cost.

Title Reports / Appraisal Reviews

Permit Fees / Public Notice Advertisements

Postage for Public Notice Advertisements

Record Search Fees / Mapping Fees

Outside Reproduction

Traffic Control

Utility Potholing

Room and Equipment Rentals

MEMORANDUM



ITEM 13.3.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Lydia Thung, Management Analyst
Amanda Norton, Economic Development Director
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE STANDARD AGREEMENT NO. 0000000549 AMENDMENT 1 (CITY CONTRACT AMENDMENT NO. 2024-280-1) WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT FOR QUARTERLY CENSUS EMPLOYMENT AND WAGES INFORMATION**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to sign the State of California Department of General Services (DGS) Standard Agreement No. 0000000549 Amendment 1 (city Contract Amendment No. 2024-280-1) between the State of California Employment Development Department (EDD) and the City of Rancho Cordova. The intent of the Amendment is to authorize the city to disclose confidential EDD information to the Greater Sacramento Economic Council (GSEC) for the purpose of conducting economic analysis and research on the city's behalf.

BACKGROUND

On May 20, 2024, City Council adopted Resolution No. 55-2024 authorizing the City Manager to execute the State of California Department of General Services Standard Agreement No. 0000000549 between the State of California Employment Development Department and the City of Rancho Cordova in an amount not to exceed \$9,451 for Quarterly Census of Employment and Wages (QCEW) data. EDD provides crucial labor market information that supports the city's Economic Development Strategic Plan and ongoing efforts such as economic planning and policymaking, business attraction and retention, employment and wage analysis, and grant funding applications. Due to the confidential and sensitive nature of the data, EDD required both a City Council resolution and an executed agreement to authorize access.

In July 2025, the city's Economic Development Department engaged the Greater Sacramento Economic Council to conduct a Market Velocity project. Market Velocity is a strategic initiative of GSEC that will assist GSEC member communities with economic analysis, competitiveness research and in identifying and supporting the implementation of best practices in economic

development. The Market Velocity project with the city will analyze QCEW data to uncover economic trends in employment, wages, and clustering in local sectors, subsectors, industry groups, and/or industries.

EDD requires an executed Standard Agreement Amendment authorizing the city to disclose confidential EDD information to GSEC for the purpose of conducting economic research and analysis on the city's behalf.

As the City Council authorized the City Manager to sign the original Standard Agreement, City Council approval is now required to authorize the City Manager to execute the Standard Agreement Amendment.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact.

ATTACHMENT(S)

1. Resolution
2. Standard Agreement No. 0000000549 Amendment 1

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE STANDARD AGREEMENT NO. 0000000549 AMENDMENT 1 (CITY CONTRACT AMENDMENT NO. 2024-280-1) WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT FOR QUARTERLY CENSUS EMPLOYMENT AND WAGES INFORMATION

WHEREAS, the City of Rancho Cordova sought to obtain confidential data from the State of California Employment Development Department (EDD) on a quarterly basis for the purpose of economic planning and policy making; business attraction and retention; employment and wage research and analysis; and supporting grant and funding applications; and

WHEREAS, due to the confidential and sensitive nature of the data, EDD required both a City Council resolution and an executed agreement in order for the city to access EDD data; and

WHEREAS, on May 20, 2024, City Council adopted Resolution No. 55-2024 authorizing the City Manager to sign the State of California Department of General Services (DGS) Standard Agreement No. 0000000549 between EDD and the City of Rancho Cordova; and

WHEREAS, in July 2025, the city's Economic Development Department engaged the Greater Sacramento Economic Council (GSEC) to conduct a Market Velocity project, GSEC's strategic initiative to support GSEC member communities with economic analysis, competitiveness research, and the identification and implementation of best practices in economic development. The Market Velocity project with the city will analyze Quarterly Census of Employment and Wages (QCEW) data from EDD to uncover economic trends in employment, wages, and clustering in local sectors, subsectors, industry groups, and/or industries; and

WHEREAS, EDD requires an executed Agreement Amendment that will authorize the city to disclose the confidential EDD information to GSEC for the purpose of conducting economic analysis and research on the city's behalf; and

WHEREAS, because City Council authorized the City Manager to sign the Standard Agreement, City Council approval is required to authorize the City Manager to execute the Standard Agreement Amendment.

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

1. The foregoing recitals are true and incorporated herein by reference.
2. The City Manager is hereby authorized to execute Standard Agreement No. 0000000549 Amendment 1 (city Contract Amendment No. 2024-280-1) with the State of California Employment Development Department, as provided through the Department of General Services Standard Agreement template, to allow the disclosure of confidential EDD data to GSEC.

ITEM 13.3.

ATTACHMENT 1

3. This Resolution shall become effective immediately upon its passage and supersedes Resolution No. 55-2024.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

☒ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 19 PAGES

AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Authority Number
0000000549	1	EDD-7100

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
Employment Development Department

CONTRACTOR NAME
City of Rancho Cordova

2. The term of this Agreement is:

START DATE
May 1, 2024

THROUGH END DATE
April 30, 2027

3. The maximum amount of this Agreement after this Amendment is:
\$9,451.00 (Nine Thousand Four Hundred Fifty-One Dollars and No Cents)

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The Agreement entered into on May 1, 2024 by and between the Employment Development Department and the City of Rancho Cordo amended to authorize the redisclosure of the confidential EDD data to the Greater Sacramento Economic Council.

Specifics:

- 1. Exhibit A (Scope of Work) is deleted in its entirety and replaced with the attached revision.
- 2. Attachment A-1 (Specifications) is deleted in its entirety and replaced with the attached revision.
- 3. Exhibit C* (GTC 04/2017) is deleted in its entirety and replaced with Exhibit C* (GTC 02/2025)
- 3. Exhibit E (Protection of Confidentiality) is deleted in its entirety and replaced with the attached revision.
- 4. Attachment E-3 (Data Destruction Certification) is added to the Agreement.
- 5. Exhibit F (Contract between the City of Rancho Cordova and the Greater Sacramento Economic Council) is added to the Agreement.

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. The General Terms and Conditions (GTC 02/2025) can be viewed at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>

No cost is associated with this Amendment.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) City of Rancho Cordova			
CONTRACTOR BUSINESS ADDRESS 2729 Prospect Park Drive	CITY Rancho Cordova	STATE CA	ZIP 95670
PRINTED NAME OF PERSON SIGNING Micah Runner	TITLE City Manager		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

AGREEMENT NUMBER 0000000549	AMENDMENT NUMBER 1	Purchasing Authority Number EDD-7100
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME Employment Development Department			
CONTRACTING AGENCY ADDRESS 722 Capitol Mall, MIC 62-C	CITY Sacramento	STATE CA	ZIP 95814
PRINTED NAME OF PERSON SIGNING Cara Vierra	TITLE Manager, Contract Services Group		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable) SCM Vol. 1 Section 4.06		

EXHIBIT A
(Standard Agreement)

This Agreement is entered into by and between the Employment Development Department, hereinafter referred to as the EDD, and the City of Rancho Cordova, Economic Development Department, hereinafter referred to as the CITY or EDD Data Recipient. It sets forth the terms and conditions for the release and use of the EDD confidential information.

SCOPE OF WORK**I. PURPOSE**

This Agreement is established for the purpose of the EDD to provide the CITY with confidential Quarterly Census of Employment and Wages (QCEW) information as described in Attachment A-1, Specifications. The CITY shall use the confidential information provided by the EDD for the purpose of economic planning and policy making; business attraction and retention; employment and wage research and analysis; and supporting grant and funding applications.

The EDD authorizes the CITY to disclose the EDD confidential information to the Greater Sacramento Economic Council (GSEC) for the purpose of conducting economic analysis and research on the CITY's behalf. The CITY has contracted with GSEC for these services under Contract No. 2025-184, attached hereto as Exhibit F and incorporated herein by this reference. The CITY retains responsibility of the use of the EDD confidential information by the GSEC. Any other use of the EDD confidential information by GSEC is strictly prohibited.

II. LEGAL AUTHORITY

The EDD shall make the specified confidential information available to the CITY under the authority of Section 1095(r) of the Unemployment Insurance Code (UIC).

The CITY shall request and use the specified EDD confidential information pursuant to UIC Section 1095(r).

III. CONTRACT TERM AND DATA RETENTION

The term of this Agreement is May 1, 2024 through April 30, 2027.

The EDD confidential information must be disposed of in compliance with Title 20, Code of Federal Regulations (CFR) §603.9(b)(1)(vi). Data may be held by the CITY for a maximum of 4 years based upon receipt date. All EDD confidential data must be disposed of by the CITY by April 30, 2031. Only de-identified/aggregate data can be retained with prior permission from the EDD.

IV. AGREEMENT REPRESENTATIVES**The EDD Representative:**

CINDY WONG
Employment Development Department
Labor Market Information Division
800 Capitol Mall, MIC 57
Sacramento, CA 95814
Email: Cindy.Wong@edd.ca.gov

The CITY Representative:

AMANDA NORTON
City of Rancho Cordova
Economic Development Department
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Email: anorton@cityofranhocordova.org

EXHIBIT A
(Standard Agreement)

Either party may make changes to the Agreement Representatives information above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

ATTACHMENT A-1
*(Standard Agreement)***SPECIFICATIONS****I. METHODOLOGY**

1. Using Geographic Information Systems (GIS) software, the EDD produces the confidential QCEW data files containing information for employers within the City of Rancho Cordova as defined by the Census shapefile.
2. The EDD transmits the QCEW data files to the CITY through the California Department of Technology (CDT) secure electronic transmittal system.
3. The CITY retrieves the QCEW data files from the CDT system within twenty (20) calendar days from submission. On the 21st calendar day, the data file is automatically deleted.

II. RESPONSIBILITIES**1. The EDD agrees to:**

- a) Provide the QCEW data files for Year 2013, Quarter 1 through Year 2026, Quarter 2. Data file updates will be provided on a routine quarterly basis as new data becomes available.
- b) Include the following data elements for each employer in the QCEW data files (if available):

• Year and Quarter	• Physical Street, City, State, and Zip Code
• 6-digit NAICS Code	• Monthly Employment
• Legal and Trade Names	• Total Quarterly Wages
• Mailing Street, City, State, and Zip Code	
- c) Provide the QCEW data files in Excel format.
- d) Set up a Basic User Account for the CITY to access the CDT system and provide administrative support.
- e) Monitor and assess the status of the information to ensure that the terms, conditions, and disclosure constraints stipulated in this Agreement are followed. This compliance review is part of the EDD contract monitoring process.

2. The CITY agrees to:

- a) Request only the EDD confidential information specifically authorized under this Agreement.

ATTACHMENT A-1
(Standard Agreement)

- b) Use the EDD confidential information provided under this Agreement for the sole purpose of:
- Economic Planning and Policy Making: To make informed decisions regarding the local economy, including workforce development, job training programs, and other economic initiatives.
 - Business Attraction and Retention: To understand the current business environment and develop strategies to attract new businesses or retain existing ones.
 - Research and Analysis: To conduct research and analysis on employment trends, wages, and other factors that impact the local economy.
 - Grant and Funding Applications: To support applications for federal/state grants or other funding that may require information about the local labor market.
- c) Adhere to the EDD security and confidentiality requirements as identified in Exhibit E (Protection of Confidentiality), including, but not limited to, ensuring that all staff assigned to work with the information provided by the EDD understand the confidential nature of the information and have signed the EDD Vendor/Contractor Confidentiality Statement (Attachment E-1).
- d) Oversee and retain full responsibility for GSEC's use of the EDD confidential information.
- e) Not release the EDD confidential information to any other public or private entity without the EDD's prior written consent.
- f) Not disclose any individually identifiable EDD information when publishing information. Any summarized industry level data, when published, must contain three or more firms. In those instances where there are three or more firms and the employment of a single firm represents 80 percent or more of the total, the number must be rolled up to a larger total in order to mask identification of such firms.
- g) Allow the EDD to review and approve any report or document containing information, summaries or aggregations derived from the EDD data at least 15 working days prior to publication. A copy shall be provided to the EDD at no cost.
- h) Pursuant to 20 CFR., Part 603.10(c)(1), if the CITY fails to comply with any provision of this Agreement, *including timely payment of the EDD's costs under this Agreement*, this Agreement shall be suspended and no further disclosures will be made until the EDD is satisfied that corrective action has been taken and there will be no further breach. In the absence of prompt and satisfactory corrective action, this Agreement will be cancelled, and the CITY shall surrender to the EDD all confidential information obtained under this Agreement which has not been previously returned to the EDD, and any other information relevant to this Agreement.

ATTACHMENT A-1
(Standard Agreement)

3. Both parties agree to:

- a) Designate staff to have primary responsibility for program liaison, coordination of activities, and to meet, when necessary, to further redefine specific program procedures.
- b) Cooperate fully and furnish such assistance as may be mutually agreed upon by the parties hereto as being necessary and appropriate for proper performance of this Agreement.

III. ACCURACY ASSESSMENT

Individual employers and claimants report the information in the EDD files. Since the EDD is not the originator of the information disclosed, the EDD cannot guarantee the accuracy of the information.

EXHIBIT E
(Standard Agreement)

PROTECTION OF CONFIDENTIALITY

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The EDD Data Recipient must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meet the requirements of section §603.10, Title 20 of the Code of Federal Regulations.
- b. Warrant by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement, the EDD Data Recipient will comply with all applicable statutes, rules and/or regulations, and Agreement information security requirements, including but not limited to the following:
 - **California Unemployment Insurance Code §1094** (Disclosure Prohibitions)
 - **California Unemployment Insurance Code §§ 2111 and 2122**
 - **Title 20, Code of Federal Regulations §603.9 and §603.10** (Federal Unemployment Compensation Safeguards and Security Requirements)
 - **California Civil Code §1798, et seq.** (Information Practices Act)
 - **California Penal Code §502** (Computer Fraud Act)
 - **Title 5, U.S. Code §552a** (Federal Privacy Act Disclosure Restrictions)
 - **Title 42, U.S. Code §503** (Social Security Act)
 - **Title 18, U.S. Code §1905** (Disclosure of Confidential Information)
- d. Pursuant to section 5305.8 of the State Administrative Manual, the EDD Data Recipient shall be responsible for all costs incurred by the EDD due to security incident resulting from the EDD Data Recipient's failure to perform or negligent acts of its personnel, and resulting in an unauthorized disclosure, release, access, review, or destruction, or loss, theft, or misuse of an information asset. If the EDD Data Recipient experiences a loss or breach of data, the EDD Data Recipient shall immediately report the loss or breach to the EDD. If the EDD determines that notice to the individuals whose data has been lost or breached is appropriate, the EDD Data Recipient will bear any, and all costs associated with the notice, or any mitigation selected by the EDD. These costs include, but are not limited to, staff time, material costs, postage, media announcements, and other identifiable costs associated with the breach or loss of data.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and only for the purposes defined in this Agreement.
- f. Keep all the EDD's confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis, and only for the purposes authorized under this

EXHIBIT E
(Standard Agreement)

Agreement. "Need-to-know" refers to those authorized personnel who need information to perform their official duties in connection with the use of the information authorized by this Agreement.

- g. Immediately upon discovery, notify the EDD Cybersecurity Division at InformationSecurityOffice@edd.ca.gov and the EDD Contract Monitor at Cindy.Wong@edd.ca.gov, that there may have been a breach in security which has or may have resulted in the disclosure of confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach.

The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identify the EDD Data Recipient personnel responsible (name, title and contact information) for handling breach disclosures. **Please do not include any confidential information in the notification.**

- h. The EDD shall maintain the right to participate in the investigation of a security incident involving its data or conduct its own independent investigation. The EDD Data Recipient shall cooperate fully in such investigations.

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by the EDD Data Recipient under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the following:
 - Confidential nature of the EDD information.
 - Requirements of this Agreement.
 - Sanctions specified in federal and state unemployment compensation laws and any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require that all personnel assigned to work with the information provided by the EDD complete the EDD Vendor/Contractor Confidentiality Statement (Attachment E-1).
- d. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the EDD Vendor/Contractor Confidentiality Statement (Attachment E-1) completed by personnel assigned to work with the EDD's confidential information, and hereby made a part of this Agreement.
- e. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (e) of this part. Permit the EDD to make on-site inspections to ensure that the requirements of federal and state privacy, confidentiality and unemployment compensation statutes and regulations are being met including but not limited to [§1137\(a\)\(5\)\(B\) of the Social Security Act](#).

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use the EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under section 1094(b) of the UIC. Section §1095(u) of the UIC does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold, or released in original or any other form not specifically authorized under this Agreement.

EXHIBIT E
(Standard Agreement)

- c. Disclosure of any of the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this Agreement except as authorized or required by law. The EDD Data Recipient shall immediately notify and work cooperatively with the EDD to respond timely and correctly to public records act requests that it receives related to information obtained under this Agreement. Access to public records is governed by the California Public Records Act, Government Code §7920-7931.

IV. PHYSICAL SAFEGUARDS

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal, or other means.
- b. Secure and maintain any computer systems (network, hardware, and software applications) that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied as appropriate to secure data that may be used, transmitted, or stored on such systems in the performance of this Agreement.
- c. Store all the EDD's confidential documents in a physically secure manner at all times to prevent unauthorized access.
- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. The EDD Data Recipient shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need-to-know" basis only.
- e. Store the EDD's confidential information in encrypted format when recorded on removable electronic storage media, or on mobile computing devices such as a laptop computer.
- f. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function.
- g. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD's data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from the EDD, and any copies thereof made by the EDD Data Recipient, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.
- i. Certify the disposal of the EDD confidential information on the Data Destruction Certification (Attachment E-3). The Data Destruction Certification shall be submitted to the EDD Contract Monitor annually, beginning one year from the start date of the agreement. The EDD Data Recipient shall destroy the information in accordance with the retention schedule listed in the Scope of Work / Contract Term (Exhibit A).

ATTACHMENT E-3
(Standard Agreement)

DATA DESTRUCTION CERTIFICATION FORM

Agency Contact Information
Agency Name: City of Rancho Cordova
Address: 2729 Prospect Park Drive, Rancho Cordova, CA 95670
Data Sharing Agreement Number: 0000000549

This certification attests to the destruction of all EDD data covered by the Data Sharing Agreement (DSA) listed above. Data destruction must encompass any and all original files, all copies made of the files, any derivatives or subsets of the files and any manipulated files ever under the control of individuals allowed by the contracting organization to have access to the data. All files in all media containing any personally identifying information from the EDD files listed below have been destroyed, and no person associated with the contracting organization has retained such information in any form.

Add records below as they are destroyed and submit this form to the EDD Contract Monitor on a yearly basis. If you used a third-party service for the destruction of the information, include copies of the destruction certificate(s) provided by that entity.

☐ I certify that no files were due to be destroyed from: _____ to _____.

☐ I certify that the following files received under the DSA listed above and, as applicable, all copies, derivatives, subsets and manipulations of those files, whether in electronic or paper form, held by the EDD Data Recipient and/or any individual who had access to those files, have been destroyed in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-88.

RECORDS DESTROYED				
Record Title	Record Start Date (MM/YY)	Record End Date (MM/YY)	Destruction Method	Destruction Date

EDD DATA RECIPIENT/CONTRACTOR NAME (PRINT)	EDD DATA RECIPIENT/CONTRACTOR TITLE (PRINT)
EDD DATA RECIPIENT/CONTRACTOR SIGNATURE	DATE

EXHIBIT F

EDD Agreement No. 0000000549 Am. 1

**ECONOMIC DEVELOPMENT AGREEMENT BETWEEN
THE GREATER SACRAMENTO ECONOMIC COUNCIL
AND THE CITY OF RANCHO CORDOVA**

This Economic Development Agreement ("Agreement") is entered into by and between the City of Rancho Cordova, a California municipality (the "Public Jurisdiction"), and the Greater Sacramento Area Economic Council ("Greater Sacramento"), a California non-profit corporation (each a "Party" and collectively referred to as the "Parties"). The Agreement shall be effective ("Effective Date") upon signature of both Parties.

WHEREAS, the Parties acknowledge and agree that any previous contract relating to the subject matter herein is terminated and replaced with this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Public Jurisdiction and Greater Sacramento agree as follows:

I. RESPONSIBILITIES OF GREATER SACRAMENTO

A. MISSION: Greater Sacramento is an economic development organization working through a public-private partnership of local businesses and governments to retain, attract, grow, and create sustainable businesses in the six-county Sacramento Region, including El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba Counties and the 23 cities therein.

B. GOALS: Greater Sacramento is guided by and strategically focused on the following specific long-range goals:

1. Develop and utilize in-depth data and analytics to guide strategic economic development efforts and improve the region's competitive position.
2. Strategically market the region to generate qualified company prospects in targeted economic clusters.
3. Leverage public and private partners and resources to locate qualified prospects.

C. RETENTION AND EXPANSION POLICY:

1. Greater Sacramento's primary role is developing the Sacramento Region's market intelligence strategy for high-wage, base industry clusters in coordination with representatives of local communities.
2. Both Parties understand that retention and expansion of existing businesses within communities is primarily a local issue, but Greater Sacramento will confidentially assist local leaders on these projects.
3. Greater Sacramento will support communities' efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects, as requested by the local community.
4. Greater Sacramento will advise communities when an existing company contacts Greater Sacramento regarding a retention or expansion issue, subject to any legal and/or contractual non-disclosure obligations.

- D. ACTION PLANS:** In accordance with the Mission, Goals, and Retention and Expansion Policy set forth above and subject to the availability of adequate funding, Greater Sacramento shall implement strategic action plans adopted by its Board of Directors and Economic Development Directors Taskforce (EDDT). The Public Jurisdiction shall be entitled to provide input on these action plans through its participation in these advisory groups as specified in Sections III.A. and III.B. of this Agreement. The Public Jurisdiction acknowledges and agrees that Greater Sacramento may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel, or defer certain activities as required by a result of changing market conditions, funding availability, or other circumstances beyond Greater Sacramento's reasonable control.
- E. PERFORMANCE TARGETS:** Specific performance targets shall be established by Greater Sacramento's Board of Directors and shall be used to evaluate and report progress on Greater Sacramento's implementation of strategic action plans. Greater Sacramento will provide regular reports to the Public Jurisdiction detailing its progress in implementing such plans. As required by a result of changing market conditions, funding availability, or other circumstances beyond Greater Sacramento's reasonable control, these performance targets may be revised with the approval of the Board of Directors or a majority of the designated members of Greater Sacramento's EDDT.
- F. ECONOMIC DEVELOPMENT DIRECTORS TASKFORCE (EDDT):** Greater Sacramento will organize and lead the Economic Development Directors Taskforce (EDDT), which will develop and follow set protocol for issues such as: business attraction, retention, and expansion; external marketing and communications; and permitting streamlining. The Public Jurisdiction may appoint one representative to the taskforce as outlined in Section III.B. of this Agreement.

II. RESPONSIBILITIES OF THE PUBLIC JURISDICTION

- A. STAFF SUPPORT OF GREATER SACRAMENTO'S EFFORTS:** The Public Jurisdiction shall provide staff support to Greater Sacramento's economic development efforts as follows:
1. The Public Jurisdiction shall respond to leads or prospects referred by Greater Sacramento in a professional manner within the time frame specified by the lead or prospect if the Public Jurisdiction desires to compete and if the lead is appropriate for the Public Jurisdiction. When possible, the Public Jurisdiction agrees to provide its response in the format developed jointly by Greater Sacramento and the EDDT.
 2. The Public Jurisdiction shall provide appropriate local hospitality, tours, and briefings for prospects visiting sites in the Public Jurisdiction.
 3. The Public Jurisdiction shall provide an official economic development representative to represent the Public Jurisdiction on the EDDT, which advises Greater Sacramento's President & CEO.
 4. The Public Jurisdiction shall cooperate in the implementation of Greater Sacramento EDDT process improvement recommendations including presentation formats, exchange of information on prospects with Greater Sacramento staff, use

of shared data systems, land and building databases, and private sector real estate industry interfaces.

5. The Public Jurisdiction shall use its best efforts to respond to special requests by Greater Sacramento for specific information about the Public Jurisdiction within the time frame specified in such request.
6. In order to enable Greater Sacramento to be more sensitive and responsive to the Public Jurisdiction's requirements, the Public Jurisdiction shall, at its sole option, deliver to Greater Sacramento copies of any economic development strategies approved by the Public Jurisdiction, work plans, programs, and evaluation criteria. Greater Sacramento shall not disclose the information to outside parties.
7. The Public Jurisdiction shall use its best efforts to cause an economic development professional representing the Public Jurisdiction to attend all marketing events and other functions to which the Public Jurisdiction has committed itself.
8. The Public Jurisdiction agrees to work with Greater Sacramento to improve the Public Jurisdiction's competitiveness and market readiness to support the growth and expansion of targeted industries.

- B. RECOGNITION OF GREATER SACRAMENTO:** The Public Jurisdiction agrees to recognize Greater Sacramento as the Public Jurisdiction's officially designated regional economic development organization.

III. ADDITIONAL AGREEMENTS OF THE PARTIES

- A. BOARD OF DIRECTORS REPRESENTATION:** The Public Jurisdiction shall have a single voting representative on the Greater Sacramento Board of Directors so long as such Director will not cause Greater Sacramento to exceed the maximum number of authorized Directors. The Director under this paragraph shall be the highest-ranking non-elected official with the Public Jurisdiction. This highest-ranking non-elected official shall be permitted to delegate his or her position as Director to the highest-ranking elected official with the Public Jurisdiction to serve as an alternate to the Director, provided, however, that (a) in the case that the Public Jurisdiction is a county, the highest-ranking elected official may be any one of the county supervisors and need not be the chair of the county supervisors, and (b) in the case that the Public Jurisdiction is a city with a mayor elected by and from the city council members (and not a mayor that is elected as mayor by the voters), the highest-ranking elected official may be any one of the city councilmembers and need not be the then-current rotating mayor. Any such Director (the representative or his or her alternate) will be qualified to serve on the Board of Directors only if the Public Jurisdiction remains current on its annual contribution at an amount equal to or greater than its full formula allocation as determined from time to time by the Board of Directors and laid out in this contract in Section III.E.1., and as long as the Public Jurisdiction makes a long-term commitment to assist and carry out the mission and purpose of Greater Sacramento and fulfills the additional requirements set forth in this Agreement.
- B. ECONOMIC DEVELOPMENT DIRECTORS TASKFORCE (EDDT) REPRESENTATION:** The Public Jurisdiction shall also appoint one (1) economic development professional from its staff, local economic development partner organization, or other qualified community member, subject to the approval of Greater Sacramento, to

represent the Public Jurisdiction on Greater Sacramento's Economic Development Directors Taskforce (EDDT), which advises Greater Sacramento's President & CEO.

- C. PARTICIPATION IN MARKETING EVENTS:** Representative(s) of the Public Jurisdiction shall be entitled to participate in Greater Sacramento's marketing events provided that such participation shall not be at Greater Sacramento's expense.
- D. PROVISION OF ASSISTANCE:** When requested and appropriate, Greater Sacramento will use its best efforts to provide assistance and support to the Public Jurisdiction's economic development staff for business location prospects identified and qualified by the Public Jurisdiction and assist the Public Jurisdiction with presentations to prospects in the Public Jurisdiction or corporate locations.
- E. COMPENSATION:**
1. The Public Jurisdiction agrees to pay \$32,844 for services to be provided by Greater Sacramento pursuant to the Agreement during the fiscal year ending on June 30, 2026, as set forth in this Agreement. This amount is based on \$0.40 per capita applied to the Public Jurisdiction's population as reported in the 2024 population estimates from the California Department of Finance Demographic Research Unit, which listed the Public Jurisdiction as having a population of 82,109. Any adjustment to this formula shall be reviewed and approved by the Board of Directors and presented in writing to the Public Jurisdiction for approval.
 2. Nothing herein shall preclude the Public Jurisdiction from contracting separately with Greater Sacramento for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the Public Jurisdiction and Greater Sacramento.
 3. Greater Sacramento shall submit annual invoices to the Public Jurisdiction on or before July 1 each year. To allow the Public Jurisdiction to budget appropriately, Greater Sacramento shall submit to the Public Jurisdiction a letter indicating the rate structure and full contribution amount no later than May 1 each year. The Public Jurisdiction shall submit full payment within the first quarter of its fiscal year beginning July 1. The Public Jurisdiction is entitled to receive annual audit reports for Greater Sacramento and financial reports at Board of Directors meetings held at least four (4) times per year.
- F. COOPERATION:**
1. The purpose of this Agreement is to set forth the regional economic development program that Greater Sacramento agrees to undertake, the support that the Public Jurisdiction agrees to provide, the respective roles of Greater Sacramento and the Public Jurisdiction, and the payments of the Public Jurisdiction to Greater Sacramento for the fiscal year ending June 30, 2026.
 2. The parties acknowledge that Greater Sacramento is a cooperative organization effort between Greater Sacramento and local communities. Accordingly, the Public Jurisdiction and Greater Sacramento covenant and agree to work together in a productive and harmonious manner, to cooperate in furthering Greater Sacramento's goals for the 2025/2026 fiscal year.

3. The Public Jurisdiction agrees to work with Greater Sacramento, as necessary or appropriate, to revise the performance measures, benchmarks, and/or goals for the FY 2025/2026 contract.

IV. GENERAL PROVISIONS

- A. INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Agreement, Greater Sacramento shall indemnify, defend, hold, protect, and save harmless the Public Jurisdiction and any and all of its elected officials, officers, and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense, and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by Public Jurisdiction brought, made, filed against, imposed upon, or sustained by the Public Jurisdiction, its officers, or employees arising out of a third party action, suit, proceeding, claim or demand caused by the negligent performance of Greater Sacramento's obligations under this Agreement.

Any party entitled to indemnity shall promptly notify Greater Sacramento's President & CEO in writing of the existence of any claim, demand, or other matter to which Greater Sacramento's indemnification obligations would apply, shall investigate and mitigate the harm, and shall cooperate with and give to Greater Sacramento a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party. To the extent that notice is not timely provided to Greater Sacramento and Greater Sacramento is prejudiced thereby, Greater Sacramento's indemnification obligations shall be reduced accordingly.

Nothing in this Subsection A shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions, wrongful acts or willful misconduct of such indemnified party (including its officials, officers, employees and agents).

Greater Sacramento's aggregate liability arising out of or relating to this Agreement, regardless of the form of the cause of action, whether in contract, tort, statute or otherwise, shall be subject to the other terms of this Agreement and shall in no event exceed the amounts paid by the Public Jurisdiction to Greater Sacramento for services to be provided by Greater Sacramento pursuant to the Agreement during the fiscal year ending on June 30, 2026, as set forth in this Agreement.

Notwithstanding anything to the contrary contained in this Agreement, to the full extent permitted by applicable law, Greater Sacramento shall not, under any circumstances, be liable for any claim for any consequential, incidental, indirect, punitive, exemplary or special damages of any nature whatsoever, or for any damages resulting from, arising out of, or in connection with any delays, loss of data, lost revenues, lost profits, interference, interruption of service, or loss of business or anticipatory profits, regardless of the form of action, whether in contract, tort, strict liability or otherwise.

- B. INSURANCE:** Greater Sacramento shall procure and maintain for the duration of this Agreement, at Greater Sacramento's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by Greater Sacramento, its agents, representatives, employees, or contractors.

- C. EQUAL EMPLOYMENT OPPORTUNITY:** During the performance of this Agreement, Greater Sacramento will not discriminate against any employee or applicant for employment because of race, color, religion, creed, sex (including pregnancy, childbirth, and related medical conditions), sexual orientation and identity, national origin, ancestry, age, genetic information, citizenship, medical condition or illness, AIDS/HIV, ethnic background, physically or mentally disabled, retaliation, criminal record, military or veteran status, marital status, or political activities or affiliations, status as a victim of domestic violence, sexual harassment, assault, or stalking. Greater Sacramento also makes reasonable accommodations for handicapped and disabled employees. Finally, Greater Sacramento prohibits the harassment of any individual on any basis listed above, or any other consideration made unlawful by federal, state or local laws. All such discrimination is unlawful and will not be tolerated.
- D. NONLIABILITY OF OFFICIALS AND EMPLOYEES:** No member, official, or employee of the Public Jurisdiction will be personally liable to Greater Sacramento, or any successor in interest, in the event of any default or breach by the Public Jurisdiction or for any amount which may become due to Greater Sacramento or successor, or on any obligation under the terms of this Agreement. No member, official, or employee of Greater Sacramento will be personally liable to the Public Jurisdiction, or any successor in interest, in the event of any default or breach by Greater Sacramento or for any amount which may become due to the Public Jurisdiction or successor, or on any obligation under the terms of this Agreement.
- E. NOTICE:** Any notice or other communication provided for herein or given hereunder to a Party hereto shall be in writing or delivered by electronic transmission, as designated by each Party, using the contact information below. Notices or communications in writing shall be given in person, by overnight courier, or by mail (registered or certified mail, postage prepaid, return-receipt requested) to the respective Parties. Notices or communications may be delivered by electronic mail or facsimile, as designated by each Party, in a manner that creates a record that is capable of being retained, retrieved, and reviewed, and that may thereafter be rendered into clearly legible tangible form, unless or until either party revokes consent of use of that means of transmission for communications or either Party is unable to deliver communications by that means.

If to Greater Sacramento:
Greater Sacramento Economic Council
Attn: Chief Executive Officer
400 Capitol Mall, Suite 2520
Sacramento, CA 95814

If to the Public Jurisdiction:
City of Rancho Cordova
Attn: City Manager
2729 Prospect Park Drive
Rancho Cordova, CA 95670

- F. CONFIDENTIAL INFORMATION:** Both Parties agree, during the term of this Agreement and thereafter, to hold in strictest confidence, and not to use, except for the benefit of the other Party, or to disclose to any person, firm, or corporation without the prior written authorization of either Party, any Confidential Information of either Party, except (i) as may be legally required to respond to a request pursuant to the California

Public Records Act (provided, however, the Parties acknowledge and agree that Greater Sacramento is not subject to the California Public Records Act), or (ii) in accordance with a judicial or governmental order, provided, however, that, to the extent reasonably possible, Public Jurisdiction shall give Greater Sacramento reasonable notice prior to making any such disclosure under (i) or (ii) above so Greater Sacramento may contest or seek a protective order (including, without limitation, a temporary restraining order) to prevent such disclosure if it so chooses, and provided further that Public Jurisdiction shall disclose only that portion of the Confidential Information that it is legally required to disclose. “Confidential Information” means any of Greater Sacramento/the Public Jurisdiction’s proprietary and/or confidential information, technical data, trade secrets, or know-how, including, but not limited to, research, product plans, products, services, client lists, markets, trade secrets, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, billing, charging, or other business information disclosed to one Party by the other, either directly or indirectly, which is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Either Party may use the Confidential Information to the extent necessary for negotiations, discussions, and consultations with authorized personnel or authorized representatives or for any other purpose that either Party may hereafter authorize in writing; provided, however, that such authorized use does not create any license to use or disclose such Confidential Information except as explicitly granted by either Party. The Parties acknowledge that they are neither responsible nor liable for any business decisions made by the other Party in reliance upon any Confidential Information. The Parties make no representations or warranties, express or implied, with respect to the accuracy or completeness of the Confidential Information. The Parties agree that in the event of any breach or threatened breach of this Section, either Party may obtain, in addition to any other legal remedies, which may be available, such equitable relief as may be necessary to protect it against any such breach or threatened breach.

G. OWNERSHIP OF WORK PRODUCT: Public Jurisdiction acknowledges and agrees that all work product or deliverables prepared for, arising from, related to, or incorporated in the services to be provided by Greater Sacramento including, without limitation, all ideas, concepts, inventions, expressions, information, material, works of authorship, plans, programs, programming code, systems, work notes, drafts, specifications, design documents, flow charts, software programs, analyses, data, surveys, print copy, artwork, plates, photo negatives and positives, boards, preliminary outlines, sketches, letters, invoices, proposals, databases, and reports (collectively, “Work Product”) shall be owned solely and exclusively by Greater Sacramento, including without limitation, all corrections, modifications, and derivative works to such Work Product. The Work Product shall be considered Greater Sacramento’s Confidential Information.

H. REPRESENTATIONS AND WARRANTIES: The Parties each represent and warrant as follows:

1. Each Party has full power, authority, and right to perform its obligations under the Agreement.
2. This Agreement is a legal, valid, and binding obligation of each Party, enforceable against it in accordance with its terms (except as may be limited by bankruptcy, insolvency, moratorium, or similar laws affecting creditors’ rights generally and equitable remedies).

3. Entering into this Agreement will not violate the charter or bylaws of either Party or any material contract to which that Party is also a party or any law applicable to a Party.

- I. RELATIONSHIP OF THE PARTIES; BENEFICIARIES:** Nothing in this Agreement will be deemed to create an agency, employment, partnership, fiduciary or joint venture between the Parties. No Party (nor any agent or employee of that Party) shall make any representations or warranties or incur any liability on behalf of the other Party. There are no third-party beneficiaries of this Agreement.
- J. MODIFICATIONS:** No amendment, change, or modification of this Agreement shall be valid unless in writing and signed by both Parties.
- K. ASSIGNMENT:** This Agreement and the services contemplated hereunder are personal to Greater Sacramento and the Public Jurisdiction and neither Party shall have the right or ability to assign, transfer, or subcontract any rights or obligations under this Agreement without the advanced written consent of the other Party. This Agreement will be binding upon and inure to the benefit of the parties hereto, their successors, and assigns.
- L. GOVERNING LAW:** This Agreement shall be governed by the laws of the State of California.
- M. COUNTERPARTS/ELECTRONIC SIGNATURES:** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. For purposes of this Agreement, use of a facsimile, e-mail, or other electronic medium shall have the same force and effect as an original signature.
- N. SEVERABILITY:** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal, or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed, and enforced in such jurisdiction as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- O. ENTIRE AGREEMENT, WAIVERS, AND AMENDMENTS:** This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Public Jurisdiction or Greater Sacramento, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

[SIGNATURES ON FOLLOWING PAGE]

The Agreement is executed as follows:

I, Micah Runner, acknowledge that I am the City Manager of the City of Rancho Cordova, California, and as such officer, being authorized so to do, execute the foregoing instrument for the purposes therein contained, by signing as such officer.

City of Rancho Cordova, California

By: Micah Runner, City Manager

Date: 8/12/25

Attest:

Stacy Lextner, City Clerk

Approved as to Form:

Adam Lindgren, City Attorney

I, Barry Broome, acknowledge that I am the President & CEO of the Greater Sacramento Economic Council, a California nonprofit corporation, and as such officer, being authorized so to do, execute the foregoing instrument for the purposes therein contained, by signing as such officer.

GREATER SACRAMENTO ECONOMIC COUNCIL,
A California nonprofit corporation

By: Barry Broome
Barry Broome, President & Chief Executive Officer

Date: April 3, 2025

MEMORANDUM



ITEM 13.4.

DATE: January 5, 2026

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Quoc Nham, Principal Civil Engineer
Khaliq McClean, Associate Civil Engineer

SUBJECT: **A RESOLUTION APPROVING THE ANNEXATION BOUNDARY MAP FOR THE AUTOZONE 4004 SUNRISE BLVD PROJECT AND ANNEXATION TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE)**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve Annexation Boundary Map. No. 7, Attachment 2, for the Autozone 4004 Sunrise Blvd Project and Annexation to Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance, hereinafter "CFD No. 2008-1").

BACKGROUND

On October 6, 2008, the City of Rancho Cordova adopted a Resolution of Intention to establish a Community Facilities District (CFD) and Future Annexation Area for citywide street lighting and road maintenance services. On November 17, 2008, the city adopted the Resolution forming CFD No. 2008-1 pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 5311 et seq.) The Resolution of Intention provided that parcels in the Future Annexation Area for the District shall be annexed into the District without the need for additional noticing and public hearings as long as the owners of the annexed parcels unanimously approved the annexation. Thus, the annexation process for projects within the Future Annexation Area consists of receiving a petition and waiver from the property owner(s), the City Council approving the Annexation Boundary Map by resolution, followed by the recording of the Boundary Map and Notice of Special Tax Lien by the City Clerk.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution - Annexation Boundary Map

3. Exhibit B to the Resolution - Notice of Special Tax Lien
4. Exhibit C to the Resolution - Unanimous Approval

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING THE ANNEXATION BOUNDARY MAP FOR THE AUTOZONE 4004 SUNRISE BLVD PROJECT AND ANNEXATION TO THE CITY OF RANCHO CORDOVA COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE)

WHEREAS, on October 6, 2008, the city adopted Resolution No. 108-2008 declaring its intention to establish Community Facilities District (CFD) No. 2008-1 (Street Lighting and Road Maintenance) (the "District") and Future Annexation Area for maintenance of street lighting and road maintenance services. On November 17, 2008, the city adopted Resolution No. 129-2008 forming CFD No. 2008-1 pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Section 5311 et seq.); and

WHEREAS, the Resolution of Intention to form the District provided for a more efficient process for the annexation of property into the District when the property owners have provided for their unanimous consent of said annexation process by submitting a petition, consent and waiver from the property owner(s); and

WHEREAS, in October 2025, the property owner of the subject property signed a Unanimous Approval form, Exhibit C, attached hereto, which irrevocably consents to and votes in favor of the annexation of the property to the District and the levy of the special tax on the property to finance the services of the CFD in accordance with the Rate and Method of the District; and

WHEREAS, in the case of annexation proceedings, pursuant to Streets and Highways Code Section 3110.5 a separate map of the area proposed to be annexed is required to be prepared and adopted; and

WHEREAS, city staff has caused to be prepared Annexation Boundary Map No. 7 for the property known as the Autozone 4004 Sunrise Blvd Project, Exhibit A, attached hereto, for the annexation of the property CFD No. 2008-1 (Street Lighting and Road Maintenance).

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

1. The above recitals are true and correct, and the City Council so finds and determines.
2. City Council approves Annexation Boundary Map No. 7 and finds and determines that the territory shown in the Boundary Map is hereby added to and made a part of the District with full legal effect;
3. The City Clerk is directed to execute and record Annexation Boundary Map No. 7 in the Office of the County Recorder of Sacramento County not later than 15 days after the adoption of this resolution;
4. The City Council finds and determines that a special tax shall be levied within the Territory to

be annexed and which special tax shall be the same as the tax to be levied within the District. Collection of said tax shall commence in Fiscal Year 2025-2026, and the rate and method of apportionment of said tax shall be as set forth in the Resolution of Formation of the District;

5. The City Clerk is directed to execute and record a Notice of Special Tax Lien in substantially the same form as shown in Exhibit B, attached hereto, in the Office of the County Recorder of Sacramento County not later than 15 days after recordation of the Annexation Map No. 7.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

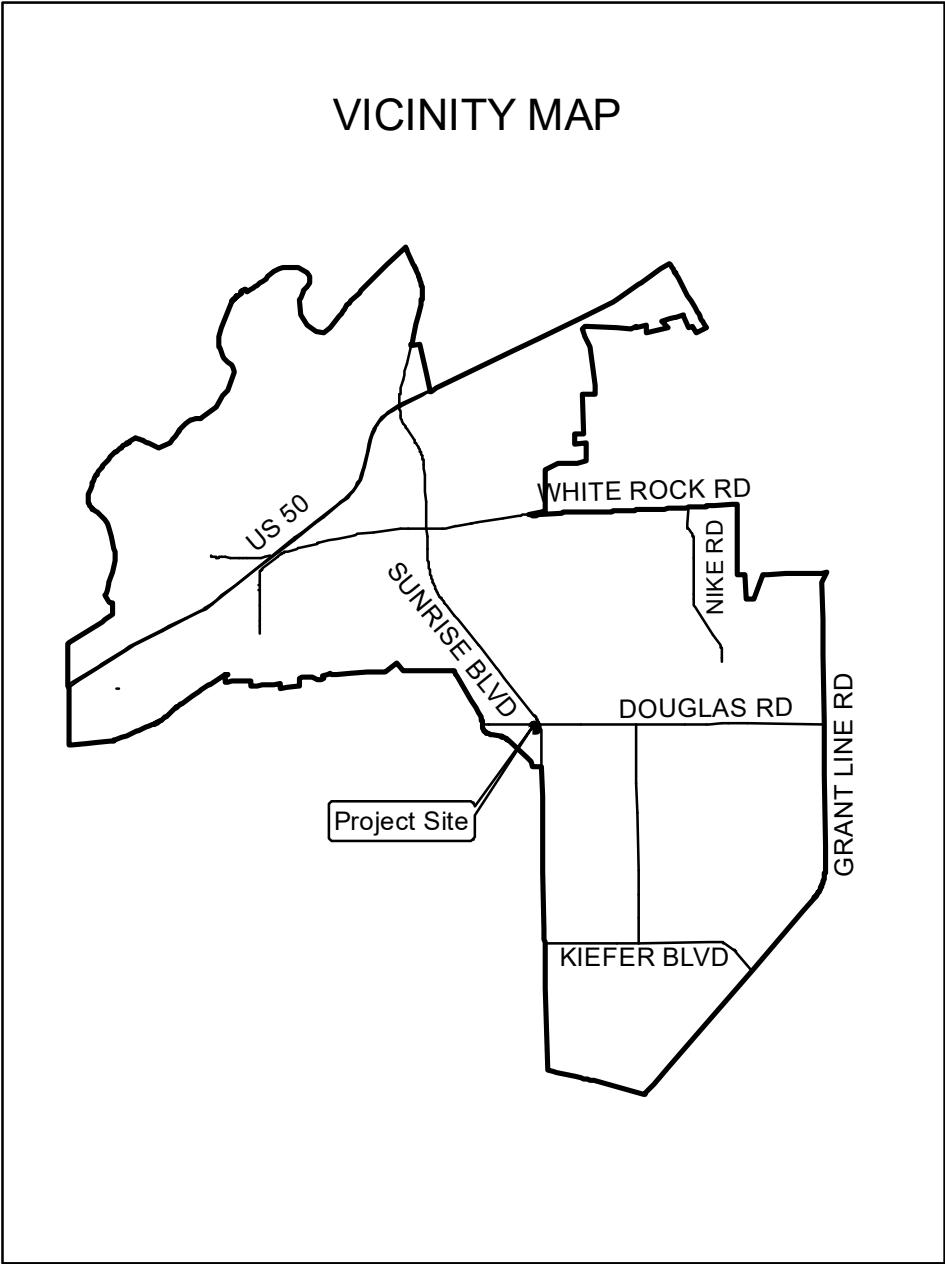
Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

ANNEXATION MAP NO. 7
AUTOZONE 4004 SUNRISE BLVD.

COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)

CITY OF RANCHO CORDOVA
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS _____ DAY OF _____ 2025.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 7 TO COMMUNITY FACILITIES DISTRICT NO. 2008-1, (STREET LIGHTING AND ROAD MAINTENANCE), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF _____ 2025. BY ITS RESOLUTION NO. _____.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

FILED THIS _____ DAY OF _____ 2025. AT THE HOUR OF _____ O'CLOCK ____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

FLORENCE EVANS
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: _____
DEPUTY

FILE: _____

REFERENCE IS MADE TO THE ORIGINAL BOUNDARY MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED BOUNDARIES OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

REFERENCE IS MADE TO THE FUTURE ANNEXATION AREA MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED FUTURE ANNEXATION AREA OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS



1 " = 100 '

Legend

 Annexation Boundary



HARRIS & ASSOCIATES
101 PROGRESS, SUITE 250
IRVINE, CALIFORNIA 92618
800-827-4901

ANNEXATION MAP

**City of Rancho Cordova
Community Facilities District No. 2008-1
Annexation 7 (Autozone 4004 Sunrise Blvd.)
County of Sacramento, California**

Sheet 1 of 1

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, California 95670
Attention: City Clerk

NOTICE OF SPECIAL TAX LIEN

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53311 of the Government Code, the undersigned clerk of the legislative body of the City of Rancho Cordova (the "City"), State of California, hereby gives notice that a lien to secure payment of special taxes is hereby imposed by the City Council of the City. The special tax secured by this lien is authorized to be levied for the purpose providing certain public services described in Exhibit A attached hereto and hereby made a part hereof.

The special taxes are authorized to be levied within Annexation Map No. 7 (the "Annexed Area") of the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) (the "CFD"), which has now been officially annexed to the District, and the lien of the special taxes are a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special taxes cease to be levied and a notice of cessation of special taxes is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of authorized special tax is as set forth in Exhibit B attached hereto and hereby made a part hereof. The obligation to pay the special tax may not be prepaid and permanently satisfied and the lien of the special taxes canceled.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levies shall become a lien upon all nonexempt real property within the District in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner and the assessor's tax parcel number(s) of the real property included within the District and not exempt from the special tax are as set forth in Exhibit C attached hereto.

Reference is hereby made to the Notice of Special Tax Lien with respect to the District recorded on December 2, 2008, as Document No. 20081202, Page 0781 in the

office of the County Clerk & Recorder of the County of Sacramento, California, which contains a list of the then existing owners and assessor tax parcel numbers of the original boundaries of the District.

Reference is made to the boundary map of the District recorded at Book 110 of Maps of Assessment and Community Facilities Districts at Page 10 (Document No. 20081014-0822), in the office of the County Recorder for the County of Sacramento, State of California (the "Original Boundary Map"), and the map of the Annexed Territory recorded at Book xx, Page xx Document No. xxxxxx in the Office of the County Recorder for the County of Sacramento, State of California, which map together with the Original Boundary Map and the boundary maps of record for all prior annexations, are now the final boundary maps of the Community Facilities District including the Annexed Territory.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Department of Public Works of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California 95670.

Date: _____

By: _____

Stacy Leitner, CMC, City Clerk
City of Rancho Cordova

EXHIBIT A

**CITY OF RANCHO CORDOVA
Community Facilities District No. 2008-1
(Street Lighting and Road Maintenance)**

DESCRIPTION OF SERVICES

Maintenance and lighting of public streets and roads

Maintenance means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the street improvements, the street-lighting network, dedicated easements, and appurtenant facilities, and administration and overhead of all aspects of the CFD.

Reserve Fund

The Special Taxes may be collected and set-aside in designated funds, collected over several years, that may be used by the CFD to fund future repairs to streets lighting and roadway improvements and other services as determined by the CFD.

EXHIBIT B

CITY OF RANCHO CORDVOA
COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE

RATE AND METHOD OF APPORTIONMENT

**CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR ANNEXATION NO. 7 (AUTO ZONE STORE 5410)**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2008-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2008-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2008-1 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or "Acre" means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Additional Load and Decorative Lighting Parcel" means any Parcel that is determined by the City to be both an Additional Load Parcel and a Decorative Lighting Parcel.

"Additional Load Parcel" means any Parcel of Commercial Property or Industrial Property that is determined by the City to create excessive wear and tear on the roadways and/or a high volume of vehicular traffic.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports, and any other costs required to administer the CFD.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

(Streets Lighting and Road Maintenance)

Annexation No. 7 – (Auto Zone Store 5410 Project)

Rate and Method of Apportionment of Special Tax

October 2025

Exhibit A

an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2008-1 as set forth in the documents adopted by the City Council when the CFD was formed.

"CFD" or **"CFD No. 2008-1"** means the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance).

"City" means the City of Rancho Cordova.

"City Council" means the City Council of the City of Rancho Cordova, acting as the legislative body of CFD No. 2008-1.

"Commercial Property" means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, book stores, video rental stores, drug stores, professional services (i.e., barber shops, dry cleaners), restaurants, supermarkets, hospitals, movie theaters, appliance and electronic stores, home supply stores, auto parts stores, and other businesses providing auto-related products and services. The City shall make the determination if a Parcel is Commercial Property.

"County" means the County of Sacramento.

"Decorative Lighting Parcel" means any Parcel of Developed Property that is determined by the City to have or benefit from decorative lighting features.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential or non-residential structure (which shall not include a permit issued solely for construction of the foundation if another permit remains to be issued for vertical construction of the building) was issued prior to June 30 of the preceding Fiscal Year.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Heavy Truck Traffic Parcel" means, any Parcel of Developed Property that is determined by the City to have heavy truck traffic impact on the public streets and include, but are not limited to, fulfillment centers, logistics centers, freight, truck terminals, and other facilities intended for the movement of goods (manufactured or raw) prior to their distribution.

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

(Streets Lighting and Road Maintenance)

Annexation No. 7 – (Auto Zone Store 5410 Project)

Rate and Method of Apportionment of Special Tax

October 2025

Exhibit A

“Hotel Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a structure that constitutes a place of lodging providing sleeping accommodations and related facilities for travelers.

“Industrial Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination if a Parcel is Industrial Property.

“Maximum Special Tax” or “Maximum Tax” means the greatest amount of Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Section C below.

“Micro-Unit Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five (5) or more Units of approximately 800 square feet of floor area or less for each such Unit that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

“Multi-Family Property” (MFP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five or more Units that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

“Non-Residential Property” means, collectively, Commercial Property, Hotel Property, Industrial Property, and Office Property.

“Office Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for a building in which professional, banking, insurance, real estate, administrative or in-office medical or dental activities are conducted. The City shall make the determination if a Parcel is Office Property.

“Ordinary Use Parcel” means any Parcel of Taxable Property that is not an Additional Load Parcel, Decorative Lighting Parcel, Residential Alley Parcel, Additional Load and Decorative Lighting Parcel, Residential Alley and Decorative Lighting Parcel, Private Street Parcel, 50/50 Public & private Residential Street Parcel, or Heavy Truck Traffic Parcel.

“Private Street Parcel” means, any Taxable Property where all or the majority of the residential streets are private within the development and the maintenance of the residential components are not funded by the CFD or by the federal government, State of California, County, City, or other public agency.

“50/50 Public & Private Residential Street Parcel” means, any Taxable Property where there is a fairly even split of public and private streets associated with a development.

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

(Streets Lighting and Road Maintenance)

Annexation No. 7 – (Auto Zone Store 5410 Project)

October 2025

Rate and Method of Apportionment of Special Tax

Exhibit A

“Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Parcels of Developed Property.

“Public Property” means any property within the boundaries of CFD No. 2008-1 that is owned by the federal government, State of California, County, City, or other public agency.

“Residential Alley and Decorative Lighting Parcel” means any Parcel that is determined by the City to be both a Residential Alley Parcel and a Decorative Lighting Parcel.

“Residential Alley Parcel” means any Parcel of Residential Property that is determined by the City to have residential alleys that are part of the public roadways.

“Residential Property” means, collectively, Single Family Attached Property, Single Family Detached Property, Multi-Family Property, and Micro-Unit Property.

“Single Family Attached Property” (SFAP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and are offered as for-sale Units (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit(s)), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” (SFDP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

“Special Tax Requirement” means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected.

“Special Tax” means a special tax levied in any Fiscal Year on property within CFD No. 2008-1 to pay the Special Tax Requirement.

“Square Foot,” “Square Footage,” or “Square Feet” (SF) means the building square footage reflected on the original building permit issued for construction of a building.

“Taxable Property” means all Assessor’s Parcels within the boundaries of CFD No. 2008-1 which are not exempt from the Special Tax pursuant to law or Section E below.

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

(Streets Lighting and Road Maintenance)

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“Taxable Public Property” means, in any Fiscal Year, all Assessor’s Parcels in CFD No. 2008- 1 that had, in prior Fiscal Years, been taxed as Developed Property and subsequently came under the ownership of a public agency.

“Tax Zone” means one of the three mutually exclusive tax zones identified in Attachment 1 of this Rate and Method of Apportionment of Special Tax, as may be updated to include new Parcels or new tax zones added to the CFD as a result of future annexations.

“Tax Zone 1” means the geographic area that is identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 1 and any property annexed into Tax Zone 1 after formation of the CFD.

“Tax Zone 2” means the geographic area that is identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 2 and any property annexed into Tax Zone 2 after formation of the CFD.

“Tax Zone 3” means the geographic areas that are identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 3 and any property annexed into Tax Zone 3 after formation of the CFD.

“Unit” means an individual single-family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure. Unit shall also mean a single room or unit on a Parcel of Hotel Property.

B. DATA COLLECTION FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel number for all Parcels of Taxable Property within CFD No. 2008-1 and shall determine within which Tax Zone each Assessor’s Parcel is located. Upon each annexation of property into CFD No. 2008-1, the Administrator shall update Attachment 1 to include the new Assessor’s Parcel number(s). In addition, for all Parcels of Developed Property, if applicable to the Tax Zone in which the Parcels are located, the Administrator shall determine if each Parcel is an Ordinary Use Parcel, an Additional Load Parcel, a Residential Alley Parcel, a Decorative Lighting Parcel, an Additional Load and Decorative Lighting Parcel, a Residential Alley and Decorative Lighting Parcel, a Private Street Parcel, a 50/50 Public & Private Residential Street Parcel, or a Heavy Truck Traffic Parcel.

Based on review of building permit records for property within the CFD, the Administrator shall determine which Parcels in the CFD are Developed Property for purposes of levying the Special Tax pursuant to Section D below. For Single Family Attached Property, Multi-Family Property, Micro-Unit Property, and Hotel Property, the number of Units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan for the property.

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For Residential Property, the Administrator shall determine the Square Footage of each Unit. For Non- Residential Property, the Administrator shall determine the Acreage of, and Square Footage on, each Parcel.

If a Parcel in the CFD is rezoned prior to such Parcel becoming Developed Property, the City may in its sole discretion, move the Parcel to a different Tax Zone based on the rezone. If a Parcel rezones after the Parcel has been taxed as Developed Property in prior Fiscal Years, the City can either continue to apply the Maximum Special Tax to the Parcel that had applied prior to the rezone or, in the City's sole discretion, allow for the Parcel to be moved to a different Tax Zone based on the rezone.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in CFD No. 2008-1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Tax Zone 1

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 1 for Fiscal Year 2008-09 shall be \$0.0771 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

2. Tax Zone 2

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 2 for Fiscal Year 2008-09 shall be \$0.0211 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable

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source.

3. Tax Zone 3

The following Maximum Special Taxes apply to all Parcels of Developed Property within Tax Zone 3 of CFD to. 2008-1:

a. Ordinary Use Parcel

**MAXIMUM SPECIAL TAXES
ORDINARY USE PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$335.81
	SFDP ≤ 1,200 SF	Per Unit	\$295.51
	SFAP > 1,200 SF	Per Unit	\$295.51
	SFAP ≤ 1,200 SF	Per Unit	\$235.06
	MFP	Per Unit	\$235.06
	Commercial Property	Per Acre or SF	The Greater of \$973.30 per Acre or \$0.0944 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$2,688.49 per Acre or \$56.98 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$222.20 per Acre or \$0.0351 per SF
	Office Property	Per Acre or SF	The Greater of \$851.74 per Acre or \$0.0827 per SF

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

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b. Residential Alley Parcel

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$463.41
	SFDP ≤ 1,200 SF	Per Unit	\$407.80
	SFAP > 1,200 SF	Per Unit	\$407.80
	SFAP ≤ 1,200 SF	Per Unit	\$324.39
	MFP	Per Unit	\$324.39
	Commercial Property	N/A	N/A
	Hotel Property	N/A	N/A
	Industrial Property	N/A	N/A
	Office Property	N/A	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

c. Decorative Lighting Parcel

**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$360.99
	SFDP ≤ 1,200 SF	Per Unit	\$317.67
	SFAP > 1,200 SF	Per Unit	\$317.67
	SFAP ≤ 1,200 SF	Per Unit	\$252.69
	MFP	Per Unit	\$252.69
	Commercial Property	Per Acre or SF	The Greater of \$1,046.30 per Acre or \$0.1015 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$2,890.13 per Acre or \$61.25 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$238.87 per Acre or \$0.0377 per SF
	Office Property	Per Acre or SF	The Greater of \$915.62 per Acre or \$0.0889 per SF

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

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d. Additional Load Parcel

**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		The Greater of \$1,216.63 per Acre or \$0.1180 per SF
Hotel Property		N/A
Industrial Property		The Greater of \$277.75 per Acre or \$0.0439 per SF
Office Property		N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

e. Additional Load and Decorative Lighting Parcel

**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		The Greater of \$1,289.63 per Acre or \$0.1251 per SF
Hotel Property		N/A
Industrial Property		The Greater of \$294.42 per Acre or \$0.0465 per SF
Office Property		N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

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f. Residential Alley and Decorative Lighting Parcel

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$488.60
	SFDP ≤ 1,200 SF	Per Unit	\$429.97
	SFAP > 1,200 SF	Per Unit	\$429.97
	SFAP ≤ 1,200 SF	Per Unit	\$342.02
	MFP	Per Unit	\$342.02
	Commercial Property	Per Bldg SF	N/A
	Hotel Property	Per Room	N/A
	Industrial Property	Per Bldg SF	N/A
	Office Property	Per Bldg SF	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

4. Future Annexation Tax Zones

The Maximum Special Tax for new tax zones created for future annexations shall be shown in Attachment 1.

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D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied as follows until the amount of the levy equals the Special Tax Requirement for that Fiscal Year:

- First: The Special Tax shall be levied proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax determined for each category of Developed Property within each Tax Zone until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.
- Second: If additional revenue is needed after the first step has been completed, the Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Special Tax that would have applied to the Parcel had the Parcel not become Public Property until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

The Special Tax for CFD No. 2008-1 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2008-1 financial obligations and the Special Tax shall be equally subject to foreclosure if delinquent.

E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on (i) any Parcel of Public Property that is not Taxable Public Property, and (ii) any Parcel in CFD No. 2008-1 that is not Developed Property.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

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**ATTACHMENT 3
Exhibit B to the Resolution**

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ATTACHMENT I**CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)****IDENTIFICATION OF TAX ZONES****TAX ZONE 1 & 2**

Tax Zone	Annexation No.	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
1	Original	077-0420-001 and 077-0420-002	2008-09
2	Original	067-0010-060	2008-09

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

TAX ZONE 1 & 2 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

**MAXIMUM SPECIAL TAXES
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 1	all Land Uses	Per Bldg SF	\$0.1201
Zone 2	all Land Uses	Per Bldg SF	\$0.0329

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TAX ZONE 3

Tax Zone	Annexation No.	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
3	Original	067-0990-001	2008-09
		067-1000-001	
		072-0500-040	
		072-0500-041	
3	1	072-0280-093 and 072-0280-097	2008-9
3	2	056-0222-024 and 056-0222-025	2008-9
3	3	077-0050-014	2008-9
3	4	072-0410-100	2008-9
3	5	072-0610-064	2008-9
3	6	072-0570-030	2009-10
3	8	058-0262-001	2009-10
3	9	068-0160-101	2010-11
3	10	072-0280-099	2010-11
3	11	058-0261-054 through 058-0261-056	2011-12
3	12	057-0254-023 through 057-0254-025	2012-13
3	13	058-0261-047	2012-13
3	14	057-0240-030	2012-13
3	15	072-0580-001	2013-14
3	16	058-0540-007 and 058-0540-008	2014-15
3	17	072-0330-018 and 072-0330-062	2016-17
3	18	072-0550-023	2016-17
3	19	072-0410-098 and 072-0410-099	2016-17
3	21	072-0260-052 and 072-0260-055	2017-18
3	22	072-0690-122	2017-18
3	23	072-0510-017	2018-19
3	24	072-0670-003	2018-19
3	25	072-2860-025 through 072-2860-028 and 072-2860-033	2018-19
3	27	058-0270-060	2018-19
3	28	072-3800-001 through 072-3800-018	2019-20
3	29	068-0030-044	2019-20
3	30	072-0450-118	2020-21
3	31	072-2360-042	2020-21
3	32	072-0510-016	2020-21
3	33	072-0410-100	2020-21
3	34	072-0450-062	2021-22
3	35	072-0450-006	2021-22

* The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.

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TAX ZONE 3 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

**MAXIMUM SPECIAL TAXES
ORDINARY USE PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$523.21
	SFDP ≤ 1,200 SF	Per Unit	\$460.43
	SFAP > 1,200 SF	Per Unit	\$460.43
	SFAP ≤ 1,200 SF	Per Unit	\$366.24
	MFP	Per Unit	\$366.24
	Commercial Property	Per Acre or SF	The Greater of \$1,516.49 per Acre or \$0.1471 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,188.93 per Acre or \$88.77 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$346.22 per Acre or \$0.0547 per SF
	Office Property	Per Acre or SF	The Greater of \$1,327.11 per Acre or \$0.1289 per SF

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$722.03
	SFDP ≤ 1,200 SF	Per Unit	\$635.39
	SFAP > 1,200 SF	Per Unit	\$635.39
	SFAP ≤ 1,200 SF	Per Unit	\$505.43
	MFP	Per Unit	\$505.43
	Commercial Property	N/A	N/A
	Hotel Property	N/A	N/A
	Industrial Property	N/A	N/A
	Office Property	N/A	N/A

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**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$562.46
	SFDP ≤ 1,200 SF	Per Unit	\$494.96
	SFAP > 1,200 SF	Per Unit	\$494.96
	SFAP ≤ 1,200 SF	Per Unit	\$393.72
	MFP	Per Unit	\$393.72
	Commercial Property	Per Acre or SF	The Greater of \$1630.24 per Acre or \$0.1581 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,503.09 per Acre or \$95.43 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$372.16 per Acre or \$0.0588 per SF
	Office Property	Per Acre or SF	The Greater of \$1,426.62 per Acre or \$0.1385 per SF

**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	N/A
	SFDP ≤ 1,200 SF	Per Unit	N/A
	SFAP > 1,200 SF	Per Unit	N/A
	SFAP ≤ 1,200 SF	Per Unit	N/A
	MFP	Per Unit	N/A
	Commercial Property	Per Acre or SF	The Greater of \$1,895.61 per Acre or \$0.1839 per SF
	Hotel Property	Per Acre or Unit	N/A
	Industrial Property	Per Acre or SF	The Greater of \$432.79 per Acre or \$0.0684 per SF
	Office Property	Per Acre or SF	N/A

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**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	N/A
	SFDP ≤ 1,200 SF	Per Unit	N/A
	SFAP > 1,200 SF	Per Unit	N/A
	SFAP ≤ 1,200 SF	Per Unit	N/A
	MFP	Per Unit	N/A
	Commercial Property	Per Acre or SF	The Greater of \$2,009.37 per Acre or \$0.1949 per SF
	Hotel Property	Per Acre or Unit	N/A
	Industrial Property	Per Acre or SF	The Greater of \$458.74 per Acre or \$0.0725 per SF
	Office Property	Per Acre or SF	N/A

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$761.28
	SFDP ≤ 1,200 SF	Per Unit	\$669.93
	SFAP > 1,200 SF	Per Unit	\$669.93
	SFAP ≤ 1,200 SF	Per Unit	\$532.90
	MFP	Per Unit	\$532.90
	Commercial Property	Per Bldg SF	N/A
	Hotel Property	Per Room	N/A
	Industrial Property	Per Bldg SF	N/A
	Office Property	Per Bldg SF	N/A

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TAX ZONE 4 (Annexation 20 - Veranda Tract)

Tax Zone	Assessor's Parcels Included in Tax Zone *			Fiscal Year In Which Property Was Added to CFD No. 2008-1
4	072-3400-001	Through	072-3400-058	FY 2017-18
	072-3410-001	Through	072-3410-065	
	072-3420-001	Through	072-3420-050	

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

Tax Zone 4 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

**MAXIMUM SPECIAL TAXES
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 4	SFDP > 1,200 SF	Per Unit	\$266.18
	SFDP ≤ 1,200 SF	Per Unit	\$234.24
	SFAP > 1,200 SF	Per Unit	\$234.24
	SFAP ≤ 1,200 SF	Per Unit	\$186.32
	MFP	Per Unit	\$186.32

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TAX ZONE 5

Tax Zone	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
5	077-0420-001 and 077-0420-002	Mather Dev pending

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

TAX ZONE 5 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

**MAXIMUM SPECIAL TAXES
ORDINARY USE PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$523.21
	SFDP ≤ 1,200 SF	Per Unit	\$460.43
	SFAP > 1,200 SF	Per Unit	\$460.43
	SFAP ≤ 1,200 SF	Per Unit	\$366.24
	MFP	Per Unit	\$366.24
	Micro-Unit Property	Per Unit	\$244.28
	Commercial Property	Per Acre or SF	The Greater of \$1,516.49 per Acre or \$0.1471 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,188.93 per Acre or \$88.77 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$346.22 per Acre or \$0.0547 per SF
	Office Property	Per Acre or SF	The Greater of \$1,327.11 per Acre or \$0.1289 per SF

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**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$722.03
	SFDP ≤ 1,200 SF	Per Unit	\$635.39
	SFAP > 1,200 SF	Per Unit	\$635.39
	SFAP ≤ 1,200 SF	Per Unit	\$505.43
	MFP	Per Unit	\$505.43
	Micro-Unit Property	Per Unit	\$337.12

**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$562.46
	SFDP ≤ 1,200 SF	Per Unit	\$494.96
	SFAP > 1,200 SF	Per Unit	\$494.96
	SFAP ≤ 1,200 SF	Per Unit	\$393.72
	MFP	Per Unit	\$393.72
	Micro-Unit Property	Per Unit	\$262.61
Commercial Property		Per Acre or SF	The Greater of \$1630.24 per Acre or \$0.1581 per SF
Hotel Property		Per Acre or Unit	The Greater of \$4,503.09 per Acre or \$95.43 per Unit
Industrial Property		Per Acre or SF	The Greater of \$372.16 per Acre or \$0.0588 per SF
Office Property		Per Acre or SF	The Greater of \$1,426.62 per Acre or \$0.1385 per SF

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

(Streets Lighting and Road Maintenance)

Annexation No. 7 – (Auto Zone Store 5410 Project)

October 2025

Rate and Method of Apportionment of Special Tax

Exhibit A

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$761.28
	SFDP ≤ 1,200 SF	Per Unit	\$669.93
	SFAP > 1,200 SF	Per Unit	\$669.93
	SFAP ≤ 1,200 SF	Per Unit	\$532.90
	MFP	Per Unit	\$532.90
	Micro-Unit Property	Per Unit	\$355.44

**MAXIMUM SPECIAL TAXES
PRIVATE STREET PARCELS (RESIDENTIAL)
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$121.60
	SFDP ≤ 1,200 SF	Per Unit	\$107.01
	SFAP > 1,200 SF	Per Unit	\$107.01
	SFAP ≤ 1,200 SF	Per Unit	\$85.12
	MFP	Per Unit	\$85.12
	Micro-Unit Property	Per Unit	\$56.77

**MAXIMUM SPECIAL TAXES
50/50 PUBLIC & PRIVATE RESIDENTIAL STREET PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$322.41
	SFDP ≤ 1,200 SF	Per Unit	\$283.72
	SFAP > 1,200 SF	Per Unit	\$283.72
	SFAP ≤ 1,200 SF	Per Unit	\$225.68
	MFP	Per Unit	\$225.68
	Micro-Unit Property	Per Unit	\$150.53

ITEM 13.4.

City of Rancho Cordova

Community Facilities District No. 2008-1

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**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5 Commercial Property	Per Acre or SF	The Greater of \$1,895.61 per Acre or \$0.1839 per SF
Industrial Property	Per Acre or SF	The Greater of \$432.79 per Acre or \$0.0684 per SF

**MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5 Commercial Property	Per Acre or SF	The Greater of \$2,009.37 per Acre or \$0.1949 per SF
Industrial Property	Per Acre or SF	The Greater of \$458.74 per Acre or \$0.0725 per SF

**MAXIMUM SPECIAL TAXES
HEAVY TRUCK TRAFFIC PARCELS
(FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5 Industrial Property	Per Acre or 1,000 SF	The Greater of \$346.22 per Acre or \$151.38 per 1,000 SF

EXHIBIT C

CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)

ASSESSOR'S PARCEL NUMBERS AND OWNERS OF LAND WITHIN COMMUNITY
FACILITIES DISTRICT

<u>Assessor's Parcel Nos.</u>	<u>Names of Property Owners</u>
067-1050-008-0000	Sunridge Station LP, a Delaware Limited Liability Company

CITY OF RANCHO CORDOVA
Community Facilities District No. 2008-1
(Street Lighting and Road Maintenance)

Annexation No. 7

UNANIMOUS APPROVAL
of Annexation to a Community Facilities District
and Related Matters

To the City Council
City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 956703

Members of the City Council:

This constitutes the Unanimous Approval (the "Unanimous Approval") of SUNRIDGE STATION L.P., the record owner(s) (the "Property Owner") of the fee title to the real property identified below (the "Property") contemplated by Section 53339.3 et seq. of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act") to annexation of the Property to the "City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) (the "CFD")", and it states as follows:

1. **Property Owner.** This Unanimous Approval is submitted by the Property Owner (whether one or more) identified below as or for the recorded owner(s) of the Property identified below. The Property Owner warrants to the City of Ranch Cordova (the "City") that they are such Property Owner or is legally authorized to execute this Unanimous Approval for and on behalf of such Property Owner.

2. **Approval of Annexation.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the annexation of the Property to the CFD. The CFD was formed to finance the municipal services (the "Services") described in **Exhibit A** hereto and made a part hereof.

3. **Approval of Special Tax and the Facilities.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the levy of special taxes (the "Special Taxes") on the Property to finance the Services, according to the Rate and Method of Apportionment of Special Taxes for the CFD attached hereto as **Exhibit B** and made a part hereof (the "Rate and Method"). **Exhibit B** describes the maximum special tax rate for the Services. This annexed property is placed in Tax Zone 3 for purposes of computation of the Special Tax.

4. **Approval of the Appropriations Limit.** This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the appropriations limit established for the CFD.

5. **Waivers and Vote.** The Property Owner hereby confirms that this Unanimous Approval constitutes its approval and unanimous vote as described herein and as contemplated by Section 53339.3 et seq. of the Act and Article XIII A of the California Constitution. The Property Owner hereby waives all other rights with respect to the annexation of the Property, the levy of the Special Taxes on the Property and the other matters covered in this Unanimous Approval.

6. **Recordation of Amendment to Notice of Special Tax Lien.** The Notice of Special Tax Lien for the CFD was heretofore recorded in the Office of the County Recorder of the County of Sacramento, State of California on December 2, 2008 recorded at Book 20081201 at Page 0781 (Document No. 20081201PG0891).

The Property Owner hereby authorizes and directs the City Clerk to execute and cause to be recorded in the Office of the County Recorder of the County of Sacramento an amendment to the Notice of Special Tax Lien for the CFD as required by Section 3117.5 of the California Streets and Highways Code. The amendment to the Notice of Special Tax Lien shall include the Rate and Method as an exhibit thereto.

7. **City Warranted.** The Property Owner warrants to the City that the presentation of this Unanimous Approval, any votes, consents or waivers contained herein, and other actions mandated by the City for the annexation of the Property to the CFD shall not constitute or be construed as events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Property Owner for the Property, including any "due-on-encumbrance" clauses under any existing security instruments secured by the Property. If requested by the City, the Property Owner agrees, at its own expense, to supply to the City, current title evidence so that the City may verify ownership for the annexation to the CFD.

8. **Due Diligence and Disclosures.** The Property Owner agrees to cooperate with the City and its attorneys and consultants and to provide all information and disclosures required by the City about the Special Taxes to purchasers of the Property or any part of it.

9. **Agreements.** The Property Owner further agrees to execute such additional or supplemental agreements as may be required by the City to provide for any of the actions and conditions described in this Unanimous Approval, including any cash deposit required to pay for the City's costs in annexing the Property to the CFD.

10. **The Property.** The Property is identified as follows:

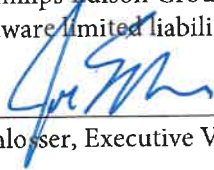
Assessor's Parcel No. 067-1050-008-0000

By executing this Unanimous Approval, the Property Owner agrees to all of the above.

The Petitioner (record owner) of the Property is:

**Sunridge Station LP,
a Delaware Limited Liability Company**

By: The Phillips Edison Group II LLC
a Delaware limited liability company, its General Partner

By: 
Joe Schlosser, Executive Vice President

Date: October 29, 2025

The address to which the ballots for the CFD elections are to be sent:

Portfolio Manager- West
Phillips Edison & Company
11501 Northlake Dr.
Cincinnati, OH 45249

EXHIBIT A

**CITY OF RANCHO CORDOVA
Community Facilities District No. 2008-1
(Street Lighting and Road Maintenance)**

DESCRIPTION OF SERVICES

Maintenance and lighting of public streets and roads

Maintenance means the furnishing of services and materials for the ordinary and usual operation, maintenance and servicing of the street improvements, the street-lighting network, dedicated easements, and appurtenant facilities, and administration and overhead of all aspects of the CFD.

Reserve Fund

The Special Taxes may be collected and set-aside in designated funds, collected over several years, that may be used by the CFD to fund future repairs to streets lighting and roadway improvements and other services as determined by the CFD.

EXHIBIT B

CITY OF RANCHO CORDVOA
COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE

RATE AND METHOD OF APPORTIONMENT

**CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
FOR ANNEXATION NO. 7 (AUTO ZONE STORE 5410)**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance) shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2008-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2008-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2008-1 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or "Acre" means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Additional Load and Decorative Lighting Parcel" means any Parcel that is determined by the City to be both an Additional Load Parcel and a Decorative Lighting Parcel.

"Additional Load Parcel" means any Parcel of Commercial Property or Industrial Property that is determined by the City to create excessive wear and tear on the roadways and/or a high volume of vehicular traffic.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports, and any other costs required to administer the CFD.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with

City of Rancho Cordova
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an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2008-1 as set forth in the documents adopted by the City Council when the CFD was formed.

"CFD" or **"CFD No. 2008-1"** means the City of Rancho Cordova Community Facilities District No. 2008-1 (Street Lighting and Road Maintenance).

"City" means the City of Rancho Cordova.

"City Council" means the City Council of the City of Rancho Cordova, acting as the legislative body of CFD No. 2008-1.

"Commercial Property" means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, book stores, video rental stores, drug stores, professional services (i.e., barber shops, dry cleaners), restaurants, supermarkets, hospitals, movie theaters, appliance and electronic stores, home supply stores, auto parts stores, and other businesses providing auto-related products and services. The City shall make the determination if a Parcel is Commercial Property.

"County" means the County of Sacramento.

"Decorative Lighting Parcel" means any Parcel of Developed Property that is determined by the City to have or benefit from decorative lighting features.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential or non-residential structure (which shall not include a permit issued solely for construction of the foundation if another permit remains to be issued for vertical construction of the building) was issued prior to June 30 of the preceding Fiscal Year.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Heavy Truck Traffic Parcel" means, any Parcel of Developed Property that is determined by the City to have heavy truck traffic impact on the public streets and include, but are not limited to, fulfillment centers, logistics centers, freight, truck terminals, and other facilities intended for the movement of goods (manufactured or raw) prior to their distribution.

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“Hotel Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for a structure that constitutes a place of lodging providing sleeping accommodations and related facilities for travelers.

“Industrial Property” means, in any Fiscal Year, all Developed Property for which a building permit or use permit has been issued for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination if a Parcel is Industrial Property.

“Maximum Special Tax” or “Maximum Tax” means the greatest amount of Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Section C below.

“Micro-Unit Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five (5) or more Units of approximately 800 square feet of floor area or less for each such Unit that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

“Multi-Family Property” (MFP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five or more Units that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

“Non-Residential Property” means, collectively, Commercial Property, Hotel Property, Industrial Property, and Office Property.

“Office Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for a building in which professional, banking, insurance, real estate, administrative or in-office medical or dental activities are conducted. The City shall make the determination if a Parcel is Office Property.

“Ordinary Use Parcel” means any Parcel of Taxable Property that is not an Additional Load Parcel, Decorative Lighting Parcel, Residential Alley Parcel, Additional Load and Decorative Lighting Parcel, Residential Alley and Decorative Lighting Parcel, Private Street Parcel, 50/50 Public & private Residential Street Parcel, or Heavy Truck Traffic Parcel.

“Private Street Parcel” means, any Taxable Property where all or the majority of the residential streets are private within the development and the maintenance of the residential components are not funded by the CFD or by the federal government, State of California, County, City, or other public agency.

“50/50 Public & Private Residential Street Parcel” means, any Taxable Property where there is a fairly even split of public and private streets associated with a development.

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“Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Parcels of Developed Property.

“Public Property” means any property within the boundaries of CFD No. 2008-1 that is owned by the federal government, State of California, County, City, or other public agency.

“Residential Alley and Decorative Lighting Parcel” means any Parcel that is determined by the City to be both a Residential Alley Parcel and a Decorative Lighting Parcel.

“Residential Alley Parcel” means any Parcel of Residential Property that is determined by the City to have residential alleys that are part of the public roadways.

“Residential Property” means, collectively, Single Family Attached Property, Single Family Detached Property, Multi-Family Property, and Micro-Unit Property.

“Single Family Attached Property” (SFAP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and are offered as for-sale Units (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit(s)), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” (SFDP) means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

“Special Tax Requirement” means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services, (ii) Administrative Expenses, and (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected.

“Special Tax” means a special tax levied in any Fiscal Year on property within CFD No. 2008-1 to pay the Special Tax Requirement.

“Square Foot,” “Square Footage,” or “Square Feet” (SF) means the building square footage reflected on the original building permit issued for construction of a building.

“Taxable Property” means all Assessor’s Parcels within the boundaries of CFD No. 2008-1 which are not exempt from the Special Tax pursuant to law or Section E below.

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“Taxable Public Property” means, in any Fiscal Year, all Assessor’s Parcels in CFD No. 2008- 1 that had, in prior Fiscal Years, been taxed as Developed Property and subsequently came under the ownership of a public agency.

“Tax Zone” means one of the three mutually exclusive tax zones identified in Attachment 1 of this Rate and Method of Apportionment of Special Tax, as may be updated to include new Parcels or new tax zones added to the CFD as a result of future annexations.

“Tax Zone 1” means the geographic area that is identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 1 and any property annexed into Tax Zone 1 after formation of the CFD.

“Tax Zone 2” means the geographic area that is identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 2 and any property annexed into Tax Zone 2 after formation of the CFD.

“Tax Zone 3” means the geographic areas that are identified by Assessor’s Parcel number in Attachment 1 of this Rate and Method of Apportionment of Special Tax as Tax Zone 3 and any property annexed into Tax Zone 3 after formation of the CFD.

“Unit” means an individual single-family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure. Unit shall also mean a single room or unit on a Parcel of Hotel Property.

B. DATA COLLECTION FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel number for all Parcels of Taxable Property within CFD No. 2008-1 and shall determine within which Tax Zone each Assessor’s Parcel is located. Upon each annexation of property into CFD No. 2008-1, the Administrator shall update Attachment 1 to include the new Assessor’s Parcel number(s). In addition, for all Parcels of Developed Property, if applicable to the Tax Zone in which the Parcels are located, the Administrator shall determine if each Parcel is an Ordinary Use Parcel, an Additional Load Parcel, a Residential Alley Parcel, a Decorative Lighting Parcel, an Additional Load and Decorative Lighting Parcel, a Residential Alley and Decorative Lighting Parcel, a Private Street Parcel, a 50/50 Public & Private Residential Street Parcel, or a Heavy Truck Traffic Parcel.

Based on review of building permit records for property within the CFD, the Administrator shall determine which Parcels in the CFD are Developed Property for purposes of levying the Special Tax pursuant to Section D below. For Single Family Attached Property, Multi-Family Property, Micro-Unit Property, and Hotel Property, the number of Units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan for the property.

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For Residential Property, the Administrator shall determine the Square Footage of each Unit. For Non- Residential Property, the Administrator shall determine the Acreage of, and Square Footage on, each Parcel.

If a Parcel in the CFD is rezoned prior to such Parcel becoming Developed Property, the City may in its sole discretion, move the Parcel to a different Tax Zone based on the rezone. If a Parcel rezones after the Parcel has been taxed as Developed Property in prior Fiscal Years, the City can either continue to apply the Maximum Special Tax to the Parcel that had applied prior to the rezone or, in the City's sole discretion, allow for the Parcel to be moved to a different Tax Zone based on the rezone.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in CFD No. 2008-1 was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Tax Zone 1

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 1 for Fiscal Year 2008-09 shall be \$0.0771 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

2. Tax Zone 2

The Maximum Special Tax for a Parcel of Developed Property in Tax Zone 2 for Fiscal Year 2008-09 shall be \$0.0211 per Square Foot. On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

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 Exhibit A

source.

3. Tax Zone 3

The following Maximum Special Taxes apply to all Parcels of Developed Property within Tax Zone 3 of CFD to. 2008-1:

a. Ordinary Use Parcel

**MAXIMUM SPECIAL TAXES
 ORDINARY USE PARCEL
 (FISCAL YEAR 2008-09)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
	Commercial Property	Per Acre or SF
	Hotel Property	Per Acre or Unit
	Industrial Property	Per Acre or SF
	Office Property	Per Acre or SF

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

City of Rancho Cordova
Community Facilities District No. 2008-1
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b. Residential Alley Parcel

**MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$463.41
	SFDP ≤ 1,200 SF	Per Unit	\$407.80
	SFAP > 1,200 SF	Per Unit	\$407.80
	SFAP ≤ 1,200 SF	Per Unit	\$324.39
	MFP	Per Unit	\$324.39
	Commercial Property	N/A	N/A
	Hotel Property	N/A	N/A
	Industrial Property	N/A	N/A
	Office Property	N/A	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

c. Decorative Lighting Parcel

**MAXIMUM SPECIAL TAXES
DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$360.99
	SFDP ≤ 1,200 SF	Per Unit	\$317.67
	SFAP > 1,200 SF	Per Unit	\$317.67
	SFAP ≤ 1,200 SF	Per Unit	\$252.69
	MFP	Per Unit	\$252.69
	Commercial Property	Per Acre or SF	The Greater of \$1,046.30 per Acre or \$0.1015 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$2,890.13 per Acre or \$61.25 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$238.87 per Acre or \$0.0377 per SF
	Office Property	Per Acre or SF	The Greater of \$915.62 per Acre or \$0.0889 per SF

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

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Exhibit A

d. Additional Load Parcel

MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD PARCEL
(FISCAL YEAR 2008-09)

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	N/A
	SFDP ≤ 1,200 SF	Per Unit	N/A
	SFAP > 1,200 SF	Per Unit	N/A
	SFAP ≤ 1,200 SF	Per Unit	N/A
	MFP	Per Unit	N/A
Commercial Property		Per Acre or SF	The Greater of \$1,216.63 per Acre or \$0.1180 per SF
Hotel Property		Per Acre or Unit	N/A
Industrial Property		Per Acre or SF	The Greater of \$277.75 per Acre or \$0.0439 per SF
Office Property		Per Acre or SF	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

e. Additional Load and Decorative Lighting Parcel

MAXIMUM SPECIAL TAXES
ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	N/A
	SFDP ≤ 1,200 SF	Per Unit	N/A
	SFAP > 1,200 SF	Per Unit	N/A
	SFAP ≤ 1,200 SF	Per Unit	N/A
	MFP	Per Unit	N/A
Commercial Property		Per Acre or SF	The Greater of \$1,289.63 per Acre or \$0.1251 per SF
Hotel Property		Per Acre or Unit	N/A
Industrial Property		Per Acre or SF	The Greater of \$294.42 per Acre or \$0.0465 per SF
Office Property		Per Acre or SF	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
Rate and Method of Apportionment of Special Tax

October 2025
Exhibit A

f. Residential Alley and Decorative Lighting Parcel

MAXIMUM SPECIAL TAXES
RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCEL
(FISCAL YEAR 2008-09)

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$488.60
	SFDP ≤ 1,200 SF	Per Unit	\$429.97
	SFAP > 1,200 SF	Per Unit	\$429.97
	SFAP ≤ 1,200 SF	Per Unit	\$342.02
	MFP	Per Unit	\$342.02
	Commercial Property	Per Bldg SF	N/A
	Hotel Property	Per Room	N/A
	Industrial Property	Per Bldg SF	N/A
	Office Property	Per Bldg SF	N/A

On each January 1, commencing January 1, 2009, this Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source.

4. Future Annexation Tax Zones

The Maximum Special Tax for new tax zones created for future annexations shall be shown in Attachment 1.

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
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D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Special Tax shall be levied as follows until the amount of the levy equals the Special Tax Requirement for that Fiscal Year:

- First: The Special Tax shall be levied proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax determined for each category of Developed Property within each Tax Zone until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.
- Second: If additional revenue is needed after the first step has been completed, the Special Tax shall be levied proportionately on each Parcel of Taxable Public Property up to 100% of the Maximum Special Tax that would have applied to the Parcel had the Parcel not become Public Property until the amount levied is equal to the Special Tax Requirement for the Fiscal Year.

The Special Tax for CFD No. 2008-1 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2008-1 financial obligations and the Special Tax shall be equally subject to foreclosure if delinquent.

E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on (i) any Parcel of Public Property that is not Taxable Public Property, and (ii) any Parcel in CFD No. 2008-1 that is not Developed Property.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
Rate and Method of Apportionment of Special Tax

October 2025
Exhibit A

ATTACHMENT I

CITY OF RANCHO CORDOVA
COMMUNITY FACILITIES DISTRICT 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)

IDENTIFICATION OF TAX ZONES

TAX ZONE 1 & 2

Tax Zone	Annexation No.	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
1	Original	077-0420-001 and 077-0420-002	2008-09
2	Original	067-0010-060	2008-09

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

TAX ZONE 1 & 2 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

MAXIMUM SPECIAL TAXES
(FISCAL YEAR 2022-23)

Land Use Class			Maximum Tax
Zone 1	all Land Uses	Per Bldg SF	\$0.1201
Zone 2	all Land Uses	Per Bldg SF	\$0.0329

ITEM 13.4.

ATTACHMENT 4 Exhibit C to the Resolution

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
Rate and Method of Apportionment of Special Tax

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Exhibit A

TAX ZONE 3

Tax Zone	Annexation No.	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
3	Original	067-0990-001	2008-09
		067-1000-001	
		072-0500-040	
		072-0500-041	
3	1	072-0280-093 and 072-0280-097	2008-9
3	2	056-0222-024 and 056-0222-025	2008-9
3	3	077-0050-014	2008-9
3	4	072-0410-100	2008-9
3	5	072-0610-064	2008-9
3	6	072-0570-030	2009-10
3	8	058-0262-001	2009-10
3	9	068-0160-101	2010-11
3	10	072-0280-099	2010-11
3	11	058-0261-054 through 058-0261-056	2011-12
3	12	057-0254-023 through 057-0254-025	2012-13
3	13	058-0261-047	2012-13
3	14	057-0240-030	2012-13
3	15	072-0580-001	2013-14
3	16	058-0540-007 and 058-0540-008	2014-15
3	17	072-0330-018 and 072-0330-062	2016-17
3	18	072-0550-023	2016-17
3	19	072-0410-098 and 072-0410-099	2016-17
3	21	072-0260-052 and 072-0260-055	2017-18
3	22	072-0690-122	2017-18
3	23	072-0510-017	2018-19
3	24	072-0670-003	2018-19
3	25	072-2860-025 through 072-2860-028 and 072-2860-033	2018-19
3	27	058-0270-060	2018-19
3	28	072-3800-001 through 072-3800-018	2019-20
3	29	068-0030-044	2019-20
3	30	072-0450-118	2020-21
3	31	072-2360-042	2020-21
3	32	072-0510-016	2020-21
3	33	072-0410-100	2020-21
3	34	072-0450-062	2021-22
3	35	072-0450-006	2021-22

* The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

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 Exhibit A

TAX ZONE 3 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

**MAXIMUM SPECIAL TAXES
 ORDINARY USE PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$523.21
	SFDP ≤ 1,200 SF	Per Unit	\$460.43
	SFAP > 1,200 SF	Per Unit	\$460.43
	SFAP ≤ 1,200 SF	Per Unit	\$366.24
	MFP	Per Unit	\$366.24
	Commercial Property	Per Acre or SF	The Greater of \$1,516.49 per Acre or \$0.1471 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,188.93 per Acre or \$88.77 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$346.22 per Acre or \$0.0547 per SF
	Office Property	Per Acre or SF	The Greater of \$1,327.11 per Acre or \$0.1289 per SF

**MAXIMUM SPECIAL TAXES
 RESIDENTIAL ALLEY PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit	\$722.03
	SFDP ≤ 1,200 SF	Per Unit	\$635.39
	SFAP > 1,200 SF	Per Unit	\$635.39
	SFAP ≤ 1,200 SF	Per Unit	\$505.43
	MFP	Per Unit	\$505.43
	Commercial Property	N/A	N/A
	Hotel Property	N/A	N/A
	Industrial Property	N/A	N/A
	Office Property	N/A	N/A

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

October 2025
 Exhibit A

**MAXIMUM SPECIAL TAXES
 DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		The Greater of \$1630.24 per Acre or \$0.1581 per SF
Hotel Property		The Greater of \$4,503.09 per Acre or \$95.43 per Unit
Industrial Property		The Greater of \$372.16 per Acre or \$0.0588 per SF
Office Property		The Greater of \$1,426.62 per Acre or \$0.1385 per SF

**MAXIMUM SPECIAL TAXES
 ADDITIONAL LOAD PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		The Greater of \$1,895.61 per Acre or \$0.1839 per SF
Hotel Property		N/A
Industrial Property		The Greater of \$432.79 per Acre or \$0.0684 per SF
Office Property		N/A

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

October 2025
 Exhibit A

**MAXIMUM SPECIAL TAXES
 ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		The Greater of \$2,009.37 per Acre or \$0.1949 per SF
Hotel Property		N/A
Industrial Property		The Greater of \$458.74 per Acre or \$0.0725 per SF
Office Property		N/A

**MAXIMUM SPECIAL TAXES
 RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 3	SFDP > 1,200 SF	Per Unit
	SFDP ≤ 1,200 SF	Per Unit
	SFAP > 1,200 SF	Per Unit
	SFAP ≤ 1,200 SF	Per Unit
	MFP	Per Unit
Commercial Property		Per Bldg SF
Hotel Property		Per Room
Industrial Property		Per Bldg SF
Office Property		Per Bldg SF

ITEM 13.4.

ATTACHMENT 4 Exhibit C to the Resolution

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
Rate and Method of Apportionment of Special Tax

October 2025
Exhibit A

TAX ZONE 4 (Annexation 20 - Veranda Tract)

Tax Zone	Assessor's Parcels Included in Tax Zone *			Fiscal Year In Which Property Was Added to CFD No. 2008-1
4	072-3400-001	Through	072-3400-058	FY 2017-18
	072-3410-001	Through	072-3410-065	
	072-3420-001	Through	072-3420-050	

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

Tax Zone 4 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

MAXIMUM SPECIAL TAXES (FISCAL YEAR 2022-23)

Land Use Class			Maximum Tax
Zone 4	SFDP > 1,200 SF	Per Unit	\$266.18
	SFDP ≤ 1,200 SF	Per Unit	\$234.24
	SFAP > 1,200 SF	Per Unit	\$234.24
	SFAP ≤ 1,200 SF	Per Unit	\$186.32
	MFP	Per Unit	\$186.32

ITEM 13.4.

ATTACHMENT 4 Exhibit C to the Resolution

City of Rancho Cordova
Community Facilities District No. 2008-1
(Streets Lighting and Road Maintenance)
Annexation No. 7 – (Auto Zone Store 5410 Project)
Rate and Method of Apportionment of Special Tax

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Exhibit A

TAX ZONE 5

Tax Zone	Assessor's Parcels Included in Tax Zone *	Fiscal Year In Which Property Was Added to CFD No. 2008-1
5	077-0420-001 and 077-0420-002	Mather Dev pending

** The property identified by the Assessor's Parcel Numbers listed above shall remain part of the identified Tax Zone regardless of changes in the configuration of the Assessor's Parcels or changes to APNs in future Fiscal Years. As APNs change, the City may update Attachment 1 to reflect the most current APNs.*

TAX ZONE 5 – Maximum Special Taxes

On each January 1st, the Maximum Special Tax shall be increased by an amount equal to the percentage increase, if any, in the construction cost index for the San Francisco region for the prior 12-month period (December to December) as published in the Engineering News Record or other comparable source (for the next Fiscal Year).

MAXIMUM SPECIAL TAXES ORDINARY USE PARCELS (FISCAL YEAR 2022-23)

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$523.21
	SFDP ≤ 1,200 SF	Per Unit	\$460.43
	SFAP > 1,200 SF	Per Unit	\$460.43
	SFAP ≤ 1,200 SF	Per Unit	\$366.24
	MFP	Per Unit	\$366.24
	Micro-Unit Property	Per Unit	\$244.28
	Commercial Property	Per Acre or SF	The Greater of \$1,516.49 per Acre or \$0.1471 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,188.93 per Acre or \$88.77 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$346.22 per Acre or \$0.0547 per SF
	Office Property	Per Acre or SF	The Greater of \$1,327.11 per Acre or \$0.1289 per SF

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

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 Exhibit A

**MAXIMUM SPECIAL TAXES
 RESIDENTIAL ALLEY PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$722.03
	SFDP ≤ 1,200 SF	Per Unit	\$635.39
	SFAP > 1,200 SF	Per Unit	\$635.39
	SFAP ≤ 1,200 SF	Per Unit	\$505.43
	MFP	Per Unit	\$505.43
	Micro-Unit Property	Per Unit	\$337.12

**MAXIMUM SPECIAL TAXES
 DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$562.46
	SFDP ≤ 1,200 SF	Per Unit	\$494.96
	SFAP > 1,200 SF	Per Unit	\$494.96
	SFAP ≤ 1,200 SF	Per Unit	\$393.72
	MFP	Per Unit	\$393.72
	Micro-Unit Property	Per Unit	\$262.61
	Commercial Property	Per Acre or SF	The Greater of \$1630.24 per Acre or \$0.1581 per SF
	Hotel Property	Per Acre or Unit	The Greater of \$4,503.09 per Acre or \$95.43 per Unit
	Industrial Property	Per Acre or SF	The Greater of \$372.16 per Acre or \$0.0588 per SF
	Office Property	Per Acre or SF	The Greater of \$1,426.62 per Acre or \$0.1385 per SF

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

October 2025
 Exhibit A

**MAXIMUM SPECIAL TAXES
 RESIDENTIAL ALLEY AND DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$761.28
	SFDP ≤ 1,200 SF	Per Unit	\$669.93
	SFAP > 1,200 SF	Per Unit	\$669.93
	SFAP ≤ 1,200 SF	Per Unit	\$532.90
	MFP	Per Unit	\$532.90
	Micro-Unit Property	Per Unit	\$355.44

**MAXIMUM SPECIAL TAXES
 PRIVATE STREET PARCELS (RESIDENTIAL)
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$121.60
	SFDP ≤ 1,200 SF	Per Unit	\$107.01
	SFAP > 1,200 SF	Per Unit	\$107.01
	SFAP ≤ 1,200 SF	Per Unit	\$85.12
	MFP	Per Unit	\$85.12
	Micro-Unit Property	Per Unit	\$56.77

**MAXIMUM SPECIAL TAXES
 50/50 PUBLIC & PRIVATE RESIDENTIAL STREET PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class			Maximum Tax
Zone 5	SFDP > 1,200 SF	Per Unit	\$322.41
	SFDP ≤ 1,200 SF	Per Unit	\$283.72
	SFAP > 1,200 SF	Per Unit	\$283.72
	SFAP ≤ 1,200 SF	Per Unit	\$225.68
	MFP	Per Unit	\$225.68
	Micro-Unit Property	Per Unit	\$150.53

ITEM 13.4.**ATTACHMENT 4
Exhibit C to the Resolution**

City of Rancho Cordova
 Community Facilities District No. 2008-1
 (Streets Lighting and Road Maintenance)
 Annexation No. 7 – (Auto Zone Store 5410 Project)
 Rate and Method of Apportionment of Special Tax

October 2025
 Exhibit A

**MAXIMUM SPECIAL TAXES
 ADDITIONAL LOAD PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5	Commercial Property	The Greater of \$1,895.61 per Acre or \$0.1839 per SF
	Industrial Property	The Greater of \$432.79 per Acre or \$0.0684 per SF

**MAXIMUM SPECIAL TAXES
 ADDITIONAL LOAD AND DECORATIVE LIGHTING PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5	Commercial Property	The Greater of \$2,009.37 per Acre or \$0.1949 per SF
	Industrial Property	The Greater of \$458.74 per Acre or \$0.0725 per SF

**MAXIMUM SPECIAL TAXES
 HEAVY TRUCK TRAFFIC PARCELS
 (FISCAL YEAR 2022-23)**

Land Use Class		Maximum Tax
Zone 5	Industrial Property	The Greater of \$346.22 per Acre or \$151.38 per 1,000 SF

ANNEXATION MAP NO. 7
AUTOZONE 4004 SUNRISE BLVD.COMMUNITY FACILITIES DISTRICT NO. 2008-1
(STREET LIGHTING AND ROAD MAINTENANCE)CITY OF RANCHO CORDOVA
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS ____ DAY OF ____ 2025.

CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED ANNEXATION 7 TO COMMUNITY FACILITIES DISTRICT NO. 2008-1, (STREET LIGHTING AND ROAD MAINTENANCE), CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE ____ DAY OF ____ 2025 BY ITS RESOLUTION NO. ____

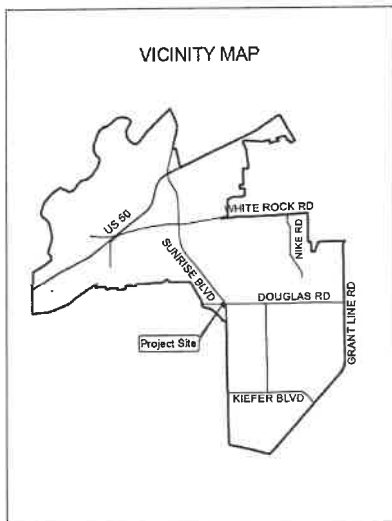
CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

FILED THIS ____ DAY OF ____ 2025, AT THE HOUR OF ____ O'CLOCK ____ M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

FLORENCE EVANS
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIABY: _____
DEPUTY

FILE: _____



REFERENCE IS MADE TO THE ORIGINAL BOUNDARY MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED BOUNDARIES OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

REFERENCE IS MADE TO THE FUTURE ANNEXATION AREA MAP OF THE DISTRICT, ENTITLED AND RECORDED AS FOLLOWS:

"PROPOSED FUTURE ANNEXATION AREA OF THE COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2008-1 (STREET LIGHTING AND ROAD MAINTENANCE) AND FUTURE ANNEXATION AREA, RECORDED ON OCTOBER 14, 2008 IN BOOK 110 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 12, IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, CALIFORNIA."

REFERENCE THE SACRAMENTO COUNTY ASSESSOR'S MAPS FOR A DETAILED DESCRIPTION OF PARCEL LINES AND DIMENSIONS

Legend

Annexation Boundary

1" = 100'

HARRIS & ASSOCIATES
101 PROGRESS, SUITE 250
IRVINE, CALIFORNIA 92618
800-827-4901

ANNEXATION MAP

City of Rancho Cordova
Community Facilities District No. 2008-1
Annexation 7 (Autozone 4004 Sunrise Blvd.)
County of Sacramento, California

Sheet 1 of 1

MEMORANDUM



ITEM 13.5.

DATE: January 5, 2026

TO: Honorable Mayor and Council Members

FROM: Albert Stricker, Public Works Director
Kevin Velazquez, Assistant Civil Engineer
Edgar Medina, Assistant Public Works Director

SUBJECT: **SECOND READING OF AN ORDINANCE AMENDING SECTIONS 10.50.010 AND 10.50.020 OF THE RANCHO CORDOVA MUNICIPAL CODE TO ESTABLISH RADAR ENFORCEABLE SPEED LIMITS ON THE ROADS LISTED IN THE ORDINANCE**

RECOMMENDATION

Waive the second reading and adopt the Ordinance.

RESULT OF RECOMMENDED ACTION

Adoption of the Ordinance maintains compliance with California Vehicle Code speed limit requirements and updates Engineering and Traffic Surveys and local street designations.

BACKGROUND

On December 15, 2025, the Rancho Cordova City Council waived the first reading and passed to a second reading of the Ordinance Amending Sections 10.50.010 and 10.50.020 of the Rancho Cordova Municipal Code.

State law establishes the process for setting speed limits on roadways in California. The California Vehicle Code (CVC) and the California Manual on Uniform Traffic Control Devices (CA MUTCD) provide guidelines and requirements for establishing radar-enforceable speed limits by law enforcement agencies. Certain roadways are assigned default speed limits by the CVC, such as 15 miles per hour (MPH) in alleys, 25 MPH in residential and business districts, and 55 MPH on two-lane highways. These statutory speed limits are enforceable without the need for additional analysis or Engineering and Traffic Surveys (ETS).

For all other roadways, local jurisdictions must conduct and adopt ETS to establish radar-enforceable speed limits in accordance with the CVC. These surveys are based on two primary factors, including 1) the measured 85th percentile speed (the speed at or below which 85% of vehicles are traveling), and 2) roadway conditions that are or are not readily apparent to motorists.

To maintain compliance with CVC requirements and ensure continued enforceability, staff has completed ETS for roadway segments needing new ETS, as well as for roadway segments that have been redefined.

Additionally, staff has reviewed the roadway network and identified streets that are classified as “local” under the California Road Systems (CRS) classification system or meet the definition of a “local street or road” under the CVC. These streets are proposed to be removed from the ETS inventory, as they do not require engineering and traffic surveys to be radar enforceable under CVC provisions.

On December 15, 2025, the City Council concurred with the recommended speed limit changes to certain road segments. The recommended changes are as follows:

Street Name	Current Speed Limit	Proposed Speed Limit	Note
Femoyer St – Between Macready Ave and International Dr	40 MPH	30 MPH	No longer requires an Engineering and Traffic Survey (classified as local)
Peter A McCuen Blvd – Between Mather Blvd and Femoyer St	30 MPH	25 MPH	No longer requires an Engineering and Traffic Survey (classified as local)
Mather Field Rd – Between Folsom Blvd and International Dr	45 MPH	45 MPH	
Mather Field Rd – Between International Dr and Peter A McCuen Blvd	45 MPH	35 MPH	
Mills Station Rd – Between Mather Field Rd and White Rock Rd	25 MPH	25 MPH	No longer requires an Engineering and Traffic Survey (classified as local)
Mills Park Dr – Between White Rock Rd and Folsom Blvd	25 MPH	25 MPH	No longer requires an Engineering and Traffic Survey (classified as local)
Paseo Dr – Between Folsom Blvd and Las Casas Way	25 MPH	25 MPH	No longer requires an Engineering and Traffic Survey (classified as local)

The recommended posted speed limits conform to the requirements of the CVC and CAMUTCD for establishing prudent speed limits that are consistent with roadway conditions, prevailing speeds, and are enforceable.

FISCAL IMPACT AND FUNDING SOURCE

This is an Ordinance amending the city Municipal Code and has no impact on the General Fund.

ATTACHMENT(S)

1. Ordinance
2. Revised Sections 10.50.010 and 10.50.020
3. Track Changes Revised Sections 10.50.010 and 10.50.020

CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2026

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA,
STATE OF CALIFORNIA, AMENDING SECTIONS 10.50.010 AND 10.50.020 OF CHAPTER
10.50 OF TITLE 10 OF THE RANCHO CORDOVA MUNICIPAL CODE REGARDING
REDUCED SPEED LIMITS ON SPECIFIC STREETS**

THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA DOES ORDAIN AS FOLLOWS:**Section 1. Purpose and Declarations**

WHEREAS, California Vehicle Code Section 22358 authorizes the City of Rancho Cordova ("City") to determine and declare by ordinance a prima facie speed limit less than the speed limit set forth in Vehicle Code Section 22349 if the City determines upon the basis of an engineering and traffic survey that the speed limit set forth in Vehicle Code Section 22349 is more than is reasonable or safe upon any portion of any street other than a state highway where the speed limit set forth in Vehicle Code Section 22349 is applicable; and

WHEREAS, an engineering and traffic survey ("Survey") was conducted by the City; and

WHEREAS, the Survey established speed limits for certain City streets, as set forth in Section 3; and

WHEREAS, the City Council has determined that the speed limits set forth in the Survey are most appropriate to facilitate the orderly movement of traffic within the City and are reasonable and safe; and

WHEREAS, this ordinance modifies Rancho Cordova Municipal Code Sections 10.50.010 and 10.50.020 by establishing speed limits for certain City streets, based upon the results of the Survey; and

WHEREAS, this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) because it is not a project under the act and it only involves the operation of existing streets involving negligible or no expansion of existing use.

Section 2. Amendment of Code.

Section 10.50.010 of Chapter 10.50 of Title 10 of the Rancho Cordova Municipal Code is hereby amended to read as follows:

The City Council approves and adopts the engineering and traffic surveys dated December 2025, prepared by the City, for the streets and portions thereof set forth therein, copies of which are on file and available for public inspection in the offices of the City Clerk. The City Council finds and determines that the surveys were conducted in accordance with the Vehicle Code and methods of conducting engineering and traffic surveys prescribed in the California Department of Transportation's Manual on Uniform Traffic Control Devices and that the survey justifies the speed limits recommended for the streets and portions of streets therein described. The City Council declares these speed limits as prima facie speed limits for the streets or portions thereof,

which limits shall be effective when appropriate signs giving notice thereof are erected upon the streets or portions thereof.

Section 10.50.020 of Chapter 10.50 of Title 10 of the Rancho Cordova Municipal Code is hereby amended to read as follows:

The following prima facie speed limits are established based on prevailing speeds and the results of the Engineering and Traffic Surveys.

A. Baroque Drive:

1. Between Zinfandel Drive and Zinfandel Drive, 35 mph;

B. Bear Hollow Drive:

1. Between Zinfandel Drive and North Mather Boulevard, 35 mph;

C. Business Park Drive:

1. Between Horn Road and Bradshaw Road, 35 mph;

D. Capital Center Drive:

1. Between White Rock Road and International Drive, 35 mph;

E. Chase Drive:

1. Between Coloma Road and Hagan Park, 25 mph;

F. Chrysanthy Boulevard:

1. Between Sunrise Boulevard and Adda Way , 35 mph;

G. Coloma Road:

1. Between Folsom Boulevard and Sunrise Boulevard, 40 mph;

H. Data Drive:

1. Between International Drive and White Rock Road, 35 mph;

I. Disk Drive:

1. Between Data Drive and Prospect Park Drive, 35 mph;

J. Douglas Road:

1. Between Westerly City Limits to Sunrise Boulevard, 55 mph;
2. Between Sunrise Boulevard and Rancho Cordova Parkway, 50 mph;
3. Between Rancho Cordova Parkway and Americanos Boulevard, 50 mph;
4. Between Americanos Boulevard and Grant Line Road, 50 mph;

K. Explorer Drive:

1. Between Lincoln Village Drive to Lincoln Village Drive, 25 mph;

L. Femoyer Street:

1. Between Macready Ave and International Drive, 30 mph;

M. Fitzgerald Road:

1. Between White Rock Road and Recycle Road, 35 mph;

N. Folsom Boulevard:

1. Between Bradshaw Road and Routier Road, 45 mph;
2. Between Routier Road and Cordova Lane, 40 mph;
3. Between Cordova Lane and Sunrise Boulevard, 40 mph;
4. Between Sunrise Boulevard and Hazel Avenue, 45 mph;

O. Georgetown Drive:

1. Between Coloma Road and McGregor Drive, 25 mph;

P. Gold Camp Drive:

1. Between Sun Center Drive and Prospect Park Drive, 30 mph;

Q. Gold Canal Drive:

1. Between Sun Center Drive and White Rock Road, 35 mph;

R. Gold Center Drive:

1. Between Zinfandel Drive and Prospect Park Drive, 30 mph;
2. Between Prospect Park Drive (west) and Prospect Park Drive (east), 35 mph;

S. Horn Road:

1. Between Folsom Boulevard and Routier Road, 35 mph;

T. International Drive:

1. Between Zinfandel Drive and Sunrise Boulevard, 45 mph;
2. Between Mather Field Road and Zinfandel Drive, 45 mph;

U. Kiefer Boulevard:

1. Between Sunrise Boulevard and Rancho Cordova Parkway, 45 mph;

V. Kilgore Road:

1. Between Folsom Boulevard and White Rock Road, 35 mph;

2. Between White Rock Road and Baroque Way, 40 mph;

W. Lincoln Village:

1. Between Bradshaw Road and Viking Drive, 35 mph;
2. Between Viking Drive and Routier Road, 25 mph;

X. Luyung Drive:

1. Between White Rock Road and Mechanical Drive, 35 mph;

Y. Mather Field Road:

1. Between International Drive and Folsom Boulevard, 45 mph;
2. Between Peter A McCuen Boulevard and International Drive, 35 mph;

Z. McGregor Drive:

1. Between Folsom Boulevard and Coloma Road, 25 mph;
2. Between Coloma Road and Ambassador Drive, 25 mph;

AA. Mills Station Road:

1. Between Routier Road and Mather Field Road, 35 mph;

CC. Monier Circle:

1. Between Sunrise Boulevard and Sunrise Boulevard, 30 mph;

DD. Old Placerville Road:

1. Between Bradshaw Road and Granby Drive, 45 mph;
2. Between Grandy Drive and Routier Road, 45 mph;
3. Between Routier Road and Systems Parkway-McCready Avenue, 45 mph;
4. Between Systems Parkway-McCready Avenue and Rockingham Drive, 45 mph;

EE. Olson Drive:

1. Between Mills Park Drive and Zinfandel Drive, 25 mph;
2. Between Zinfandel Drive and Folsom Boulevard, 35 mph;

GG. Peter A McCuen Boulevard:

1. Mather Boulevard and Femoyer Street, 25 mph;

HH. Prospect Park Drive:

1. Between White Rock Road and White Rock Road, 35 mph;
2. Between White Rock Road and Baroque Way, 35 mph;

II. Quality Drive:

1. Between International Drive and White Rock Road, 35 mph;

JJ. Rancho Cordova Parkway:

1. Between Kiefer Boulevard and Douglas Road, 45 mph;

KK. Recycle Road:

1. Between Sunrise Boulevard and Elks Circle, 30 mph;

LL. Reserve Drive:

1. Between Data Drive and International Drive, 35 mph;

MM. Rockingham Drive:

1. Between Mather Field Road and S. White Rock Road, 25 mph;
2. Between Mather Field Road and Old Placerville Road, 35 mph;
3. Between Old Placerville Road and Countryside Way-Nut Plains Drive, 30 mph;

NN. Routier Road:

1. Between Old Placerville Road and Folsom Boulevard, 40 mph;

OO. S. White Rock Road:

1. Between International Drive and White Rock Road, 25 mph;

PP. Sun Center Drive:

1. Between Prospect Park Drive and Sunrise Boulevard, 35 mph;

QQ. Sunrise Boulevard:

1. Between Jackson Highway and Kiefer Boulevard, 55 mph
2. Between Kiefer Boulevard and Herodian Drive, 50 mph;
3. Between Herodian Drive and White Rock Road, 45 mph;
4. Between White Rock Road and Folsom Boulevard, 45 mph;
5. Between Folsom Boulevard and Coloma Road, 45 mph;
6. Between Coloma Road and city limits, southbound, 45 mph;

RR. Systems Parkway:

1. Between Routier Road and Old Placerville Road, 35 mph;

SS. Trade Center Drive:

1. Between Sun Center Road and Mercantile Road, 30 mph;

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TT. Trinity River Drive:

1. Between Coloma Road and Sunrise Boulevard, 25 mph;

UU. Vanguard Drive:

1. Between Explorer Drive and Routier Road, 25 mph;

VV. White Rock Road:

1. Between Mills Station Road and Evadna Drive, 25 mph;
2. Between Evadna Drive and Mills Park Drive, 25 mph
3. Between S. White Rock Road and Zinfandel Drive, 40 mph;
4. Between Zinfandel Drive and Sunrise Boulevard, 40 mph;
5. Between Sunrise Boulevard and Macal Drive, 40 mph;

WW. Zinfandel Drive:

1. Between Sunrise Boulevard and Folsom Boulevard, 25 mph;
2. Between Folsom Boulevard and White Rock Road, 35 mph;
3. Between White Rock Road and International Drive, 40 mph;
4. Between International Drive and city limits, 45 mph.

XX. Airpark Drive:

1. Between Femoyer Street and Bear Hollow Drive, 35 mph;

YY. Bleckley Street:

1. Between Mather Boulevard and Peter A. McCuen Boulevard, ~~35mph~~ 30 mph;

ZZ. Gold Valley Drive:

1. Between White Rock Road and Sanders Drive, 25 mph;

A1. Mercantile Drive:

1. Between Sunrise Gold Circle and Folsom Boulevard, 35 mph;

B1. Mills Tower Drive:

1. Between White Rock Road and Mills Park Drive, 25 mph;

C1. Rod Beaudry Drive:

1. Between Folsom Boulevard and East Tiffany Lane, 25 mph;

D1. Sanders Drive:

1. Between Sunrise Boulevard and Gold Valley Drive, 30 mph;

E1. Spoto Drive

1. Between Zinfandel Drive and North Mather Boulevard, ~~35mph~~ 25 mph;

F1. Sunrise Gold Circle (N):

1. Between Sunrise Boulevard and Sunrise Gold–Mercantile Drive, 35 mph;

G1. Sunrise Gold Circle (E):

1. Between Sunrise Gold Circle (N) and Sunrise Gold Circle (S), 35 mph;

H1. Sunrise Gold Circle (S):

1. Between Sunrise Boulevard and Sunrise Gold Circle (E), 35 mph;

I1. Sunrise Park Drive:

1. Between Sunrise Boulevard and White Rock Road, 35 mph;

J1, Timberland Drive:

1. Between Douglas Road and Borderlands Drive, 25 mph;

K1. Vehicle Drive:

1. Between Zinfandel Drive and Coloma Road, 35 mph;

L1. W. La Loma Drive:

1. Between Folsom Boulevard and La Loma Drive, 25 mph;

Section 3. Environmental

This action is not a project under the California Environmental Quality Act (“CEQA”) and therefore is exempt from environmental review under CEQA Guidelines section 15061(b)(3). Additionally, this action is categorically exempt from environmental review under the California Environmental Quality Act Guidelines section 15301(c) because it involves the operation of existing streets involving negligible or no expansion of existing use.

Section 4. Severability

If any provision of this Ordinance or the application thereof to any person or circumstances, 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 phase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phases 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 adoption.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Garrett Gatewood, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

REDUCED SPEED LIMITS ON SPECIFIC STREETS

Sections:

- 10.50.010 Determination and declaration of prima facie speed limits.
10.50.020 Prima facie speed limits declared.

10.50.010 Determination and declaration of prima facie speed limits.

The city council approves and adopts the engineering and traffic surveys dated November 9, 2020, prepared by the city, for the streets and portions thereof set forth therein, copies of which are on file and available for public inspection in the offices of the city clerk. The city council finds and determines that the surveys were conducted in accordance with the Vehicle Code and methods of conducting engineering and traffic surveys prescribed in the California Department of Transportation and that the survey justifies the speed limits recommended for the streets and portions of streets therein described. The city council declares these speed limits as prima facie speed limits for the streets or portions thereof, which limits shall be effective when appropriate signs giving notice thereof are erected upon the streets or portions thereof. [Ord. 11-2023 § 3 (Exh. A); Ord. 20-2020 § 2; Ord. 1-2018 § 2; Ord. 13-2015 § 2; Ord. 3-2004 § 1].

10.50.020 Prima facie speed limits declared.

The following prima facie speed limits are established based on prevailing speeds and according to traffic and engineering studies:

A. Baroque Drive:

1. Between Zinfandel Drive and Zinfandel Drive, 35 mph;

B. Bear Hollow Drive:

1. Between Zinfandel Drive and North Mather Boulevard, 35 mph;

C. Business Park Drive:

1. Between Horn Road and Bradshaw Road, 35 mph;

D. Capital Center Drive:

1. Between White Rock Road and International Drive, 35 mph;

E. Chase Drive:

1. Between Coloma Road and Hagan Park, 25 mph;

F. Chrysanthy Boulevard:

1. Between Sunrise Boulevard and Adda Way , 35 mph;

G. Coloma Road:

1. Between Folsom Boulevard and Sunrise Boulevard, 40 mph;

H. Data Drive:

1. Between International Drive and White Rock Road, 35 mph;

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Rancho Cordova Municipal Code
Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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I. Disk Drive:

1. Between Data Drive and Prospect Park Drive, 35 mph;

J. Douglas Road:

1. Between Westerly City Limits to Sunrise Boulevard, 55 mph;
2. Between Sunrise Boulevard and Rancho Cordova Parkway, 50 mph;
3. Between Rancho Cordova Parkway and Americanos Boulevard, 50 mph;
4. Between Americanos Boulevard and Grant Line Road, 50 mph;

K. Explorer Drive:

1. Between Lincoln Village Drive to Lincoln Village Drive, 25 mph;

L. Femoyer Street:

1. Between Macready Ave and International Drive, 30 mph;

M. Fitzgerald Road:

1. Between White Rock Road and Recycle Road, 35 mph;

N. Folsom Boulevard:

1. Between Bradshaw Road and Routier Road, 45 mph;
2. Between Routier Road and Cordova Lane, 40 mph;
3. Between Cordova Lane and Sunrise Boulevard, 40 mph;
4. Between Sunrise Boulevard and Hazel Avenue, 45 mph;

O. Georgetown Drive:

1. Between Coloma Road and McGregor Drive, 25 mph;

P. Gold Camp Drive:

1. Between Sun Center Drive and Prospect Park Drive, 30 mph;

Q. Gold Canal Drive:

1. Between Sun Center Drive and White Rock Road, 35 mph;

R. Gold Center Drive:

1. Between Zinfandel Drive and Prospect Park Drive, 30 mph;
2. Between Prospect Park Drive (west) and Prospect Park Drive (east), 35 mph;

S. Horn Road:

1. Between Folsom Boulevard and Routier Road, 35 mph;

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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T. International Drive:

1. Between Zinfandel Drive and Sunrise Boulevard, 45 mph;
2. Between Mather Field Road and Zinfandel Drive, 45 mph;

U. Kiefer Boulevard:

1. Between Sunrise Boulevard and Rancho Cordova Parkway, 45 mph;

V. Kilgore Road:

1. Between Folsom Boulevard and White Rock Road, 35 mph;
2. Between White Rock Road and Baroque Way, 40 mph;

W. Lincoln Village:

1. Between Bradshaw Road and Viking Drive, 35 mph;
2. Between Viking Drive and Routier Road, 25 mph;

X. Luyung Drive:

1. Between White Rock Road and Mechanical Drive, 35 mph;

Y. Mather Field Road:

1. Between International Drive and Folsom Boulevard, 45 mph;
2. Between Peter A McCuen Boulevard and International Drive, 35 mph;

Z. McGregor Drive:

1. Between Folsom Boulevard and Coloma Road, 25 mph;
2. Between Coloma Road and Ambassador Drive, 25 mph;

AA. Mills Station Road:

1. Between Routier Road and Mather Field Road, 35 mph;

CC. Monier Circle:

1. Between Sunrise Boulevard and Sunrise Boulevard, 30 mph;

DD. Old Placerville Road:

1. Between Bradshaw Road and Granby Drive, 45 mph;
2. Between Grandy Drive and Routier Road, 45 mph;
3. Between Routier Road and Systems Parkway-McCready Avenue, 45 mph;
4. Between Systems Parkway-McCready Avenue and Rockingham Drive, 45 mph;

EE. Olson Drive:

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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1. Between Mills Park Drive and Zinfandel Drive, 25 mph;
2. Between Zinfandel Drive and Folsom Boulevard, 35 mph;

GG. Peter A McCuen Boulevard:

1. Mather Boulevard and Femoyer Street, 25 mph;

HH. Prospect Park Drive:

1. Between White Rock Road and White Rock Road, 35 mph;
2. Between White Rock Road and Baroque Way, 35 mph;

II. Quality Drive:

1. Between International Drive and White Rock Road, 35 mph;

JJ. Rancho Cordova Parkway:

1. Between Kiefer Boulevard and Douglas Road, 45 mph;

KK. Recycle Road:

1. Between Sunrise Boulevard and Elks Circle, 30 mph;

LL. Reserve Drive:

1. Between Data Drive and International Drive, 35 mph;

MM. Rockingham Drive:

1. Between Mather Field Road and S. White Rock Road, 25 mph;
2. Between Mather Field Road and Old Placerville Road, 35 mph;
3. Between Old Placerville Road and Countryside Way-Nut Plains Drive, 30 mph;

NN. Routier Road:

1. Between Old Placerville Road and Folsom Boulevard, 40 mph;

OO. S. White Rock Road:

1. Between International Drive and White Rock Road, 25 mph;

PP. Sun Center Drive:

1. Between Prospect Park Drive and Sunrise Boulevard, 35 mph;

QQ. Sunrise Boulevard:

1. Between Jackson Highway and Kiefer Boulevard, 55 mph
2. Between Kiefer Boulevard and Herodian Drive, 50 mph;
3. Between Herodian Drive and White Rock Road, 45 mph;
4. Between White Rock Road and Folsom Boulevard, 45 mph;

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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5. Between Folsom Boulevard and Coloma Road, 45 mph;

6. Between Coloma Road and city limits, southbound, 45 mph;

RR. Systems Parkway:

1. Between Routier Road and Old Placerville Road, 35 mph;

SS. Trade Center Drive:

1. Between Sun Center Road and Mercantile Road, 30 mph;

TT. Trinity River Drive:

1. Between Coloma Road and Sunrise Boulevard, 25 mph;

UU. Vanguard Drive:

1. Between Explorer Drive and Routier Road, 25 mph;

VV. White Rock Road:

1. Between Mills Station Road and Evadna Drive, 25 mph;

2. Between Evadna Drive and Mills Park Drive, 25 mph;

3. Between S. White Rock Road and Zinfandel Drive, 40 mph;

4. Between Zinfandel Drive and Sunrise Boulevard, 40 mph;

5. Between Sunrise Boulevard and Macal Drive, 40 mph;

WW. Zinfandel Drive:

1. Between Sunrise Boulevard and Folsom Boulevard, 25 mph;

2. Between Folsom Boulevard and White Rock Road, 35 mph;

3. Between White Rock Road and International Drive, 40 mph;

4. Between International Drive and city limits, 45 mph.

XX. Airpark Drive:

1. Between Femoyer Street and Bear Hollow Drive, 35 mph;

YY. Bleckley Street:

1. Between Mather Boulevard and Peter A. McCuen Boulevard, ~~35 mph~~ 30 mph;

ZZ. Gold Valley Drive:

1. Between White Rock Road and Sanders Drive, 25 mph;

A1. Mercantile Drive:

1. Between Sunrise Gold Circle and Folsom Boulevard, 35 mph;

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B1. Mills Tower Drive:

1. Between White Rock Road and Mills Park Drive, 25 mph;

C1. Rod Beaudry Drive:

1. Between Folsom Boulevard and East Tiffany Lane, 25 mph;

D1. Sanders Drive:

1. Between Sunrise Boulevard and Gold Valley Drive, 30 mph;

E1. Spoto Drive

1. Between Zinfandel Drive and North Mather Boulevard, ~~35mph~~ 25 mph;

F1. Sunrise Gold Circle (N):

1. Between Sunrise Boulevard and Sunrise Gold–Mercantile Drive, 35 mph;

G1. Sunrise Gold Circle (E):

1. Between Sunrise Gold Circle (N) and Sunrise Gold Circle (S), 35 mph;

H1. Sunrise Gold Circle (S):

1. Between Sunrise Boulevard and Sunrise Gold Circle (E), 35 mph;

I1. Sunrise Park Drive:

1. Between Sunrise Boulevard and White Rock Road, 35 mph;

J1. Timberland Drive:

1. Between Douglas Road and Borderlands Drive, 25 mph;

K1. Vehicle Drive:

1. Between Zinfandel Drive and Coloma Road, 35 mph;

L1. W. La Loma Drive:

1. Between Folsom Boulevard and La Loma Drive, 25 mph;

[Ord. 1-2024 § 2; Ord. 11-2023 § 3 (Exh. A); Ord. 20-2020 § 2; Ord. 1-2018 § 2; Ord. 13-2015 § 2; Ord. 3-2004 § 1].

REDUCED SPEED LIMITS ON SPECIFIC STREETS

Sections:

- 10.50.010 Determination and declaration of prima facie speed limits.
10.50.020 Prima facie speed limits declared.

10.50.010 Determination and declaration of prima facie speed limits.

The city council approves and adopts the engineering and traffic surveys dated November 9, 2020, prepared by the city, for the streets and portions thereof set forth therein, copies of which are on file and available for public inspection in the offices of the city clerk. The city council finds and determines that the surveys were conducted in accordance with the Vehicle Code and methods of conducting engineering and traffic surveys prescribed in the California Department of Transportation and that the survey justifies the speed limits recommended for the streets and portions of streets therein described. The city council declares these speed limits as prima facie speed limits for the streets or portions thereof, which limits shall be effective when appropriate signs giving notice thereof are erected upon the streets or portions thereof. [Ord. 11-2023 § 3 (Exh. A); Ord. 20-2020 § 2; Ord. 1-2018 § 2; Ord. 13-2015 § 2; Ord. 3-2004 § 1].

10.50.020 Prima facie speed limits declared.

The following prima facie speed limits are established based on prevailing speeds and according to traffic and engineering studies:

A. Baroque Drive:

1. Between Zinfandel Drive and Zinfandel Drive, 35 mph;

B. Bear Hollow Drive:

1. Between Zinfandel Drive and North Mather Boulevard, 35 mph;

C. Business Park Drive:

1. Between Horn Road and Bradshaw Road, 35 mph;

D. Capital Center Drive:

1. Between White Rock Road and International Drive, 35 mph;

E. Chase Drive:

1. Between Coloma Road and Hagan Park, 25 mph;

F. Chrysanthy Boulevard:

1. Between Sunrise Boulevard and Adda Way , 35 mph;

G. Coloma Road:

1. Between Folsom Boulevard and Sunrise Boulevard, 40 mph;

H. Data Drive:

1. Between International Drive and White Rock Road, 35 mph;

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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I. Disk Drive:

1. Between Data Drive and Prospect Park Drive, 35 mph;

J. Douglas Road:

1. Between Westerly City Limits to Sunrise Boulevard, 55 mph;
2. Between Sunrise Boulevard and Rancho Cordova Parkway, 50 mph;
3. Between Rancho Cordova Parkway and Americanos Boulevard, 50 mph;
4. Between Americanos Boulevard and Grant Line Road, 50 mph;

K. Explorer Drive:

1. Between Lincoln Village Drive to Lincoln Village Drive, 25 mph;

L. Femoyer Street:

1. Between ~~Mather Boulevard~~Maccready Ave and International Drive, ~~40~~30 mph;

M. Fitzgerald Road:

1. Between White Rock Road and Recycle Road, 35 mph;

N. Folsom Boulevard:

1. Between Bradshaw Road and Routier Road, 45 mph;
2. Between Routier Road and Cordova Lane, 40 mph;
3. Between Cordova Lane and Sunrise Boulevard, 40 mph;
4. Between Sunrise Boulevard and Hazel Avenue, 45 mph;

O. Georgetown Drive:

1. Between Coloma Road and McGregor Drive, 25 mph;

P. Gold Camp Drive:

1. Between Sun Center Drive and Prospect Park Drive, 30 mph;

Q. Gold Canal Drive:

1. Between Sun Center Drive and White Rock Road, 35 mph;

R. Gold Center Drive:

1. Between Zinfandel Drive and Prospect Park Drive, 30 mph;
2. Between Prospect Park Drive (west) and Prospect Park Drive (east), 35 mph;

S. Horn Road:

1. Between Folsom Boulevard and Routier Road, 35 mph;

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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T. International Drive:

1. Between ~~Mather Field Road~~Zinfandel Drive and Sunrise Boulevard, 45 mph;
2. Between Mather Field Road and Zinfandel Drive, 45 mph;

U. Kiefer Boulevard:

1. Between Sunrise Boulevard and Rancho Cordova Parkway, 45 mph;

V. Kilgore Road:

1. Between Folsom Boulevard and White Rock Road, 35 mph;
2. Between White Rock Road and Baroque Way, 40 mph;

W. Lincoln Village:

1. Between Bradshaw Road and Viking Drive, 35 mph;
2. Between Viking Drive and Routier Road, 25 mph;

X. Luyung Drive:

1. Between White Rock Road and Mechanical Drive, 35 mph;

Y. Mather Field Road:

1. Between ~~Peter A McCuen Boulevard~~International Drive and Folsom Boulevard, 45 mph;
2. Between Peter A McCuen Boulevard and International Drive, 35 mph;

Z. McGregor Drive:

1. Between Folsom Boulevard and Coloma Road, 25 mph;
2. Between Coloma Road and Ambassador Drive, 25 mph;

AA. Mills ~~Park Drive~~Station Road:

1. Between Routier Road and Mather Field Road, 35 mph;
- ~~2. Between Mather Field Road and White Rock Road, 25 mph;~~

BB. Mills ~~Station Road~~Park Drive:

- ~~1. Between Peter A McCuen Boulevard and Folsom Boulevard, 45 mph;~~
- ~~2. Between Mather Field Road and White Rock Road, 25 mph;~~

CC. Monier Circle:

1. Between Sunrise Boulevard and Sunrise Boulevard, 30 mph;

DD. Old Placerville Road:

1. Between Bradshaw Road and Granby Drive, 45 mph;
2. Between Grandy Drive and Routier Road, 45 mph;

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

3. Between Routier Road and Systems Parkway-McCready Avenue, 45 mph;
4. Between Systems Parkway-McCready Avenue and Rockingham Drive, 45 mph;

EE. Olson Drive:

1. Between Mills Park Drive and Zinfandel Drive, 25 mph;
2. Between Zinfandel Drive and Folsom Boulevard, 35 mph;

~~FF. Paseo Drive:~~

~~1. Between Folsom Boulevard and Las Casas Way, 25 mph;~~

GG. Peter A McCuen Boulevard:

1. Mather Boulevard and Femoyer Street, ~~30~~25 mph;

HH. Prospect Park Drive:

1. Between White Rock Road and White Rock Road, 35 mph;
2. Between White Rock Road and Baroque Way, 35 mph;

II. Quality Drive:

1. Between International Drive and White Rock Road, 35 mph;

JJ. Rancho Cordova Parkway:

1. Between Kiefer Boulevard and Douglas Road, 45 mph;

KK. Recycle Road:

1. Between Sunrise Boulevard and Elks Circle, 30 mph;

LL. Reserve Drive:

1. Between Data Drive and International Drive, 35 mph;

MM. Rockingham Drive:

1. Between Mather Field Road and S. White Rock Road, 25 mph;
2. Between Mather Field Road and Old Placerville Road, 35 mph;
3. Between Old Placerville Road and Countryside Way-Nut Plains Drive, 30 mph;

NN. Routier Road:

1. Between Old Placerville Road and Folsom Boulevard, 40 mph;

OO. S. White Rock Road:

1. Between International Drive and White Rock Road, 25 mph;

PP. Sun Center Drive:

ITEM 13.5.

ATTACHMENT 3

Rancho Cordova Municipal Code

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Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

1. Between Prospect Park Drive and Sunrise Boulevard, 35 mph;

QQ. Sunrise Boulevard:

1. Between Jackson Highway and Kiefer Boulevard, 55 mph
2. Between Kiefer Boulevard and Herodian Drive, 50 mph;
3. Between Herodian Drive and White Rock Road, 45 mph;
4. Between White Rock Road and Folsom Boulevard, 45 mph;
5. Between Folsom Boulevard and Coloma Road, 45 mph;
6. Between Coloma Road and city limits, southbound, 45 mph;

RR. Systems Parkway:

1. Between Routier Road and Old Placerville Road, 35 mph;

SS. Trade Center Drive:

1. Between Sun Center Road and Mercantile Road, 30 mph;

TT. Trinity River Drive:

1. Between Coloma Road and Sunrise Boulevard, 25 mph;

UU. Vanguard Drive:

1. Between Explorer Drive and Routier Road, 25 mph;

VV. White Rock Road:

1. Between Mills Station Road and Evadna Drive, 25 mph;
2. Between Evadna Drive and Mills Park Drive, 25 mph
3. Between S. White Rock Road and Zinfandel Drive, 40 mph;
4. Between Zinfandel Drive and Sunrise Boulevard, 40 mph;
5. Between Sunrise Boulevard and Macal Drive, 40 mph;

WW. Zinfandel Drive:

1. Between Sunrise Boulevard and Folsom Boulevard, 25 mph;
2. Between Folsom Boulevard and White Rock Road, 35 mph;
3. Between White Rock Road and International Drive, 40 mph;
4. Between International Drive and city limits, 45 mph.

XX. Airpark Drive:

1. Between Femoyer Street and Bear Hollow Drive, 35 mph;

YY. Bleckley Street:

ITEM 13.5.

ATTACHMENT 3

Rancho Cordova Municipal Code
Chapter 10.50 REDUCED SPEED LIMITS ON SPECIFIC STREETS

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1. Between Mather Boulevard and Peter A. McCuen Boulevard, ~~35mph~~ 30 mph;

ZZ. Gold Valley Drive:

1. Between White Rock Road and Sanders Drive, 25 mph;

A1. Mercantile Drive:

1. Between Sunrise Gold Circle and Folsom Boulevard, 35 mph;

B1. Mills Tower Drive:

1. Between White Rock Road and Mills Park Drive, 25 mph;

C1. Rod Beaudry Drive:

1. Between Folsom Boulevard and East Tiffany Lane, 25 mph;

D1. Sanders Drive:

1. Between Sunrise Boulevard and Gold Valley Drive, 30 mph;

E1. Spoto Drive

1. Between Zinfandel Drive and North Mather Boulevard, ~~35mph~~ 25 mph;

F1. Sunrise Gold Circle (N):

1. Between Sunrise Boulevard and Sunrise Gold–Mercantile Drive, 35 mph;

G1. Sunrise Gold Circle (E):

1. Between Sunrise Gold Circle (N) and Sunrise Gold Circle (S), 35 mph;

H1. Sunrise Gold Circle (S):

1. Between Sunrise Boulevard and Sunrise Gold Circle (E), 35 mph;

I1. Sunrise Park Drive:

1. Between Sunrise Boulevard and White Rock Road, 35 mph;

J1. Timberland Drive:

1. Between Douglas Road and Borderlands Drive, 25 mph;

K1. Vehicle Drive:

1. Between Zinfandel Drive and Coloma Road, 35 mph;

L1. W. La Loma Drive:

1. Between Folsom Boulevard and La Loma Drive, 25 mph;

[Ord. 1-2024 § 2; Ord. 11-2023 § 3 (Exh. A); Ord. 20-2020 § 2; Ord. 1-2018 § 2; Ord. 13-2015 § 2; Ord. 3-2004 § 1].~~[Ord. 11-2023 § 3 (Exh. A); Ord. 20-2020 § 3; Ord. 1-2018 § 3; Ord. 13-2015 § 3; Ord. 3-2004 § 2].~~

MEMORANDUM



ITEM 13.6.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Rachel Trinh, Development Senior Analyst
SUBJECT: **SECOND READING OF AN ORDINANCE APPROVING A SECOND AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR THE DOUGLAS 103 PROJECT**

RECOMMENDATION

Waive the second reading and adopt the Ordinance.

RESULT OF RECOMMENDED ACTION

Adoption of the Ordinance would amend the Development Agreement for the Douglas 103 Project, which would reflect the new requirements for Lot "A".

BACKGROUND

On December 15, 2025, the City Council waived the first reading and passed to a second reading of the Ordinance.

FISCAL IMPACT AND FUNDING SOURCE

The proposed Second Amendment to the Development Agreement would not have any fiscal impact since the city will not own or be responsible for the maintenance for Lot "A".

ATTACHMENT(S)

1. Ordinance
2. Exhibit A to the Ordinance - Second Amendment to the Development Agreement

CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING A SECOND AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR THE DOUGLAS 103 PROJECT**THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA ORDAINS AS FOLLOWS:****SECTION 1. Recitals.**

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), authorizing the City, and any person having a legal or equitable interest in the real property, to enter into a development agreement and establish certain development rights in the property, which is the subject of the development project application. Pursuant to Government Code Section 65868, Development Agreements may be amended by mutual assent of the parties.

B. In 2005, the City adopted a Mitigated Negative Declaration ("MND") as the California Environmental Quality Act ("CEQA") environmental review for the Sunridge East Projects which included Douglas 103 ("Project"), Douglas 98, Grant Line 208, and Arista Del Sol. The Sunridge East MND relied upon, and incorporated by reference, the SDCP/SRSP EIR. In the Sunridge East MND, the City concluded that the Project would not have a significant impact on the environment due to the mitigation measures adopted by the City in the SDCP/SRSP EIR and the MND. All environmental impacts were reviewed and addressed at the time the Project was approved. All recitals and findings of determination in Ordinance 21-2006, which adopted the Development Agreement, are still accurate and relevant to this Amendment.

C. On March 6, 2006, the City and Douglas Grant Line 103, LLC entered into a Development Agreement for the Douglas 103 project ("Project"), consisting of 111.2 acres of commercial and low-density residential development (Ordinance Number 7-2006). The Douglas 103 Project is located south of Douglas Blvd, at the corner of Douglas Road and the future Americanos Blvd extension (the "Property").

D. In 2012 an Assumption Agreement was recorded transferring ownership of the Douglas 103 project from Douglas Grantline 103 LLC to LAL Brothers LLC ("Landowner").

E. On April 6, 2015, the City Council adopted Resolution No. 45-2015 approving amendments to the Large Lot Tentative Subdivision Map, Small Lot Tentative Subdivision Map and the conditions of approval for the Douglas 103 project.

F. On May 4, 2015, the City Council adopted Ordinance No. 7-2015, which was recorded in the Official Records of Sacramento County as Book 20200513 Page 0862. The Ordinance amended certain sections of the Development Agreement ("First Amendment") including certain project approvals, the term of the Development, park development and dedication obligations among other materials terms.

G. Pursuant to Government Code Section 65868, the City and Landowner desire to modify and revise the Development Agreement and the approved Conditions of Approval for the Landowner to dedicate the open space site (Lot "A") to Cordova Recreation and Park District ("CRPD").

H. On _____, 2026, the City Council, as the legislative body for the purposes of Development Agreement approval, held a properly noticed public hearing pursuant to Government Code Section 65867 and considered all comments received in writing and all testimony received at the public hearing. Following the public hearing, the Applicant is required to pay all costs associated with processing of the Second Amendment and maintain a minimum \$5,000 deposit with the City for Development Agreement compliance review as the project builds out.

SECTION 2. Findings.

Therefore, on the basis of: (a) the foregoing recitals, which are incorporated herein; (b) the City of Rancho Cordova's General Plan and General Plan EIR; (c) the SDCP/SRSP EIR; and (d) the Project MND, the City Council finds and determines that:

A. The Second Amendment to the Development Agreement is consistent with the objectives, policies, general land uses and programs specified and contained in the City's General Plan in that: (a) the Project remains predominantly low-density residential and consistent with the General Plan and Zoning Code; (b) the only change made to the Development Agreement is to dedicate the open space, Lot A to and be maintained by the Cordova Recreation and Park District. All other previously approved terms and conditions remain the same.

B. Because the Second Amendment allows for only the change in ownership and maintenance of Lot A, it is compatible with the uses authorized in, and the regulations prescribed for, the land use area in which the Property is located.

C. The Second Amendment to the Development Agreement is in conformity with public convenience, general welfare and good land use policies in that the Second Amendment will continue to implement land use guidelines set forth in the General Plan and help fund infrastructure needed to serve new development.

D. The Second Amendment will not be detrimental to the health, safety, and general welfare in that the Project will proceed in accordance with the programs and policies of the General Plan.

E. The Second Amendment will not adversely affect the orderly development of property, or the preservation of property values, in that the amendment is consistent with the General Plan.

F. The Second Amendment is consistent with and includes the substantive elements of Government Code Sections 65864 through 65869.5, and has been processed consistent with all the procedural requirements thereof.

SECTION 3. Approval of Second Amendment to Development Agreement.

The City Council hereby approves the Second Amendment to the Development Agreement, attached to this Ordinance and incorporated herein by reference as Exhibit A, and authorizes the City Manager to sign the amended Development Agreement after the effective date of this Ordinance.

ITEM 13.6.

ATTACHMENT 1

SECTION 4. CEQA. Approval of this Ordinance Amendment is exempt from further environmental review under the general rule in California Environmental Quality Act (“CEQA”) Guidelines Section 15061(b)(3) that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The proposed Ordinance is exempt from CEQA because the only change is the ownership and maintenance of Lot A and it can therefore be seen with a certainty that there will be no significant effect on the environment.

SECTION 5. Recordation. Within ten (10) days after the Second Amendment to the Development Agreement is executed by the City Manager, the City Clerk shall submit the amendment to the County Recorder for recordation.

SECTION 6. 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 7. 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 30 days after its adoption and, pursuant to Government Code Section 66017(a), the fees established hereby shall be effective 60 days after the adoption of this Ordinance.

PASSED AND ADOPTED, by the City Council of the City of Rancho Cordova this 5th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

OFFICIAL BUSINESS
Document entitled to free recording
Government Code Section 6103

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

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

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**SECOND AMENDMENT TO
DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF RANCHO CORDOVA AND
LAL BROTHERS, LLC
RELATIVE TO DOUGLAS 103**

**SECOND AMENDMENT TO
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF RANCHO CORDOVA AND
LAL BROTHERS, LLC
RELATIVE TO DOUGLAS 103**

This Second Amendment to Development Agreement (“Second Amendment”) is entered into as of this ____ day of ____ 2026, by and between the CITY OF RANCHO CORDOVA, a municipal corporation (“City”), and LAL BROTHERS, LLC, a California limited liability company (“Landowner”) pursuant to Government Code section 65864 et. seq., relating to Development Agreements. City and Landowner are hereinafter collectively referred to as the “Parties,” and singularly as “Party.”

RECITALS

A. City and Landowner’s predecessor in interest entered into that certain Development Agreement (the “Original Development Agreement”) dated March 6, 2006, and recorded on May 2, 2006, in the Official Records of Sacramento County as Book 20060502 Page 2498 establishing certain development rights for real property located in the City of Rancho Cordova, California, as more particularly described in Exhibit A-1 and Exhibit A-2 of the Development Agreement (the “Property”).

B. City and Landowner entered into that certain First Amendment to Development Agreement (“First Amendment”) dated April 23, 2020, and recorded On May 13, 2020, in the Official Records of Sacramento County as Document No. 202005130862, which amended certain sections of the Original Development Agreement including certain project approvals, the term of the Original Development Agreement, and park development and dedication obligations among other material terms. The Original Development Agreement and First Amendment are hereinafter collectively referred to as the “Development Agreement”.

C. Pursuant to Government Code section 65868, City and Landowner now desire to modify and revise the Development Agreement for the Landowner to irrevocably offer to dedicate the open space site (“Lot ‘A’”) to Cordova Recreation and Park District (“CRPD”).

D. This Second Amendment affects the entire Property as more precisely defined in Exhibits “A-1” and “A-2” of the Development Agreement. This Second Amendment is authorized by Section 11.2 of the Development Agreement and shall run with the Property.

E. On _____, 2025, the City Council held a public hearing and introduced City Council Ordinance No. _____ approving this Second Amendment. City adopted City Council Ordinance _____ on _____, 2026. On _____, 2026, by Ordinance No. _____, the City Council found the adoption of this Second Amendment exempt from CEQA under Public Resources Code Section 21166 as the impacts of the Project have already been analyzed, and no substantial changes result from this Second Amendment.

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendment of the Development Agreement.** The following sections of the Development Agreement are hereby amended as follows:

2. **Revised Section 6.4.1(ii).** City and Landowner agree that Section 6.4.1(ii) of the Development Agreement is hereby deleted in its entirety and replaced with the following:

6.4.1(ii) Dedication of Open Space Land. Landowner's obligation to dedicate open space land shall be satisfied by Landowner's dedication of Lot "A" to CRPD and Lot "H" to the City as shown on the Large Lot Tentative Subdivision Map, attached hereto as Exhibit 1.

3. **Revised Section 6.4.1(iii).** City and Landowner agree that Section 6.4.1(iii) of the Development Agreement is hereby deleted in its entirety and replaced with the following:

6.4.1(iii) Open Space Land Improvement. Lot "A" shall be rough graded and improved with abutting street frontage, public sidewalks along the street frontage, and public storm water facilities and utility connections as described in the Conditions of Approval and as approved by the City and CRPD in the mass grading plans for Lot A and the subdivision improvement plans. The mass graded site will be landscaped with erosion control seeding approved by CRPD specified in the mass grading plans and the subdivision improvement plans. Mass grading, subdivision improvement plans, and erosion control seeding will be to the satisfaction of CRPD and per CRPD specifications. Improvements shall be constructed by Landowner, at Landowner's cost, at the time noted in the phasing plan. The improved Lot "A" shall be dedicated to CRPD. There will be no reimbursement to developer for the Lot "A" improvements described in this paragraph.

CRPD agrees to design and construct additional enhancements on Lot "A" as described in the Park Development Agreement utilizing Park Development Impact Fees.

Lot "H" shall be improved with landscaping, a 7-foot wide sidewalk, and other associated facilities to the satisfaction of the City and per City specifications. Improvements shall be constructed by Landowner, at Landowner's cost, at the time noted in the phasing plan. The improved Lot "H" shall be dedicated to the City. The Lot "H" improvements described in this paragraph shall be eligible for credit/reimbursement under City's Community Places fee program subject to Landowner and City entering into a credit/reimbursement agreement for such improvements.

4. **Revised Section 6.4.2(i).** City and Landowner agree that Section 6.4.1(i) of the Development Agreement shall be revised to delete the fourth sentence: "The City shall be named a third party beneficiary to the park development agreement."

5. **Revised Section 6.4.2(ii).** City and Landowner agree that Section 6.4.2(ii) of the Development Agreement is hereby deleted in its entirety and replaced with the following:

6.4.2(ii) Open Space. Landowner shall irrevocably offer to dedicate Lot "A" to CRPD and Lot "H" to the City as shown on the Large Lot Tentative Subdivision Map prior to or concurrent with the recordation of the final subdivision map including any portion of such property.

6. **Consistency with General Plan.** The City Council has found and determined that this Second Amendment is consistent with the General Plan and the Sunridge Specific Plan.

7. **Amendment Applicable to Property.** This Second Amendment applies to development of the Property and does not affect or apply in any manner with respect to the development of any other property within the Sunridge Specific Plan Area.

8. **Amendment.** This Second Amendment amends, but does not replace or supersede, the

Development Agreement except as specified herein. As amended hereby with respect to the Property, the Development Agreement remains in full force and effect.

9. Incorporation of Recitals. The Preamble, Recitals, and all exhibits attached hereto are incorporated into this Second Amendment as if set forth herein in full.

10. Effective Date and Term of Second Amendment. The Effective Date of this Second Amendment is _____, 2026 which is the effective date of City Ordinance No. _____-2026, adopting this Second Amendment.

City Manager Authorization. City, a municipal corporation, has authorized this Second Amendment to be executed in two (2) duplicate originals, each of which is deemed to be an original, by its City Manager and attested to by its City Clerk under the authority of Ordinance No. _____-2026 adopted by the City Council on the ____ day of _____, 2026, and has caused this Second Amendment to be executed.

“CITY”

“LANDOWNER”

CITY OF RANCHO CORDOVA,
a municipal corporation

LAL BROTHERS, LLC,
a California limited liability company

By: _____

Name: Micah Runner

Its: City Manager

Date: _____

By: _____

Aman Lal, Managing Partner

Date: _____

ATTEST:

City Clerk

MEMORANDUM



ITEM 13.7.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Albert Stricker, Public Works Director
Quoc Nham, Principal Civil Engineer
Khaliq McClean, Associate Civil Engineer
SUBJECT: SECOND READING OF AN ORDINANCE ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE BIG BALLER STORAGE RV PROJECT

RECOMMENDATION

Waive the second reading and adopt the Ordinance.

RESULT OF RECOMMENDED ACTION

Adoption of the Ordinance would assist the city in meeting the costs of providing transit-related services by creating a special tax area zone and establishing a special tax for transit-related services for the Big Baller Storage RV project.

BACKGROUND

The City Council adopted Resolution No.141-2005 on November 7, 2005, providing for a special tax for transit-related services to be imposed upon new development within the city. Pursuant to that Resolution, a property owner approves a special tax on the parcels within a subdivision or project. The City Council then adopts a resolution creating a zone that encompasses the subdivision or project and an ordinance establishing the special tax.

This item will establish tax area Zone 35, the boundaries of which will be contiguous to the boundaries of the Big Baller Storage RV project, Attachment 2. In addition to creating the special tax, the Ordinance, Attachment 1, will also set the date for the transit-related services tax election, which will be held on February 19, 2026, at which time the ballot(s) will be tabulated by the City Clerk, and the results will be declared at the City Council meeting on March 2, 2026.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact to the city.

ATTACHMENT(S)

1. Ordinance
2. Exhibit A to the Ordinance
3. Exhibit B to the Ordinance

CITY OF RANCHO CORDOVA

ORDINANCE NO. XX-2026

**AN ORDINANCE OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA,
ESTABLISHING A SPECIAL TAX FOR TRANSIT-RELATED SERVICES FOR THE BIG
BALLER STORAGE RV PROJECT SUBJECT TO VOTER APPROVAL****THE CITY COUNCIL OF THE CITY OF THE RANCHO CORDOVA DOES ORDAIN AS
FOLLOWS:**Section 1. Purpose, Intent and Authority.

It is of critical importance to the City Council of the City of Rancho Cordova that residents of and employees working in the city receive high quality transit-related services. In carefully reviewing the city's budget and revenue projections, it is clear to city staff that the city budget does not contain adequate funding to ensure the continued delivery of adequate high-quality transit-related services unless additional revenues are obtained.

It is the purpose and intent of this non-codified Ordinance to generate additional funds to pay for transit-related services by authorizing the levy of a tax on improved parcels of real property on the secured property tax roll of Sacramento County that are within Zone 35 of the Rancho Cordova Transit-Related Services Special Tax Area (the "Zone").

This tax is a special tax within the meaning of Section 4 of the Article XIII A of the California Constitution. Because the burden of this tax falls upon property, this tax also is a property tax, but this tax is not determined according to nor in any manner based upon the value of property; this tax is levied on a parcel and use of property basis. Insofar as not inconsistent with this Ordinance or with legislation authorizing special taxes and insofar as applicable to a property tax that is not based on value, such provisions of the California Revenue and Taxation Code and of Article XIII of the California Constitution as relate to ad valorem property taxes are intended to apply to the collection and administration of this tax (Section 4 of this Ordinance), as authorized by law. This tax is not an ad valorem property tax; it is an excise tax on the use of property. Because the revenue from the tax may be used only to fund transit-related services, it is also a special tax.

The revenues raised by this tax are to be used solely for the purpose of providing transit-related services as are deemed necessary by the City Council for the benefit of the residents and/or employees of Zone 35.

At the time that the Council adopted this non-codified Ordinance, there were zero (0) registered voters residing in Zone 35 and one property owner. Because the Transit-Related Services Special Tax will be imposed on property in Zone 35 and paid by the owner of the property, the Council finds that restricting the vote on the Transit-Related Services Special Tax to property owners in Zone 35 is appropriate and consistent with the principles and requirements of California Constitution article XIII C (Proposition 218).

Section 2. Definitions.

The following definitions shall apply throughout this Ordinance.

A. "Constant first year dollars" shall mean an actual dollar amount which, in years subsequent to the first fiscal year the tax is levied, shall have the same purchasing price as the base amount in first fiscal year dollars as measured by the Consumer Price Index. The base amount shall be the amount of tax per parcel as specified in Section 3(A) herein. The adjustments from actual to constant dollars shall be made by use of the Consumer Price Index, as specified in Section 3(B) herein.

B. "Consumer Price Index" means the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area as published by the U.S. Department of Labor, Bureau of Labor Statistics. If the Consumer Price Index is discontinued or revised, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Consumer Price Index had not been discontinued or revised.

C. "Fiscal year" means the period of July 1 through the following June 30.

D. "Parcel" means the land and any improvements thereon, designated by an assessor's parcel map and parcel number and carried on the secured property tax roll of Sacramento County. For the purposes of this Ordinance, parcel does not include any land or improvements outside the boundaries of Zone 35, nor any land or improvements owned by any governmental entity.

E. "Rancho Cordova Transit-Related Services Special Tax Area" means all the properties within the jurisdictional limits of the City of Rancho Cordova.

F. "Rancho Cordova Transit-Related Services Special Tax Area Zone 35 (the "Zone") means that portion of the incorporated area of the City of Rancho Cordova located within the boundaries as shown on the map Exhibit A.

G. "Transit-Related Services" means providing, operating, maintaining and subsidizing transit services and all supporting facilities, infrastructure, programs and incentives that benefit the residents of the Rancho Cordova Transit-Related Services Special Tax Area, and shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 1 County of Sacramento, November 18, 2004, which established the methodology for the original service charge for Benefit Zone No. 1.

H. "Voter" means a person who owns real property within Zone 35, as shown on the last equalized assessment role prepared by the Sacramento County Assessor's Office, at the time that the City Council adopts an ordinance authorizing the imposition of a transit-related services tax to the voters of Zone 35.

Section 3. Amount and Level of Taxes.

The tax per year on each parcel in the Zone shall not exceed the amount applicable to the parcel, as specified below.

A. For First Fiscal Year:

The tax per year for the first fiscal year (July 1, 2026 through June 30, 2027) shall be the amount of Tax per Parcel for a Land Use Code Category as set forth on Exhibit B hereto. The use code assigned to each parcel shall be reviewed and updated periodically. Rates in Exhibit B shall be calculated and set according to the methodology described in Engineer's Report County Service Area No. 10 and Benefit Zone No. 1 County of Sacramento, November 18, 2004, which established the methodology for the original service charge for Benefit Zone No. 1.

B. For Subsequent Fiscal Years:

In order to keep the tax on each parcel in constant first year dollars for each fiscal year subsequent to the first fiscal year, the tax per year shall be adjusted as set forth below to reflect any increase in the Consumer Price Index beyond the first fiscal year the tax is levied.

In June or July of each year, City Council shall determine the amount of taxes to be levied upon the parcels in Zone 35 for the then current fiscal year, as set forth below.

For each Land Use Category on Exhibit B, the tax per year on each parcel for each fiscal year subsequent to the first fiscal year shall be an amount determined as follows:

Tax Per Parcel For then Current Fiscal Year	=	Tax Per Parcel For Immediately Preceding X Fiscal Year	Consumer Price Index from April of immediately Preceding Fiscal Year to April of then Current Fiscal Year OR 6 percent, whichever is less
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Provided, however, that in no event shall the tax per parcel for any fiscal year be less than the amount established for the first fiscal year.

C. Nature of Tax Levy.

The taxes levied on each parcel pursuant to this Article shall be a charge upon the parcel and shall be due and collectible as set forth in Section 4, below.

Section 4. Collection and Administration.A. Taxes as Liens Against the Property.

The amount of taxes for each parcel each year shall constitute a lien on such property, in accordance with Revenue and Taxation Code Section 2187, and shall have the same effect as an ad valorem real property tax lien until fully paid.

B. Collection.

The taxes on each parcel shall be billed on the secured roll tax bills for ad valorem property taxes and are to be collected in the same manner in which Sacramento County collects secured roll ad valorem property taxes. Insofar as feasible and insofar as not inconsistent with this Ordinance, the times and procedures regarding exceptions, due dates,

installment payments, corrections, cancellations, refunds, late payments, penalties, liens, and collections for secured roll ad valorem property taxes (as established by Sacramento County) shall be applicable to the collection of this tax. Notwithstanding anything to the contrary in the foregoing, as to this tax:

1. The secured roll tax bills shall be the only notices required for this tax, and
2. The homeowners and veterans exemptions shall not be applicable because such exemptions are determined by dollar amount of value.

C. Costs of Administration by County.

The reasonable costs incurred by the County officers collecting and administering this tax shall be deducted from the collected taxes.

D. Use of Tax Revenue.

The revenue collected from the tax imposed by this ordinance shall be placed into a separate account and may be used only to fund transit-related services, including the costs of administering and collecting the tax and enforcing the provisions of this ordinance. Revenue from the tax may be used for transit-related services citywide.

E. Refunds.

1. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the city pursuant to this ordinance, it may be refunded as provided in this Section.
2. No refund may be made except upon a written claim verified by the person who paid the tax or by his or her guardian or conservator or the executor or administrator of his or her will or estate and stating the grounds upon which the claim is made. All claims filed pursuant to this subsection must be presented within one year after payment of the amount for which the claimant is seeking a refund.
3. No order of a refund may be made until a written claim therefor has been presented in accordance with this subsection. No suit for money, damages or a refund may be brought against the city until a written claim therefor has been presented to the City and has been acted upon or has been deemed rejected by the city, in accordance with this subsection. Only the person who filed the claim may bring such a suit, and if another person should do so, judgment shall not be rendered for the plaintiff.

F. Initiatives to Affect Tax.

Consistent with the California Constitution (art. XIII C, § 3) the tax imposed by this ordinance may be affected by initiative. The procedures for qualification of such an initiative and the election on a qualified initiative shall be consistent with the California Constitution (art. 2, sec. 8), the California Elections Code (Chapter 3 of Division 9), and the Municipal Code. The minimum number of signatures necessary to qualify an initiative to affect the tax approved by this ordinance shall be equal to 5 percent of the votes in the city for all

candidates for Governor at the last gubernatorial election. The election on a qualified initiative to affect the tax shall be a regular citywide election. An initiative affecting the tax shall be approved only if at least two-thirds of the votes cast on the measure are in favor of its approval.

Section 5. Severability Clause.

If any article, section, subsection, sentence, phrase or clause of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. The voters of Zone 35 hereby declare that they would have adopted the remainder of this Ordinance, including each article, section, subsection, sentence, phrase or clause, irrespective of the invalidity of any other article, section, subsection, sentence, phrase or clause.

Section 6. Effective Date and Posting.

This Ordinance shall take effect immediately upon its approval by two-thirds of the voters voting within the Zone in an election to be held on February 19, 2026, so that taxes shall first be collected hereunder for the tax year beginning July 1, 2026.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

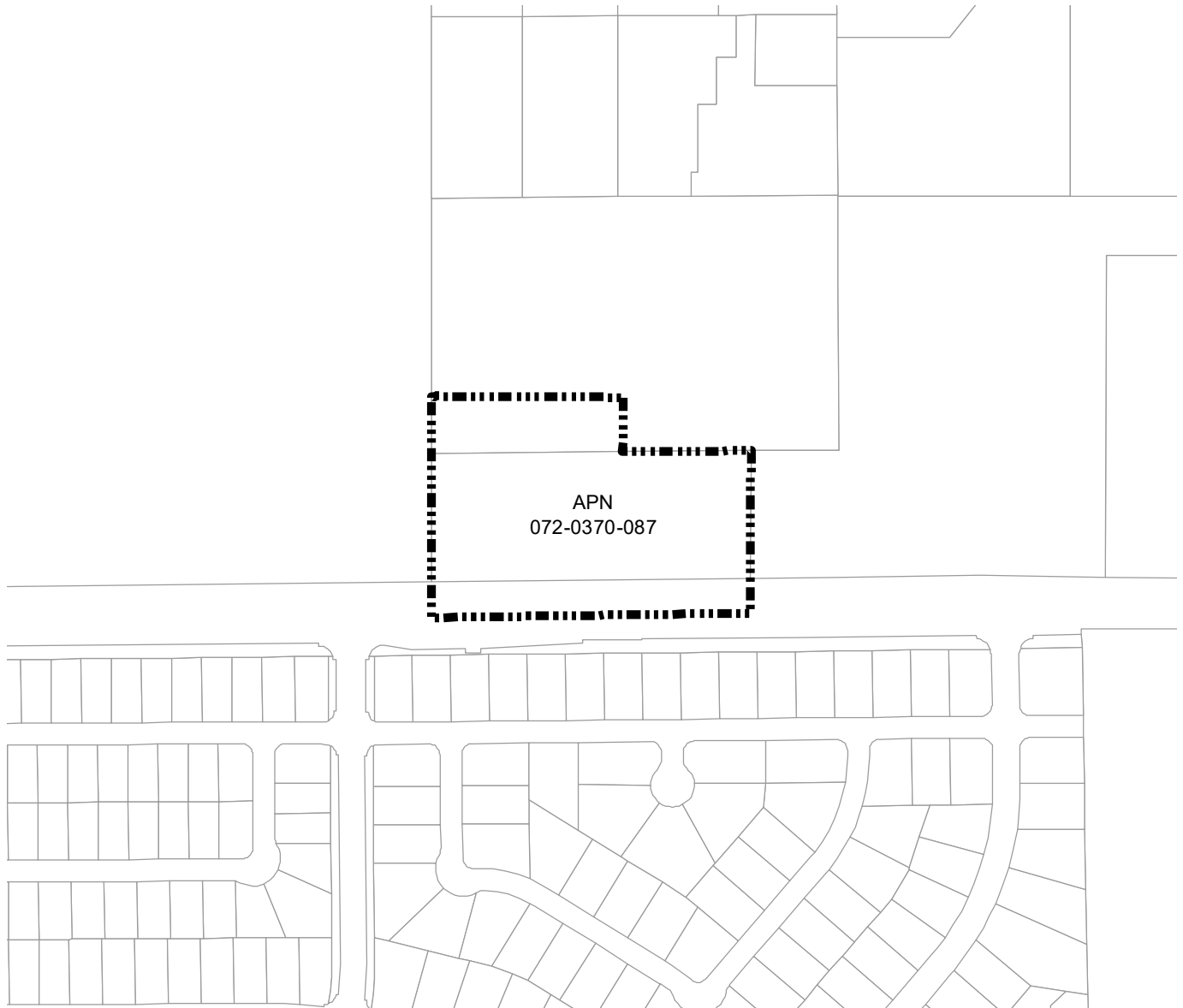
ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA
TRANSIT RELATED SERVICES SPECIAL TAX AREA
ANNEXATION 35
BIG BALLER STORAGE RV PARK

**Legend**

Annexation Boundary

Parcel Boundary

Amount of Tax per Parcel by Land Use Category**A. Residential Dwelling Units**

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2024-2025 for Residential Land Use Categories shall be \$87.54 per low density residential dwelling unit or low density residential dwelling unit equivalent, \$70.02 per medium density residential dwelling unit or medium density residential dwelling unit equivalent, or \$52.52 per high density residential dwelling unit or high density residential dwelling unit equivalent (Multi-family residential units on a single parcel shall be assessed on a proportionately equivalent basis (e.g., a two-unit attached housing structure, such as a duplex, would be deemed to consist of two residential parcels for purposes of the Transit-Related Services Special Tax).

B. Non-Residential

As adjusted for inflation from the original base year, the amount of Tax per Parcel for fiscal year 2024-2025 for Non-Residential Land Use Categories (except Recreational and Agricultural) shall be \$2,244.27 per retail and service commercial acre, \$1,929.16 per Business Park acre, and \$805.28 per light industrial acre.

C. Inflator Formula

The tax is subject to an annual inflator formula based on the Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area, or six percent, whichever is less.

MEMORANDUM



ITEM 14.1.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Stefan Heisler, Housing Manager
SUBJECT: **A RESOLUTION APPROVING THE ISSUANCE OF MULTIFAMILY REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN SUPPORT OF AN AFFORDABLE 236 UNIT MULTIFAMILY DEVELOPMENT PROJECT TO BE KNOWN AS ASTERIA FLATS**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would approve the issuance of multifamily housing revenue bonds for the Asteria Flats project in an amount not to exceed \$50 million by the California Municipal Finance Authority ("CMFA").

BACKGROUND

The City Council is being asked to conduct a public hearing pursuant to the federal Tax Equity and Fiscal Responsibility Act ("TEFRA") and adopt a resolution which would approve the issuance of multifamily housing revenue bonds (the "Bonds") by the California Municipal Finance Authority for the purpose of financing the construction of an affordable residential housing development to be located at the southeast corner of Sunrise Boulevard. and Chrysanthy Boulevard. in the City of Rancho Cordova (the "Project"). The purpose of the Resolution is to authorize the financing to meet a requirement of the Internal Revenue Code of 1986 (the "Code").

The Code requires that the "applicable elected representatives" of the jurisdiction in which a project to be financed with "private activity bonds" is situated adopt a resolution approving the issuance of such "private activity bonds" after holding a public hearing which has been noticed in a newspaper of general circulation in such jurisdiction. The City Council is being asked to hold such public hearing which has been noticed as required by the Code. The proposed Resolution would act as the approval by the "applicable elected representatives" with respect to the proposed Project.

The adoption of this Resolution is one of the steps in the process of financing the proposed Project. The Project has secured a "private activity bond" allocation from the California Debt Limit Allocation Committee ("CDLAC") and prior to the issuance of bonds, CMFA will need to

adopt a resolution which would approve the execution and delivery of certain bond documents that will reflect the terms of the Bonds.

CMFA is a joint powers authority formed to assist local governments, non-profit organizations, and businesses with the issuance of both taxable and tax-exempt debt, and would be the issuing agency for the proposed bonds under this approval. Because the City of Rancho Cordova is a non-charter member of CMFA, CMFA has the authority to serve as the issuer of the bonds for the Project. The city became a member of CMFA in 2007.

The Joint Exercise of Powers Agreement provides that CMFA is a public entity, separate and apart from each member executing such agreement. The debts, liabilities and obligations of CMFA do not constitute debts, liabilities or obligations of the members executing such agreement.

The Bonds to be issued by CMFA for the Project will be the sole responsibility of the Borrower, and the city will have no financial, legal, moral obligation, liability or responsibility for the Project or the repayment of the Bonds for the financing of the Project. All financing documents with respect to the issuance of the Bonds will contain clear disclaimers that the Bonds are not obligations of the City of Rancho Cordova or the State of California, but are to be paid for solely from funds provided by the Borrower.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact for issuance of the Bonds. The Bonds would be tax-exempt private activity bonds for the purposes of the Internal Revenue Code and, as such, require the approval of the elected body of the governmental entity having jurisdiction over the area where the project to be financed is located. The city will not be under any obligation to repay the Bond indebtedness. This action does not create any additional debt.

As a non-charter member of CMFA, the Authority will share a portion of the administrative fees received for the Project with the City, estimated to be approximately \$1,000 annually.

ATTACHMENT(S)

1. Resolution

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF EXEMPT FACILITY BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING THE ACQUISITION AND CONSTRUCTION OF THE AFFORDABLE MULTIFAMILY HOUSING PROJECT TO BE KNOWN AS ASTERIA FLATS AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, Rancho Cordova Owner, LP or a partnership of which Lincoln Avenue Communities (the "Developer") or a related person to the Developer is the general partner, has requested that the California Municipal Finance Authority (the "Authority") adopt a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$50,000,000 in outstanding aggregate principal amount (the "Bonds"), to finance or refinance the acquisition, construction, improvement and equipping of a multifamily rental housing project located at the southeast corner of Sunrise Boulevard and Chrysanthy Boulevard, Rancho Cordova, California (the "Project"); and

WHEREAS, the Project is located within the City of Rancho Cordova (the "City"); and

WHEREAS, the City is a member of the Authority; and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the City Council of the City of Rancho Cordova (the "City Council") is the elected legislative body of the City and is the applicable elected representative under Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; and

WHEREAS, the City Council understands that its actions in holding this public hearing and in approving this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Bonds, and said City Council expressly conditions its approval of this Resolution on that understanding.

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

1. The City Council hereby approves the issuance of the Bonds by the Authority for the purposes of financing the Project. It is the purpose and intent of the City Council that this

ITEM 14.1.

ATTACHMENT 1

Resolution constitute approval of the issuance of the Bonds by the Authority for the purpose of Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located.

2. The officers of the City Council are hereby authorized and directed, jointly and severally, to do any and all things and execute and deliver any and all documents, certificates and other instruments which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby. Any actions heretofore taken by such officers are hereby ratified and approved.

3. The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Loan for the financing of the Project.

4. This Resolution shall take effect from and after its passage and approval.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 15.1.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Amanda Norton, Economic Development Director
SUBJECT: **A RESOLUTION AUTHORIZING THE CITY MANAGER TO WAIVE SPECIFIC CITY FEES FOR ALPHA ONE SPORTS AND ENTERTAINMENT GROUP, LLC AND KOZPURE DEVELOPMENT, LLC IN AN AMOUNT NOT TO EXCEED \$940,000 TOWARD THE DEVELOPMENT AND CONSTRUCTION OF A NEW ARENA AND PLAZA TO BE LOCATED AT THE SOUTH EAST CORNER OF TRADE CENTER BOULEVARD AND KILGORE ROAD IN THE CITY OF RANCHO CORDOVA**

RECOMMENDATION

Adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize the City Manager to waive specific city fees for Alpha One Sports and Entertainment Group, LLC and KozPure Development LLC toward the development and construction of a 7,500 seat arena and plaza, in an amount not to exceed nine hundred and forty thousand dollars (\$940,000).

BACKGROUND

In September 2025, City Council received a presentation for an Economic Development Participation Agreement (EDPA) with Alpha One Sports and Entertainment Group, LLC and KozPure Development LLC (Developers). Staff sought to obtain direction on entering into an EDPA through a City Council Ad Hoc. The EDPA would serve as the beginning of negotiations for any city involvement in the sports arena anchored entertainment district. City Council approved the EDPA on September 23, 2025.

OVERVIEW

The Developers are proposing to develop and construct a sports arena anchored entertainment district located at the corner of Trade Center Drive and Kilgore Drive in Rancho Cordova (APNs: 072-0223-004-0000, 072-0223-003-0000, 072-0223-001-0000, 072-0223-002-0000, and 072-0490-024-0000). The properties have never been developed. The proposed development would contain:

- A 7,500 seat arena

- At least two hotels, one would be a four-star hotel, with a minimum of 800 rooms between the hotels
- Retail and dining district
- Residential units, minimum 640 units
- Cardroom
- Structure and/or surface parking
- Plaza

There are various components of the EDPA where negotiation will begin, and a Development Agreement could be drafted and brought back before City Council for consideration. As that process begins, the EDPA in Section 4.3.B also indicated that the city could consider paying a portion or possibly all permit processing and building fees.

PROJECT

The purpose of this public hearing is the consideration of an economic development subsidy in the form of a waiver of specific city fees to support the Developers' development and construction of a new sports anchored arena entertainment district. The waiver of specific city fees would support the development and construction of the 7,500 seat arena and plaza on vacant land (APN: 072-0223-004-0000 and a portion of 072-0490-024-0000) located at the south east corner of Trade Center Drive and Kilgore Drive in Rancho Cordova.

The specific city fees to be waived would be those required for a Design Review application, CEQA consultant review, Civil Plan Review and Grading Permit, City Attorney fees to draft the Development Agreement and implement the EDPA, and Building Plan Review and Zone Check. Generally, the city requires full cost recovery for the above fees from a developer. The estimate of fees required above would be Nine Hundred and Forty Thousand Dollars \$940,000. As these fees are generally full cost recovery, the fee waiver would require City Council approval. The waiving of the fees would be to offset the cost of construction of a 7,500-seat arena and plaza. The arena will anchor an entertainment district that will include hotels, residential units, a retail and dining district, a public plaza, and structured and surface parking. The Developers are estimating the total cost for the arena development and construction to be \$175,000,000.

The public will benefit from the new sports anchored arena entertainment development, as the arena will provide the community with seventy (70) full-time jobs and three hundred (300) part-time jobs. The arena will also provide a venue for the community to attend live arena soccer, other sporting events, live concerts, entertainment, graduations and events. The plaza will be activated with outdoor events, live music festivals, and family-friendly and community center events. There is currently no other venue in the city to host large events.

It is estimated that the arena will generate, on average, \$150,000 in sales tax revenue to the city per year from the sale of merchandise and concessions and \$240,000 in property tax.

The arena will employ seventy (70) full-time and three hundred (300) part-time positions. During the construction of the arena three hundred and fifty (350) construction related jobs will comprise the following trades: laborers, carpenters, operators, masons, electricians, plumbers/pipefitters, sheet metal trades, electricians, roofers, glazers, sprinkler fitters, landscapers, architects, engineers, project management, surveyors, testing services, cleaning services, and administrative services.

REQUEST FOR CONSIDERATION

The Developers are requesting a waiver of specific city fees up to \$940,000. The Developer has estimated that the construction costs for the arena and plaza to be \$175,000,000. The waiver of specific city fees will begin on January 6, 2026 and end on July 1, 2031.

The EDPA and any waiving of specific city fees between the city and the Developer would not guarantee that the project will commence construction, and the city is not obligated to make any additional waivers of fees.

A new arena and plaza would bring new jobs, new revenue, and provide a venue for the community to attend live arena soccer, other sporting events, live concerts, entertainment, graduations and events. The plaza will be activated with outdoor events, live music festivals, and family-friendly and community center events. There is currently no other venue in the city to host large indoor events.

FISCAL IMPACT AND FUNDING SOURCE

The fee waivers and costs described above will be funded by the General Fund. The city will continue to monitor these fiscal impacts that may require a future budget amendment.

ATTACHMENT(S)

1. Resolution
2. Presentation

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO WAIVE SPECIFIC CITY FEES FOR ALPHA ONE SPORTS AND ENTERTAINMENT GROUP, LLC AND KOZPURE DEVELOPMENT, LLC IN AN AMOUNT NOT TO EXCEED \$940,000 TOWARD THE DEVELOPMENT AND CONSTRUCTION OF A NEW ARENA AND PLAZA TO BE LOCATED AT THE SOUTH EAST CORNER OF TRADE CENTER BOULEVARD AND KILGORE ROAD IN THE CITY OF RANCHO CORDOVA

WHEREAS, City Council approved an Economic Development Participation Agreement (EDPA) with Alpha One Sports and Entertainment Group, LLC and KozPure Development, LLC on September 23, 2025; and

WHEREAS, the EDPA established a framework for good-faith negotiations regarding potential future city participation; and

WHEREAS, the EDPA in Section 4.3.B identified the potential waiver of certain city development-related fees as one form of assistance that the city could consider facilitating project feasibility and timely delivery of the arena and plaza; and

WHEREAS, the requested fee waiver is limited to specified city fees associated with design review, environmental review, civil plan review, grading permits, building plan review and zone checks, and City Attorney services related to implementation of the EDPA and a future Development Agreement, and does not include any direct cash subsidy or reimbursement to the Developers; and

WHEREAS, the estimated value of the requested fee waiver, not to exceed nine hundred and forty thousand dollars (\$940,000), represents a small fraction of the overall project cost and is intended to offset early-stage development and construction costs that can present significant barriers to large-scale catalytic projects; and

WHEREAS, the waiver of specified City fees is intended to serve a legitimate public purpose by facilitating development that expands employment opportunities, enhances quality of life, strengthens the city's tax base, and advances long-term economic development objectives; and

WHEREAS, the proposed development is expected to generate substantial public benefits, including approximately seventy (70) full-time jobs, three hundred (300) part-time jobs, and approximately three hundred fifty (350) construction-related jobs across a wide range of skilled trades and professional services; and

WHEREAS, the arena and associated uses are projected to generate ongoing fiscal benefits to the city, including estimated annual sales tax revenue of approximately One Hundred Fifty Thousand Dollars (\$150,000) and annual property tax revenue of approximately two hundred forty thousand dollars (\$240,000), in addition to indirect and induced economic activity; and

WHEREAS, the proposed arena and plaza are intended to function as the anchor for a broader entertainment district and would provide Rancho Cordova with its first large-scale indoor event venue capable of hosting live arena soccer, other sporting events, live concerts, entertainment, graduations, and events. The plaza will be activated with outdoor events, live music festivals, and family friendly and community centered events; and

WHEREAS, the requested fee waiver would be effective from January 6, 2026 through July 1, 2031; and

WHEREAS, the City Council of the City of Rancho Cordova has conducted a properly noticed public hearing on January 5, 2026, pursuant to Government Code Section 53083 and has duly considered all written and verbal testimony presented during the hearing.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA hereby authorizes the City Manager to waive specific city fees for Alpha One Sports and Entertainment Group, LLC and KozPure Development, LLC in an amount not to exceed \$940,000 for the development and construction of a new arena and plaza to be located at the southeast corner of Trade Center Drive and Kilgore Road in the City of Rancho Cordova.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

Economic Development Subsidy

Incentive for Alpha One Sports and Entertainment
Group, LLC & KozPure Development LLC

Agenda

- Purpose
- Background
- Overview
- Project
- Economic Development Subsidy
- Request for Consideration

Purpose

Conduct a public hearing on for an Economic Development Subsidy for potential waiver of specific city fees for Alpha One Sports and Entertainment Group, LLC and KozPure Development LLC.

Pursuant to Government Code Section 53083, local agencies must provide public notice and hearing for any expenditure of public funds or loss of revenue to a local agenda in the amount of \$100,000 or more, for the purpose of stimulating economic development within the jurisdiction of a local agency.

Background

- In September 2025, A City Council Ad Hoc was assembled.
- An Economic Development Participation Agreement (EDPA) was drafted to establish a framework for negotiations for a sports arena anchored entertainment district.
- September 2025, City Council received presentation on a proposed EDPA with Alpha One Sports and Entertainment Group, LLC and KozPure Development, LLC.
- Council approved the EDPA on September 23, 2025.
- EDPA Section 4.3.B indicates that the city could consider paying a portion of possibly all permitting processing and building fees.

Overview

The Developers are proposing to develop and construct a sports arena anchored entertainment district located at the corner of Trade Center Drive and Kilgore Drive. The proposed development would contain:

- A 7,500-seat arena
- Plaza
- At least two hotels, one would be a four-star hotel, minimum of 800 rooms between the hotels
- Retail and dining district
- Residential units, minimum 640 units
- Cardroom
- Structure and/or surface parking



Project

The purpose of this public hearing is the consideration of an economic development subsidy in the form of a waiver of specific city fees to support the development and construction of a new 7,500-seat arena and plaza.

The specific city fees would be in the form of:

- Design Review application and CEQA consultant review,
- Civil Plan Review and Grading Permit,
- City attorney fees to draft the Development Agreement and implement the EDPA, and
- Building Plan Review and Zone Check fees.

The estimate of waiver of specific city fees: \$940,000.

Project

The public will benefit as the arena will provide a venue for the community to attend live arena soccer, other sporting events, live concerts, entertainment, graduations and events. The plaza will be activated with outdoor events, live music festivals, and family friendly and community events.

Estimated annual tax generation:

- \$150,000 sales tax
- \$240,000 property tax

Estimated jobs created for arena and plaza:

- 70 Full time
- 300 Part time
- 350 Temporary construction-related



Economic Development Subsidy Public Hearing

In compliance with Government Code Section 53083, the City of Rancho Cordova Economic Development Subsidy Public Hearing, contains the following information:

1. **In receipt of the subsidy:** 1. Alpha One Sports and Entertainment Group, LLC, and KozPure Development, LLC, 3195 Zinfandel Dr., Rancho Cordova, CA 95670
2. **Start and end dates and schedule of subsidy:** The waiver of specific city fees will begin on January 6, 2026, and end on July 1, 2031.
3. **Description of the subsidy:** The City will waive specific city fees in an amount not to exceed Nine Hundred and Forty Thousand Dollars (\$940,000) to off-set the cost of construction for a 7,500-seat arena and plaza. The arena will anchor an entertainment district that will include hotels, residential units, a retail and dining district, public plaza, and structured and surface parking.
4. **Public purpose and benefit:** The public will benefit from the new sports anchored arena entertainment development, as the arena will provide the community with seventy (70) full time jobs and three hundred (300) part time jobs. The arena will also provide a venue for the community to attend live arena soccer, other sporting events, live concerts, entertainment, graduations and events. The plaza will be activated with outdoor events, live music festivals, and family friendly and community center events. There is currently no other venue in the city to host large events.
5. **Net tax revenue:** It is estimated that the arena will generate, on average, \$150,000 in sales tax revenue to the city per year from the sale of merchandise and concessions and \$240,000 in property tax.
6. **Job creation:** The arena will employ seventy (70) full time and three hundred (300) part time positions. During the construction of the arena three hundred and fifty (350) construction related jobs will comprise of the following trades: laborers, carpenters, operators, masons, electricians, plumbers/pipefitters, sheet metal trades, electricians, roofers, glazers, sprinkler fitters, landscapers, architects, engineers, project management, surveyors, testing services, cleaning services, and administrative services.

Request for Consideration

The Alpha One Sports and Entertainment Group, LLC and KozPure Development LLC are requesting a waiver of specific city fees up to \$940,000.

The waiver of specific city fees will begin on January 6, 2026 and end on July 1, 2031.

City Council to hold a public hearing for an Economic Development Subsidy in compliance with Government Code Section 53083 and consider all written and public testimony.

For Council's Consideration:

- Adopt a resolution approving the City Manager to waive specific city fees.

In accordance with Government Code Section 53083, if approved, the Economic Development Subsidy Report will be published on the City's website.

THANK YOU



MEMORANDUM



ITEM 16.1.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Maria Kniestedt, Communications and Public Affairs Director
SUBJECT: 2026 LEGISLATIVE UPDATE

RECOMMENDATION

Receive presentations by Covino Smith & Simon and Joe A. Gonsalves & Son regarding key 2025 legislation affecting the city, as well as staff update regarding 2026 legislative priorities and federal funding priorities. Receive consultant presentations and updates; provide direction and/or approval to staff on city's 2026 Legislative Priorities.

RESULT OF RECOMMENDED ACTION

Staff will proceed with recommended direction and approval to finalize the city's 2026 legislative program. This includes producing the annual legislative brochure, which Council and staff use for meetings with legislators and key agencies.

BACKGROUND

There are two elements to the 2026 Legislative Priorities update:

1. Federal Funding Requests

Annually, the city has an opportunity to submit applications for federal and/or state funding. If appropriations opportunities exist for 2026, applications will be submitted through the offices of our elected representatives or appropriate federal agency in Washington, D.C., or through the appropriate state-level process.

In keeping with recommended practices and citywide goals and priorities, staff is recommending the attached projects to the appropriate federal agencies and elected officials. These projects have been vetted and further the city's goals of sustaining and improving transportation and connectivity, as well as providing a community where residents live, work, and thrive.

Attachment 1 includes the recommended projects.

2. 2026 Legislative Advocacy Platform

Managing federal funding requests is just one part of the city's legislative program. The

program, founded on a set of policy guidelines that were first approved by the Rancho Cordova City Council in 2007, also directs the city's advocacy efforts to support or oppose legislation that significantly impacts the city, or to work with legislators through our advocacy partners on amendments.

Attachment 2 shows the city's proposed 2026 Legislative Platform, with changes from the previous year highlighted.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact.

ATTACHMENT(S)

1. 2026 Projects for Possible Federal Funding Opportunities
2. 2026 Legislative Advocacy Platform
3. Presentation

2026 Projects for Federal Funding Opportunities	
Project	Description
Rancho Cordova Parkway Interchange	This project will construct a new interchange on US Highway 50 between Sunrise Boulevard and Hazel Avenue, and a six-lane road connecting south to White Rock Road. This project is part of a concerted, regional effort to improve overall mobility and spur economic development, including job creation and affordable housing. The project accomplishes these goals by strengthening the connection between 65,000+ jobs in the City of Rancho Cordova and surrounding communities. The project has full environmental approval. Total Project Cost: \$182 million
Sunrise Boulevard - Kiefer Boulevard to State Route 16 (Jackson Highway)	This project would widen Sunrise Boulevard from two at-capacity lanes to four lanes from Kiefer Boulevard to State Route 16 (Jackson Highway) and construct intersection improvements at Sunrise Boulevard and State Route 16. The project includes modifications to the bridge on Sunrise Boulevard, Laguna Creek and Folsom South Canal. This project will include raising a portion of Sunrise Boulevard above a local flood plain. When this section of Sunrise Boulevard floods, it cuts off a critical connection to the southeast county. Total Project Cost: \$38.8 million
Douglas Road, Sunrise Blvd. to West City Boundary	This project will widen Douglas Road from two to four lanes from Sunrise Boulevard to the west city boundary. The scope includes removing the existing bridge over the Folsom South Canal and replacing it with a six-lane bridge. This will be a complete streets project and will provide better access for bicycle and pedestrian mobility. This project will also provide relief to the congestion along Sunrise Boulevard. Total Project Cost: \$30 million
White Rock Road Improvements, Macal Drive to Eastern City Limits	This project represents the final phase of the White Rock Road Safety and Congestion Relief parent project. This project is part of an innovative planning effort to alleviate regional congestion, improve roadway safety, nurture economic development, and promote the livability and quality of life in the greater Sacramento region. The proposed project will improve the final 2.0 miles of White Rock Road from Macal Drive to the City limits, provides parallel capacity and be a reliever route to U.S. Highway 50, replace the deteriorating segment of roadway, realign and widen the road from two to four travel lanes to add critically needed capacity. Total Project Costs: \$24 million

Mather Veterans Village Homeless Housing Development, Phase 5	This project will continue the City of Rancho Cordova’s successful model of housing homeless veterans by creating an additional 60 units of rental townhomes and apartments adjacent to the previous four phases of the Mather Veterans Village housing project (150 existing units and 70 units to be under construction). The city is partnering with Sacramento County, Mercy Housing and Nation’s Finest to bring an additional phase of new housing to provide for homeless and disabled veterans with larger units designed for veteran families. Nationwide, California has the highest number of homeless veterans. However, this number is decreasing in Sacramento County due to projects like the Mather Veterans Village, which is within walking distance of the regional VA Northern California Medical Center. Total Project Cost: \$40 million
Capital Southeast Connector	The Capital Southeast Connector is a vital 34-mile connection between communities in the greater Sacramento region including the City of Rancho Cordova. The first phase within Rancho Cordova and Sacramento County’s shared jurisdiction includes realigning Grant Line Road generally from White Rock Road to Jackson Highway and adding a separated walking and cycling path. The regionally important project will provide critical emergency access routes, improve safety, foster economic growth, and connect communities through active modes of transportation. The project alignment is approximately seven miles long with proposed improvements valued at \$100 million dollars. Environmental is approved with construction expected to begin in 2026. Total Project Cost: TBD

2026 Legislative Advocacy Platform

The Legislative Advocacy Platform is adopted annually to authorize the city's active participation in the decision-making process for federal and state legislation and budget issues. It also guides city staff and the city's advocacy partners in pursuing federal or state funding, and/or to act upon legislative issues.

Using the Legislative Advocacy Platform as a guide, the city will take positions on specific legislation and amendments. The mayor or appointed designee will sign legislative letters based on the city's identified interests, and Council Members may be actively involved in advocacy efforts. The legislative programs of CalCities, the National League of Cities, and other organizations may also influence city activities when there are common interests.

Areas of support and opposition are stated broadly in most cases to provide the flexibility needed to respond in a timely manner and to serve as a guide to assist staff in identifying specific issues that are important to the city, as well as to determine interest in specific legislation. In addition, these priority areas will help Council Members, city staff and advocacy partners focus on key issues and funding areas when speaking to representatives.

In addition, the city will evaluate legislation and pursue funding to enhance the community based on specific policy areas, such as transportation and infrastructure, economic development, planning, public safety, and housing.

Generally, the city will evaluate legislation based on the following broad criteria:

- Protection of local revenues
- Protection/increase of local government discretion
- Protection/increase of funding for specific programs or services
- Support of key programmatic goals
- Prevention of unfunded mandates
- Consistency with existing city policy
- Direct impact upon the city and the region

Based on the above criteria, the following policy positions are recommended.

Artificial Intelligence (AI) and Cyber Security

Support:

- Legislation that supports the increasing need for cybersecurity and the responsible use of Artificial Intelligence.
- Legislation that designates and funds regional AI, robotics, and advanced manufacturing hubs, including testbeds, demonstration projects, and shared lab.
- Legislation that provides grants, tax incentives, and technical assistance to help small and mid-sized businesses adopt AI, robotics, and automation.
- Legislation that expands access to secure broadband and cloud infrastructure needed for AI, robotics, and data-intensive research.
- Federal and state efforts that invest in public-sector AI capacity, including funding for pilot projects, technical assistance, and modernized procurement tools.
- Legislation that strengthens cybersecurity and data protection for AI, digital twin, and smart infrastructure systems.

- Legislation that supports privacy-preserving and secure data use, including clear standards for data governance, anonymization, and protections for sensitive resident and business information.
- Legislation that invests in cybersecurity and data-protection workforce development.
- Legislation that supports the funding, development and deployment of digital twins for transportation, utilities, housing, climate resilience, and land-use planning.
- Legislation that promotes interoperable, standards-based digital twin platforms, enabling cities, universities, and industry partners to securely share data, test scenarios, and de-risk major infrastructure and economic development investments.

Oppose:

- Any legislation that does not adhere to the principles above or includes unfunded mandates.

Brown Act/Elections Code/Political Reform Act/Public Records Act

Support:

- Legislation on administration of the Brown Act and the Public Records Act that provides additional opportunities to recover costs.
- Legislation that seeks to protect the City's ability to obtain confidential advice from legal counsel on items such as anticipated and pending litigation and real estate acquisition.
- Legislation that explores the use of virtual meeting technology to provide additional opportunities for meeting participation.

Oppose:

- Additional mandates in this policy area without full cost recovery.
- Legislation that would invade the attorney-client privilege and upset the balance between the public's right to know the conduct of its business and a city's need for privileged conversations with legal counsel.

Economic Development

Support:

- Legislation, strategies, and policies that: attract, retain, and expand business; support job creation, retention, expansion, extended opportunity zones, and new redevelopment, and infill plans; maximize revenue opportunities; foster placemaking; support workforce development; and enhance community amenities.
- Legislation that promotes the state as an economically viable and strong destination for businesses to locate.
- Legislation that supports the CHIPS and Science Act.

Oppose:

- Legislation that, under the guise of environmental protection restricts its land use and authority. adversely impacts the ability of communities to attract and retain jobs.

- Legislation that deletes local government representation and participation on state and federal environmental regulatory bodies.
- Legislation that overburdens small business with costly and resource-intensive environmental regulations.

Education*Support:*

- Legislation that promotes college access, affordability and success.
- Legislation that supports training and education in the area of Artificial Intelligence (AI).

Environment*Support:*

- Legislation that ensures local government representation and participation on state and federal environmental regulatory bodies.
- Legislation to standardize and streamline state and federal environmental regulations.
- Legislation that provides the city with the flexibility to enact environmental standards that are stricter than state or federal standards, if the city chooses.
- Legislation that increases funding or revenue sources for water quality and stormwater reuse projects.

Oppose:

- Legislation that, under the guise of environmental protection, restricts its land use authority.
- Legislation that deletes local government representation and participation on state and federal environmental regulatory bodies.

Housing*Support:*

- Legislation that provides needed resources and flexibility to local governments to produce housing that meets all socioeconomic needs and local demands.
- Legislation that supports and facilitates affordable housing production of special needs populations (e.g., veterans, homeless, seniors)
- Measures that would provide local governments with greater flexibility in the housing element process.
- Legislation that provides or enhances needed federal and state incentives that help facilitate the production and preservation of affordable housing units including, but not limited to, housing bond funds and tax credits, project-based vouchers, and relief from prevailing wage requirements.
- Adequate and fair funding for the city and equitable distribution of housing dollars in the region.

Oppose:

- Legislation that eliminates opportunities for public review, project-level environmental review and restricts design review.
- Legislation that eliminates or weakens the low-income housing tax credit, the new markets tax credit, or Community Development Block Grants.

Local Control*Support:*

- Legislation that enhances local control of resources and tools that allows the City Council to make decisions that address the needs of residents and businesses within the local jurisdiction they serve, as well as the broader interest of the region.

Oppose:

- Legislation that erodes local control, whether by state or federal legislation, or ballot propositions.

Mandates*Support:*

- Legislation that encourages the use of state and federal incentives for local government action rather than mandates.
- Legislation to enhance local government's ability to comply with state and federal mandates.
- Measures to provide funding for federal and state mandates.
- Measures to streamline the process by which local governments are reimbursed by the state for the cost of unfunded mandates.
- Future legislation that repeals previously unfunded mandates.

Oppose:

- Legislation that seeks to impose additional unfunded mandates on local governments that produce inequitable burdens and financial and other hardships.
- Measures that would further delay reimbursement for unfunded mandates.

Planning*Support:*

- Measures that seek to enhance the flexibility of local planning agencies to meet community needs, strengthen local land-use policies and provide community enhancement.
- Legislation to resolve ambiguous or unworkable planning and environmental statutes so that local agencies have clear direction from the federal and state governments.
- Legislation that provides technical and financial support for streamlining the Endangered Species Act and Clean Water Act permitting programs.

Oppose:

- Legislation to impose additional mandatory and arbitrary reviews by non-local agencies of local planning documents.

Public Safety*Support:*

- Legislation and measures to enhance public safety by providing additional funding for local agencies in their efforts to safeguard the public, increase the quality of life, reduce or prevent crime, educate citizens, and build community partnerships.
- Legislation that provides local law enforcement with additional tools to protect the public and prevent crime.
- Measures that establish task forces, which unite multiple public safety resources in an effort to combat criminal acts, which extend beyond the jurisdictional borders.
- Legislation to assist local law enforcement in its role as “first responders” to natural and man-made disasters.

Oppose:

- Legislation that limits the public safety policy tools available to local governments to deal with local conditions.
- Measures to reduce subventions and grant programs for public safety.
- Legislation that will limit or restrict public safety professionals from the efficient performance of their duties or that limits the law enforcement tools available to local public safety professionals.
- Legislation that provides local enforcement with additional tools to protect the public from substandard housing and dangerous structures.

Revenue Protection*Support:*

- Measures that give local government greater stability and independence in the state-local fiscal relationship, including full, constitutional protection of all local government revenues.
- Legislation that provides additional opportunities for local governments to be financially self-sufficient and oppose legislation that erodes the fiscal independence of local governments.
- Legislation that will enhance the state’s fiscal stability and minimize the impact to local governments of state budget deficits.

Oppose:

- Legislation that would give the state or federal government greater control over local revenue sources or in any way reduces or diminishes City authority over local revenues.
- Legislation that would result in the permanent loss of City revenues unless it is part of a broader local government revenue protection package.
- Legislation that further exacerbates the state’s long-term budget imbalance and further exposes local governments to the effects of state budget deficits.

Technology and Telecommunications*Support:*

- Legislation that maintains local control over public rights-of-way; protects local revenues used for essential local services, including public safety; guarantees access to, and funding for, public, educational and government access television.
- Legislation that ensures that the public is appropriately compensated by telecommunications providers that use the public's rights-of-way.
- ~~Legislation that supports the increasing need for cybersecurity and the responsible use of Artificial Intelligence. Moved to new AI section.~~

Oppose:

- Any legislation that does not adhere to the principles above or includes unfunded mandates.

Transportation and Infrastructure*Support:*

- Additional funding for local transportation and other critical unmet infrastructure needs.
- Adequate and fair funding for the city and equitable distribution of transportation dollars within the SACOG region.

Oppose:

- Legislation that would reduce the ability of growing communities to address transportation and infrastructure needs with adequate funding (from diversified sources) and with as much flexibility as possible.
- Legislation that would in any way unduly restrict the city's ability to ensure that necessary public improvements are completed as part of new subdivisions.



2026 Legislative Update

Insights, Platform, Funding Priorities



Tonight's Discussion

Presentations from our State and Federal advocacy partners

- Action: Presentation/Discussion

Legislative advocacy platform and projects for possible federal funding opportunities

- Action: Discussion/Approval



2025 Insights/2026 Look Ahead

- Presentation by Jason Gonsalves with Joe A. Gonsalves & Son, State Advocacy Partner
- Presentation by Jen Covino Smith with Covino Smith & Simon, Federal Advocacy Partner



2026 Legislative Priorities

- 2026 Legislative Platform Updates
 - New section: AI & Cyber Security
- 2026 Federal Funding Requests
 - Six Projects
 - Updated Project Costs



2026 Legislative Priorities

Questions and Discussion

**Motion/Vote to Approve
Platform**



MEMORANDUM



ITEM 16.2.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Stefan Heisler, Housing Manager
SUBJECT: **AUTHORIZATION TO EXECUTE DOCUMENTS FOR MATHER VETERANS VILLAGE PHASE 4 PROJECT**

RECOMMENDATION

Adopt the Resolutions.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution as shown in [Attachment 1](#) would allow the City Manager to proceed with the execution of a Purchase and Sale Agreement and Affordable Housing Agreement with Mercy Housing California 122 LLC, a California limited liability company (Developer), for the approximately 2.0 acre parcel located at 3641 Bleckely Street, APN 067-0010-114-0000 (Property), for the amount of \$10 for the Mather Veterans Village Phase 4 multifamily housing project for homeless and disabled veterans, and homeless families.

Adoption of the Resolution as shown in [Attachment 2](#) would allow the City Manager or his designee to execute a Grant Subrecipient Agreement with Mercy Housing California to receive \$1,000,000 in Community Project Fund (CPF) grant funds for the Mather Veterans Village Phase 4 project (Project).

BACKGROUND

The city has partnered with Mercy Housing California and Nation's Finest/Veterans Housing Development Corporation (the Development Team) to develop the affordable housing project on the Parcel. The project is known as Mather Veterans Village Phase 4 and consists of a 70-unit multifamily residential apartment project for homeless and/or disabled veterans or homeless households (the Project). Sixty-nine (69) of the units will be rented at an affordable monthly rent to households earning up to 50 percent of area median income for a period of 55 years. One (1) unit will be an unrestricted manager's unit. The project will also have a priority for serving seniors aged 62 and older. The project will be new construction, three stories, single-loaded, and elevator served. The unit mix includes 58 one-bedroom units and 12 two-bedroom units. The residential units will be arranged around a centrally landscaped courtyard. An approximately 4,000 square foot community clubhouse, offices, and a shared patio will be located within the courtyard.

The Project has completed the entitlement phase, has received state funding, and is now ready to proceed to construction. A Conditional Use Permit and Airport Land Use Commission

override were approved by the City Council on July 1, 2024. Major Design Review for the Project was approved by the Planning Commission on December 11, 2024. A joint Homekey+ application funding application with Mercy Housing California was authorized by the City Council on March 3, 2025, and on September 25, 2025 an award was accepted. On December 10, 2025 the disposition of the Property for the Project was found to be consistent with the General Plan by the Planning Commission. The next step is to complete the land sale with the Developer to begin construction of the Project.

When the city acquired the parcel from Sacramento County (County) on June 27, 2024, the County required an affordable housing agreement to be recorded on the property limiting the use of the property for housing of homeless and disabled veterans and homeless families. That agreement with the County will now be terminated in favor of executing a new affordable housing agreement between the city and the Developer containing substantially the same terms and conditions as the previous affordable housing agreement between the city and County.

City staff recommend the adoption of two resolutions to further the project. The first Resolution ([Attachment 1](#)) would authorize execution of a Purchase and Sale Agreement and an Affordable Housing Agreement with the Developer that will allow the Developer to complete the purchase of the property from the city. The land disposition transaction will co-occur with the start of construction of the Project, anticipated for February 2026.

COMMUNITY PROJECT FUND GRANT

In the Consolidated Appropriations Act, 2024 (Public Law 118-42) (the FY2024 Act), and the Further Consolidated Appropriations Act, 2024 (Public Law 118-47) (the Further FY2024 Act) Congress made \$3,290,054,336 in funding available for the Community Project Fund (CPF). On March 16, 2023 city staff submitted an application for FY 24 CPF to Congressman Ami Bera for \$1,000,000 to assist with the hard construction costs of the Mather Veterans Village Phase 4 project.

On August 24, 2024 the city received an award letter from the Department of Housing and Urban Development (HUD) confirming that \$1,000,000 had been awarded to the city for the Project. Before executing a Grant Agreement the city completed National Environmental Protection Act (NEPA) review and clearance. On October 6, 2025 the City Council provided authorization to accept the award and execute a CPF Funding Agreement, which has been executed. Adoption of a subsequent Resolution ([Attachment 2](#)) would authorize execution of a grant subrecipient agreement to commit the funds to Mercy Housing California for the Project.

The \$1,000,000 grant will be used to pay for a portion of the vertical construction costs of the Project. The city will have until August 31, 2032 to spend this funding. The Project is expected to begin construction in February 2026 and begin occupancy in fall 2027.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (Section 21000, et. seq. of the California Public Resources Code, hereafter 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." The sale of surplus government property is a project as defined by CEQA. Pursuant to CEQA Guidelines Section 15312 (Categorical Exemption Class 12, Surplus Government Property Sales) sales of surplus government

property is exempt, except for parcels of land located in an area of statewide, regional, or areawide concern identified by CEQA Guidelines Section 15206(b)(4). The Property is not located in an area of statewide, regional, or areawide concern, and therefore the activity is not subject to CEQA pursuant to CEQA Guidelines Section 15312.

The commitment of funding to construct affordable housing is similarly a project as defined by CEQA. As described below, the Project meets the exemption requirements for CEQA Guidelines Section 15332, In-Fill Development Projects, Section 15183 Projects "Consistent with the Community Plan, General Plan or Zoning", Section 15194 Affordable Housing Exemption, and AB 1449 (Chapter 761. Statutes of 2023) Public Resources Code (PRC) Section 21080.40 Affordable Housing statutory exemption and is therefore not subject to further environmental review.

Pursuant to CEQA Guidelines Section 15332 (Categorical Exemption Class 32, In-Fill Development Projects) projects meeting specified conditions are exempt from the provisions of CEQA. Pursuant to this section none of the circumstances described in Public Resources Code Section 21166 and State CEQA Guidelines Section 15162 have occurred: the proposed Project does not represent a substantial change in the original Mather Field Specific Plan project and no major revisions to the previous Mather Field Specific Plan Environmental Impact Report ("EIR), adopted February 1997, are required; the Mather Field Specific Plan EIR adequately analyzed the potential impacts of developing the project site as proposed; therefore, no further environmental review is required; the multi-family buildings are Categorically Exempt under Section 15332, In-Fill Development, of the California Environmental Quality Act Guidelines.

The Project has been analyzed and is exempt per CEQA Guidelines Section 15183 "Projects Consistent with a Community Plan, General Plan or Zoning." The proposed multifamily residential project is a conditionally permitted use consistent with the development densities established by the city's General Plan and zoning for which an EIR was certified (June 2006). None of the exceptions identified in CEQA Guidelines Section 15300.2 apply to the Project.

The Project (a) meets the threshold criteria set forth in section 15192. The Project will (b) not be on a site more than five acres in area; (c) meet location requirements relating to population density and site-specific location requirements on previously developed land as an urban use adjacent to other current developed urban uses; and (d) meet requirements regarding provision of affordable housing, the Project includes fewer than 100 units and the units will remain affordable for longer than 30 years. Therefore, the Project is exempt per CEQA Guidelines Section 15194 Affordable Housing Exemption.

The Project will consist of multifamily residential uses only, be dedicated to lower-income households, is within the city boundaries of the City of Rancho Cordova, and is on a parcel surrounded by urban uses. Furthermore the Project can be adequately served by existing utilities, complies with the limitations on location found in Government Code 65913.4(a)(6)(B-K), does not contain tribal cultural resources, a Phase 1 environmental assessment has been completed and has determined that there is no potential for exposure of future occupants to significant health hazards, is not located on a site where multifamily housing is not permitted, is not located within 500 feet of a freeway or within 3,200 feet of a facility that actively extracts or refines oil or natural gas, and is not within a very high fire hazard severity zone. The Project is exempt pursuant to the AB 1449 (Chapter 761. Statutes of 2023) Public Resources Code Section 21080.40 Affordable Housing statutory exemption.

Receiving CPF funds also triggers National Environmental Review Act (NEPA) for the project.

An Environmental Assessment has been prepared and the city has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Authority to Use Grant Funds was received from HUD on May 19, 2025.

SURPLUS LAND ACT

California Government Code Sections 54220-54234 require jurisdictions to notify the California Department of Housing and Community Development (HCD) when they intend to dispose of publicly owned land and follow the Surplus Land Act (SLA) process for such dispositions if the property is not declared exempt. The city intends to use the entire property for affordable housing to very low income homeless and disabled veterans or homeless families. The property will be restricted to households earning 50% of the area median income or less for a term of fifty-five (55) years. Therefore, this use qualifies the city's disposition of the Parcel to Mercy Housing California for the SLA Guidelines Section 103(c)(2) Exempt Surplus Land for Affordable Housing. Per the SLA Guidelines Section 400(e), the city submitted a resolution declaring the property exempt surplus land to HCD for review and confirmation. HCD provided confirmation on March 10, 2025 that the disposition qualifies as "exempt surplus land" under Government Code section 54221, subdivision (f)(1)(A).

FISCAL IMPACT AND FUNDING SOURCE

The sale price for the land is \$10. Escrow closing costs are an estimated \$1,000. There is minimal fiscal impact for the CPF administration, limited to a small amount of staff time to administer the grant funding.

ATTACHMENT(S)

1. Resolution - Authorizing a Purchase and Sale Agreement and Affordable Housing Agreement
2. Resolution - Authorizing a Community Project Funding Grant Subrecipient Agreement
3. Purchase and Sale Agreement
4. Affordable Housing Agreement
5. Community Project Fund Grant Subrecipient Agreement
6. Presentation

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT AND AN AFFORDABLE HOUSING AGREEMENT WITH MERCY HOUSING CALIFORNIA 122 LLC FOR THE PROPERTY AT 3641 BLECKELY STREET, APN 067-0010-114-0000 FOR THE MATHER VETERANS VILLAGE PHASE 4 MULTIFAMILY HOUSING PROJECT FOR HOMELESS VETERANS

WHEREAS, the City of Rancho Cordova (the "City") is the owner of the approximately 2.0 acre property on the former Mather Air Force base at 3641 Bleckely St, APN 067-0010-114-0000 (the "Property"), located adjacent to the existing three completed phases of the Mather Veterans Village, and is willing to sell the Property, and Mercy Housing California 122 LLC ("Developer") desires to acquire the Property for a fourth phase of the Mather Veterans Village; and

WHEREAS, the Property provides opportunity to expand the Mather Veterans Village, and the City has partnered with the Developer, to construct a housing project, Mather Veterans Village Phase 4, which will include sixty nine (69) units of multifamily rental apartments for very low-income homeless and disabled veterans and homeless families, one (1) unrestricted manager's unit, and resident community space (the "Project"); and

WHEREAS, in consideration of City conveying the Property to the Developer, Developer shall construct, or cause to be constructed, housing units specifically designated for homeless and/or disabled veteran households and homeless families, and the City, Developer, and Sacramento County, wish to execute and record documents concurrently with this sale, specific provisions to allow Mercy Housing California and its affiliates to develop and operate the Property for the Project for a period of fifty-five (55) years, and that the construction of homeless and/or disabled veterans and homeless housing is a valid public purpose of need within the city; and

WHEREAS, the Developer has received sufficient funding to construct and operate the Project including American Rescue Plan Act ("ARPA"), Community Project Funding ("CPF"), and Homekey+; and

WHEREAS, the City will sell the Property to the Developer for a purchase price of Ten Dollars (\$10.00); and

WHEREAS, the Planning Commission found on December 10, 2025 that the sale of the Property to the Developer for the Project is consistent with the Rancho Cordova General Plan; and

WHEREAS, the Surplus Land Act, Government Code Section 54220, et seq., as amended by Assembly Bill 1486 effective January 1, 2020, provides that local public agencies must determine whether land owned by the public agency is "surplus land" or "exempt surplus land," and must send notices of the availability of surplus land to specified parties prior to the conveyance of such land; and

WHEREAS, Section 103(c)(2) of the Surplus Land Act provides that “exempt surplus land” includes City-owned surplus land transferred for the development of affordable housing meeting the requirements of Government Code Section 37364; and

WHEREAS, the Surplus Land Act Guidelines provide that a local agency which determines that property is exempt from the Surplus Land Act shall support such a determination with written findings and shall provide a copy of the written determination to the California Department of Housing and Community Development (“HCD”); and

WHEREAS, on March 10, 2025 HCD found that the Property qualifies as “exempt surplus land” under Government Code section 54221, subdivision (f)(1)(A); and

WHEREAS, the Property is surplus government property not located in an area of statewide, regional, or areawide concern identified by California Environmental Quality Act (CEQA) Guidelines Section 15206(b)(4), and therefore the sale of the Property is categorically exempt from further CEQA review pursuant to Title 14 of the California Code of Regulations, Chapter 3, Division 6 (State CEQA Guidelines) Section 15312 (Categorical Exemption Class 12, Surplus Government Property Sales).

NOW, THEREFORE, BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA hereby:

1. Authorizes the City Manager, or his designee, to execute a Purchase and Sale Agreement for the sale of the Property at a sale price of \$10, and an Affordable Housing Agreement, with the Developer, which agreements shall be in a form approved by the City Attorney.
2. Finds that the Property at APN 067-0010-114-0000, to be sold to the Developer, meets the requirements of California Government Code 37364 where not less than eighty percent of the Property will be used for affordable housing, more than forty percent of the units will be restricted to very low income households, and the units will be restricted by a regulatory agreement for not less than thirty (30) years, and therefore within the meaning of Section 103(c)(2) of the Surplus Land Act, the Property is exempt surplus land.
3. Directs the City Manager or his designee to transmit a copy of this Resolution to the California Department of Housing and Community Development, and to transmit such further documents as are necessary for the Department’s review of compliance of this transaction with the requirements of the Surplus Land Act.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this 5th day of January 2026, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

ITEM 16.2.

ATTACHMENT 1

Garrett Gatewood, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, AUTHORIZING EXECUTION OF A COMMUNITY PROJECT FUNDING GRANT SUBRECIPIENT AGREEMENT WITH MERCY HOUSING CALIFORNIA IN THE AMOUNT OF \$1,000,000 FOR THE MATHER VETERANS VILLAGE PHASE 4 PROJECT

WHEREAS, in the Consolidated Appropriations Act, 2024 (Public Law 118-42) (the FY2024 Act), and the Further Consolidated Appropriations Act, 2024 (Public Law 118-47) (the Further FY2024 Act) Congress made \$3,290,054,336 in funding available for Community Project Funding (“CPF”); and

WHEREAS, in March 2023 the City of Rancho Cordova applied for a CPF grant in the amount of \$1,000,000 to support the construction of the Mather Veterans Village Phase 4 project (“Project”); and

WHEREAS, in August 2024 Congress approved and the United States Department of Housing and Urban Development (“HUD”) awarded the City of Rancho Cordova the full \$1,000,000 requested; and

WHEREAS, the city completed National Environmental Protection Act (“NEPA”) review and received the federal Authority to Use Grant Funds on May 19, 2025; and

WHEREAS, the City Council provided authorization to execute a Fiscal Year 2024 Community Project Funding Grant Agreement with HUD to accept and receive CPF funding for the Project on October 6, 2025, and that agreement has been executed; and

WHEREAS, the City Council of the City of Rancho Cordova desires to enter into a grant subrecipient agreement with Mercy Housing California for \$1,000,000 to use the CPF grant for the Project.

NOW, THEREFORE, BE IT HEREBY RESOLVED THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA does authorize the City Manager or his designee to execute a Mather Veterans Village Grant Subrecipient Agreement with Mercy Housing California in an amount not to exceed \$1,000,000 and in a form approved by the City Attorney, to use CPF funding for the Mather Veterans Village Phase 4 project.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 5th day of January 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Garrett Gatewood, Mayor

ATTEST:

Stacy Leitner, CMC
City Clerk

**PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this “**Agreement**”) is entered into as of [MONTH] __, 2026 (the “**Effective Date**”) by and between the City of Rancho Cordova, a California municipal corporation (“**City**”) and Mercy Housing California 122 LLC, a California limited liability company (the “**Buyer**” or “**Mercy**”). City and Buyer are each referred to as a “**Party**” and collectively referred to herein as the “**Parties**.”

RECITALS

A. City owns fee title to that certain real property located in the City of Rancho Cordova, California, APN 067-0010-114-0000 as more particularly described in Exhibit A attached to this Agreement (“**Property**”). The Property is located adjacent the Mather Veterans Village project which has been developed by Buyer and its affiliates.

B. City and the County of Sacramento (“**County**”) have executed, among other things, an Affordable Housing Agreement, and Quitclaim Deed (collectively, the “**City-County Documents**”) to the Property which, in relevant part, requires the Property to be used for affordable rental housing units for very low income disabled and/or homeless veteran households or homeless families for a period of fifty-five (55) years and any sale of the Property to be approved by the County.

C. The Parties, along with the County, wish to execute and record amended City-County Documents concurrently with this Agreement, including specific provisions to allow Mercy to develop and operate the Property for affordable rental housing units for very low income disabled and/or homeless veteran households or homeless families for a period of fifty-five (55) years.

D. Buyer proposes to construct an affordable housing project on the Property consisting of approximately 70 affordable rental housing units for very low income disabled and/or homeless veteran households or homeless families, and related improvements (the “**Project**”).

E. On June 17, 2024, the City declared the Property “exempt surplus land” as defined in Section 103(c)(2) of the Surplus Land Act Guidelines, and in accordance with Government Code Sections 54221(f)(1)(A), and 37364.

F. On July 1, 2024, the Parties executed an Option Agreement to provide the Buyer an exclusive right and option to purchase the Property from City, which the Buyer exercised.

G. The Parties have been awarded California Department of Housing & Community Development (“**HCD**”) funding known as Homekey+ for construction of the Project, which requires the recording of a “**HCD Homekey+ Regulatory Agreement**” concurrently with this Agreement.

H. In addition to the Homekey+ grant, the Project will be funded through the following sources: Community Project Funding (CPF) grant, City Predevelopment Loan Agreement, among other sources.

I. Prior to Closing (defined below) on the Property, the City and the Buyer will enter, or have entered, into an Affordable Housing Agreement, HCD Homekey+ Regulatory Agreement, ARPA Subrecipient Agreement, PHLA Loan Agreement and deed of trust, and Grant Subrecipient Agreement. These shall be collectively referred to as the “**City-Mercy Agreements**”.

J. City desires to sell the Property to Buyer, and Buyer desires to purchase the property from City in accordance with the terms of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the Parties, City and Buyer hereby agree as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals set forth above and the Exhibits attached to this Agreement are each incorporated into the body of this Agreement as if set forth in full.

2. PURCHASE AND SALE.

2.1 Agreement to Buy and Sell. Subject to the terms and conditions set forth herein, City agrees to sell the Property to Buyer, and Buyer hereby agrees to acquire the Property from City.

2.2 Purchase Price. The purchase price to be paid by Buyer to City for the Property is Ten Dollars (\$10.00) (the “**Purchase Price**”).

2.3 Payment of Purchase Price. The Purchase Price will be paid in immediately available funds to City from Buyer upon the Opening of Escrow (defined in Section 3 below).

3. ESCROW.

3.1 Escrow Account. City has opened an escrow account (the “**Escrow**”) maintained by Fidelity National Title Company as Escrow No. _____, located at 8525 Madison Ave., Suite 110, Fair Oaks, CA 95628, Attn: Paul Avila (the “**Escrow Holder**”). Escrow Holder shall perform all escrow and title services in connection with this Agreement.

3.2 Opening of Escrow. Within five (5) business days after the Effective Date, the Parties will deposit into Escrow the fully executed Agreement, or executed counterparts thereto. The date such fully executed Agreement is received by Escrow Holder will be deemed the “**Opening of Escrow.**”

3.3 Buyer's Deposit. Upon Opening of Escrow, the Buyer shall deposit the Purchase Price into Escrow (the "**Deposit**"). The Deposit is non-refundable after the Due Diligence Contingency Period has expired but applicable to the Purchase Price at Closing. In the event Buyer does not approve Due Diligence on or before the expiration of the Due Diligence Contingency Period, Buyer's deposit shall be immediately returned to Buyer and this Agreement shall terminate.

4. DUE DILIGENCE AND PROPERTY DISCLOSURE REQUIREMENTS.

4.1 Condition of Title/Preliminary Title Report. City shall cause the Escrow Holder to deliver to Buyer a Preliminary Title Report for the Property (the "**Preliminary Report**") within twenty (20) days after the Effective Date. Buyer shall have thirty (30) days after receipt of the Preliminary Report to approve the Preliminary Report. If there are any changes to the Preliminary Report between the time of Buyer's approval of the Preliminary Report and the Closing, Buyer shall have fifteen (15) days after receipt of the revised Preliminary Report to approve such changes. If Buyer fails to notify City in writing of its approval of the Preliminary Report on or before thirty (30) days of receipt, or fifteen (15) days after receipt of the revised Preliminary Report, it will be conclusively presumed that Buyer has approved the Preliminary Report. Buyer agrees to take title to the Property subject to the following "**Permitted Exceptions**": (a) standard printed exceptions in the Preliminary Report, (b) general and special real property taxes and assessments constituting a lien not yet due and payable, and (c) any other title exceptions expressly approved by Buyer.

4.2 Due Diligence Contingency Period. Buyer will have sixty (60) days from the Effective Date (the "**Due Diligence Contingency Period**") to complete physical inspections of the Property and due diligence related to the purchase of the Property. Buyer warrants that prior to the Effective Date, City has provided copies of all reasonably available and known documents relating to the ownership and operation of the Property, including but not limited to agreements, plans, permits and reports (environmental, structural, mechanical, engineering and land surveys) that City has in its possession. All physical inspections must be coordinated with City's representative. Buyer hereby agrees to indemnify and hold City harmless for any damage to the Property caused (but not merely revealed) by Buyer's inspections.

4.3 Satisfaction of Due Diligence Contingency. Buyer may only terminate this Agreement prior to the expiration of the Due Diligence Contingency Period, and receive a refund of Buyer's Deposit, if Buyer finds the Project cannot be completed due to the condition of the Property, which condition was not previously disclosed to Buyer pursuant to this Agreement or otherwise. Buyer hereby agrees to provide written notice to City prior to the expiration of the Due Diligence Contingency Period if Buyer disapproves any due diligence items. Upon provision of such notice to City, this Agreement will terminate, and all amounts deposited by Buyer into escrow, together with interest thereon, if any, will be returned to Buyer, and neither Party will have any further rights or obligations hereunder except those which expressly survive the termination of this Agreement. If Buyer fails to notify City in writing of its approval of its due diligence on or before the expiration of the Due Diligence Contingency Period, it will be conclusively presumed that Buyer has approved due diligence.

4.4 Environmental and Natural Hazards Disclosure. California Health and Safety Code Section 78700 (formerly 25359.7) requires owners of non-residential real property who know, or have reasonable cause to believe, that any release of hazardous substances is located or has come to be located on or beneath the real property to provide written notice of same to the buyer of real property prior to the sale. Other applicable laws require City to provide certain disclosures regarding natural hazards affecting the Property. City agrees to make all necessary disclosures required by law.

5. CLOSING AND PAYMENT OF PURCHASE PRICE.

5.1 Closing. The closing (the “**Closing**” or “**Close of Escrow**”) will occur no later than ninety (90) days from the expiration of the Due Diligence Contingency Period (“**Closing Date**”) or such other date that the Parties agree in writing, or as otherwise provided for in this Agreement.

5.2 Buyer’s Conditions to Closing. Buyer's obligation to purchase the Property is subject to the satisfaction of all of the following conditions or Buyer's written waiver thereof (in Buyer’s sole discretion) on or before the Closing Date:

a. City has performed all obligations to be performed by City pursuant to this Agreement.

b. City's representations and warranties herein are true and correct in all material respects as of the Closing Date.

c. The Title Company shall be irrevocably committed to issue an CLTA Title Policy, together with any title insurance endorsements requested by Buyer, effective as of the Closing, insuring title to Buyer in the full amount of the appraised price subject only to the Permitted Exceptions.

5.3 City’s Conditions to Closing. The Close of Escrow and City's obligation to sell and convey the Property to Buyer are subject to the satisfaction of the following conditions or City's written waiver (in City’s sole discretion) of such conditions on or before the Closing Date:

a. Buyer has performed all obligations to be performed by Buyer pursuant to this Agreement before the Closing Date.

b. Buyer's representations and warranties set forth herein are true and correct in all material respects as of the Closing Date.

c. Buyer shall have deposited into Escrow the Quitclaim Deed, the Non-Foreign Affidavits, and all other City-Mercy Agreements duly executed by the Parties.

d. Buyer shall have submitted to City evidence of the insurance policies required pursuant to this Agreement or City-Mercy Agreements.

e. City is satisfied with Buyer's progress and ability to complete the Project.

5.4 Conveyance of Title. City will deliver marketable fee simple title to Buyer at the Closing, subject only to the Permitted Exceptions. The Property will be conveyed by City to Buyer in an "as is" condition, with no warranty, express or implied, by City as to the physical condition including, but not limited to, the soil, its geology, or the presence of known or unknown faults or hazardous materials or hazardous waste (as defined by state and federal law); provided, however, that the foregoing shall not relieve City from disclosure of any such conditions of which City has actual knowledge.

5.5 Deposits into Escrow.

a. Deliveries by City. City shall deposit into the Escrow for delivery to Buyer at Closing: (i) City's escrow fees, recording fees and Closing Costs (defined below) and the cost of the Title Policy; and (ii) an affidavit or qualifying statement which satisfies the requirements of paragraph 1445 of the Internal Revenue Code of 1986, as amended, any regulations thereunder (the "Non-Foreign Affidavit").

b. Deliveries by Buyer. No less than one (1) business day prior to the Close of Escrow, Buyer shall deposit into escrow immediately available funds in the amount, which together with the Deposit plus interest thereon, if any, is equal to: (i) Buyer's escrow fees, recording fees and Closing Costs (defined below); (ii) the duly executed City-Mercy Agreements.

c. Closing. Upon Closing, Escrow Holder shall: (i) record the Quitclaim deed; (ii) record the applicable City-Mercy Agreements; (iii) disburse to City the Purchase Price; (iv) deliver to Buyer the Non-Foreign Affidavit, and to City a copy of the recorded Quitclaim deed; (v) pay any commissions and other expenses payable through escrow; and (vi) distribute to itself the payment of escrow fees and expenses required hereunder.

d. Closing Costs. All documentary transfer tax and conveyance taxes and recording charges shall be borne by City. The cost of a CLTA owner's title policy shall be borne by the City. All other expenses, fees or costs (except for attorneys' fees and costs) incurred in Close of Escrow for the Agreement shall be divided equally and paid by the City and Buyer. Each party shall bear its own attorneys' fees and costs.(collectively, the "**Closing Costs**"). Buyer will pay all Broker Fees, if any.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

6.1 City's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of City contained in other sections of this Agreement, City hereby represents, warrants and covenants to Buyer that the statements below in this Section 6.1 are each true and correct as of the Closing Date provided however, if to City's actual

knowledge any such statement becomes untrue prior to Closing, City will notify Buyer in writing and Buyer will have three (3) business days thereafter to determine if Buyer wishes to proceed with Closing.

a. Authority. City is a municipal corporation, lawfully formed, in existence and in good standing under the laws of the State of California. City has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by City, and upon delivery to and execution by Buyer is a valid and binding agreement of City.

b. Encumbrances. City has not alienated, encumbered, transferred, mortgaged, assigned, pledged, or otherwise conveyed its interest in the Property or any portion thereof, nor entered into any Agreement to do so, and there are no liens, encumbrances, mortgages, covenants, conditions, reservations, restrictions, easements or other matters affecting the Property, except as disclosed in the Preliminary Report. City will not, directly or indirectly, alienate, encumber, transfer, mortgage, assign, pledge, or otherwise convey its interest prior to the Close of Escrow, as long as this Agreement is in force.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of City contained in this Agreement are conditions precedent to Buyer's obligation to proceed with the Closing hereunder. The foregoing representations and warranties shall survive Close of Escrow or the expiration or termination of this Agreement and shall not be deemed merged into the deed upon closing.

6.2 Buyer's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of Buyer contained in other sections of this Agreement, Buyer hereby represents, warrants and covenants to City that the statements below in this Section 6.2 are each true as of the Effective Date, and, if to Buyer's actual knowledge any such statement becomes untrue prior to Closing, Buyer shall so notify City in writing and City shall have at least three (3) business days thereafter to determine if City wishes to proceed with Closing.

a. Buyer have the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by Buyer, and upon delivery to and execution by City shall be a valid and binding agreement of Buyer.

b. Buyer is not bankrupt or insolvent under any applicable federal or state standard, has not filed for protection or relief under any applicable bankruptcy or creditor protection statute, and has not been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute.

c. No litigation or other administrative or judicial proceeding that would materially affect Buyer's ability to carry out its obligations with respect to the Project or would prevent the Project shall have been filed or be pending.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement are conditions precedent to

City's obligation to proceed with the Closing hereunder. The foregoing representations and warranties shall survive Close of Escrow or the expiration or termination of this Agreement and shall not be deemed merged into the deed upon closing.

7. PROJECT ENTITLEMENT PROCESS

7.1 Project Entitlements. In order to develop the Project as contemplated in this City-Mercy Agreements, the Project will require land use approvals, entitlements, development permits, and use and/or construction approvals, which may include, without limitation: maps pursuant to the Subdivision Map Act, development plans, conditional use permits, variances, subdivision approvals, street abandonments, design review approvals, demolition permits, improvement agreements, infrastructure agreements, grading permits, and amendments thereto and to the Project Approvals. For purposes of this Agreement, the term "Entitlements" means all of the approvals, plans and agreements described in this Section 7.1.

a. Commencement of Project. Buyer shall commence construction of the Project within the deadlines stated in the Homekey+ funding requirements and other City-Mercy Documents.

b. Completion of Project. Buyer shall complete the Project no later than November 18, 2027. Completion of the Project shall be deemed satisfied upon the City's issuance of a temporary certificate of occupancy.

c. Costs of Entitlement, Development and Construction. Except as otherwise provided in the City-Mercy Agreements, Buyer agrees that all costs, expenses and fees associated with the development and construction of the Project (including, but not limited to governmental permits and approvals), shall be borne by Buyer.

d. Rights of Access and Inspection. In addition to those rights of access to and across the Property to which the City may be entitled by law, employees and agents of the City shall have a reasonable right of access to the Property, without charge or fee, at any reasonable time, upon reasonable notice to Buyer (which may be telephonic notice to Buyer or its construction foreman) to inspect the work being performed at the Property in connection with the development of the Project, but City shall not be obligated to do so, and City shall not be liable for any failure to disclose any information discovered by City, or that could or should have been discovered by any City inspection.

e. Prevailing Wage Laws. Buyer shall carry out the construction of the Project on the Property in conformity with all applicable federal, state labor standards and prevailing wage laws, including Labor Code Section 1720, *et seq.*, and its implementing regulations ("**Prevailing Wage Laws**"). Buyer shall be solely responsible for determining and effectuating compliance with any applicable Prevailing Wage Laws, and City makes no representation as to the applicability or non-applicability of the Prevailing Wage Laws to the Project. Buyer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold City and its officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Buyer's acts or omissions pertaining to the

compliance with the Prevailing Wage Laws for the Project. The indemnification provisions of this Section shall survive the Close of Escrow and the termination of this Agreement.

f. No Agency Created. In performing this Agreement, Buyer is an independent contractor and not the agent of City. City is not an agent of the Buyer. City shall not have any responsibility whatsoever for payment to any contractor or supplier of Buyer or its contractors.

7.2 Compliance with Laws. Buyer shall carry out the ownership, maintenance and development of the Property in conformity with all applicable laws and City-Mercy Agreements.

7.3 Forced Delay. The timelines in this Section 7 shall be extended where delays or defaults are due to events beyond a Party's reasonable control, including but not limited to due to war; insurrection; strikes or other labor disputes; civil disobedience or disturbance; lock-outs; riots; accident; floods; earthquakes; fires; casualties; acts of God; or other deities; acts of terrorism or the public enemy; pandemics or epidemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; governmental or judicial actions; litigation (including suits filed by third parties concerning or arising out of this Agreement); weather conditions which, in the opinion of the Buyer's commercially reasonable judgement, will necessitate delays; delays of any contractor, sub-contractor or supplier; inability to secure necessary labor, materials or tools; acts of the other Party that constitute a default under this Agreement or City-Mercy Agreements; acts or failure to act of any public or governmental agency or entity (other than an act or failure to act of the City which shall give rise to the delaying act described above); or any other causes (other than Buyer's inability to obtain financing for the Project). An extension of time for any cause shall be for the period of the delay and will be deemed granted if notice by the Party claiming such extension is sent to the other within ten (10) days from the date the Party seeking the extension first discovered the cause and such extension of time is not rejected in writing by the other Party within ten (10) days of receipt of the notice. If a notice under this Section 7.3 is timely rejected in writing, then the Parties shall meet and confer before pursuing their rights under Section 9. Times of performance under this Agreement may also be extended in writing by the City Manager and the Buyer, and a Party's consent to such extension shall not be unreasonably withheld, conditioned or delayed. In no event shall the total extensions granted under this Section 7.3 exceed one (1) year.

City Fees. City agrees that any development impact fees charged by City in connection with Buyer's development of the Property shall be payable upon issuance of a certificate of occupancy for completed homes. All City fees charged with respect to Buyer's development of the Property shall be at the levels in effect as of the date of the applicable permit approval.

8. ENVIRONMENTAL INDEMNIFICATION

8.1 Definitions.

a. **CVRWQCB.** “CVRWQCB” means the Central Valley Regional Water Quality Control Board or any other government agency with lead jurisdiction over Hazardous Substances at the Property.

b. **Environmental Laws.** “Environmental Laws” means all federal, state, and local laws, statutes, rules, regulations, ordinances, and codes, and any judicial or administrative interpretation thereof or requirement thereunder, including any judicial or administrative order, by any government agency, relating to the regulation or protection of human health, safety, the environment and natural resources, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.); the Clean Air Act (42 U.S.C. § 7401 et seq.); the Clean Water Act (33 U.S.C. § 1251 et seq.); the Safe Drinking Water Act (42 U.S.C. § 300f et seq.); the Solid Waste Disposal Act (42 U.S.C. § 6901 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.); the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.); the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.); the Emergency Planning and Community Right-To-Know Act (42 U.S.C. § 11001 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. § 136 et seq.); and any similar or comparable state or local laws (including the California Land Reuse and Revitalization Act of 2004), as such laws are in effect as of the date of this Agreement or as subsequently amended.

c. **Existing Environmental Condition.** “Existing Environmental Condition” means Hazardous Substances present at, on and under the Property as of the date of this Agreement as referenced in the Phase I Environmental Site Assessment, prepared by Brusca Associates, Inc. and dated February 3, 2025, the Phase II Environmental Site Assessment prepared by Tetra Tech, Inc. and dated September 5, 2024. Existing Environmental Condition shall also include Hazardous Substances encountered during grading and other earth moving activities in connection with construction of the Project, and in accordance with a permit issued pursuant to Rancho Cordova Municipal Code Chapter 16.44. The City and CVRWQCB shall be promptly notified of any Hazardous Substances encountered during grading and other earth moving activities in connection with construction of the Project, and appropriate action shall be taken by the Parties in accordance with Environmental Laws.

d. **Hazardous Substances.** “Hazardous Substances” means (a) any chemical, compound, material, mixture or substance that is now or hereafter defined or listed in, or otherwise classified pursuant to, any Environmental Laws as a “hazardous substance,” “hazardous material,” “hazardous waste,” “extremely hazardous waste,” “toxic substance,” “pollutant,” or “contaminant,” as well as any formulation not mentioned herein intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity or toxicity; (b) petroleum and petroleum products, natural gas, natural gas liquids, and mixtures thereof and products related thereto; (c) per- and polyfluoroalkyl substances (PFAS) and (d) any other chemical, material or substance that, because of its quantity, concentration or physical or chemical characteristics, exposure to which is limited or regulated for health and safety reasons by any government agency.

8.2 Environmental Indemnification.

a. **Mercy Indemnification.** The term “**Claims**” shall mean any and all claims, liabilities, and costs. City hereby agrees to indemnify, defend and hold Mercy Housing, its affiliates, and lenders (collectively, “**Mercy Parties**”), harmless from any and all Claims resulting from the Existing Environmental Condition of the Property (“**Hazardous Material Claims**”) for the term of the Affordable Housing Agreement. Any defense of any or all of the Mercy Parties required by this Section shall be at City’s sole cost and expense and by counsel selected by the City, subject to the reasonable approval of the indemnified person, which counsel may also represent City in such investigation, action or proceeding. If any of the Mercy Parties being indemnified determines reasonably and in good faith that its defense by City is likely to cause a conflict of interest, such indemnified person may elect to conduct its own defense through counsel of its own choosing, subject to the reasonable approval of City, and at the expense of City. Notwithstanding the following or anything to the contrary set forth in this Agreement, Mercy is not released from any liability to City for fraud or breach of any covenant, obligation, representation or warranty, or any other term, set forth in this Agreement, or from any Hazardous Substances created on the Property after the Close of Escrow.

b. **Mercy Duty to Follow CVRWQCD Approved Mitigation Approach.** Mercy is solely responsible for complying with all “Post-Closing Mitigation Measures” described in CVRWQCB’s letter titled “REVIEW OF CONCEPTUAL MITIGATION APPROACH, MATHER VETERANS VILLAGE 4 PROPERTY, SCHIRRA AVENUE AND BLECKELY STREET, RANCHO CORDOVA, SACRAMENTO COUNTY”, attached to this Agreement and incorporated herein as Exhibit B, including such updated, revised, supplemented or amended Post-Closing Mitigation Measures required by CVRWQCD in the future. City has agreed to pay for costs of implementation of Post-Closing Mitigation Measures out of its American Rescue Plan Act (ARPA) funding commitment to the Project as evidenced by the Parties’ existing ARPA Agreement, including all ancillary expenses reasonably related to such implementation.

Notwithstanding the foregoing, Mercy shall take all commercially reasonable precautions to prevent the release of any Hazardous Substances into the environment in violation of Environmental Laws, but such precautions shall not prohibit the use of substances of kinds and in amounts ordinarily and customarily used or stored in similar properties for the purposes of cleaning or other maintenance or operations and otherwise in compliance with all Environmental Laws. Such precautions shall include compliance with all Environmental Laws with respect to Hazardous Substances.

e. **Mercy Responsibilities for Cleanup Costs and Default.** Mercy shall be fully and completely liable for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any governmental authority, including but not limited to CVRWQCD, or third party, with respect to Mercy’s use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Property arising after the Close of Escrow.

c. **Mercy’s Release for Post-Closing Mitigation Measures Effective upon the Close of Escrow.** Mercy waives releases, remises, acquits and forever discharges City, and its officers, directors, legislative body members, managers, employees and

agents, and any other person acting on behalf of City, from any and all Claims arising from or in connection with Mercy's implementation of or failure to implement CVRWQCD's Post-Closing Mitigation Measures, and Mercy's failure to comply with Environmental Laws and commercially reasonable precautions pertaining to Hazardous Substances.

8.3 Environmental Review. This Agreement is not intended to limit in any manner the discretion of City or other agency, as applicable, in connection with the issuance of approvals and entitlements for the Property, including, without limitation, the undertaking and completion of any required environmental review pursuant to the California Environmental Quality Act ("CEQA") and the National Environmental Policy Act ("NEPA"), as applicable, and the review and approval of plans and specifications relating to the Property. Prior to approval of any Project Approval for the Property, City, acting as lead agency or co-lead agency, shall complete any environmental review required under CEQA or NEPA.

9. REMEDIES In the event of a breach or default under this Agreement by either Party, if such breach or default occurs prior to Close of Escrow, the Parties may (a) seek specific performance, or (b) to do any of the following: (i) to waive the breach or default and proceed to close as provided herein; (ii) to extend the time for performance and the Closing Date until breaching Party is able to perform provided, however, that the Close of Escrow shall not be extended to a date later than one hundred eighty (180) days after Closing Date; or (iii) to terminate this Agreement upon written notice to breaching Party, and except for the rights and obligations expressly provided to survive termination of this Agreement, no Party shall have any further obligations or liabilities hereunder. IN NO EVENT SHALL ANY PARTY BE ENTITLED TO DAMAGES, LOST PROFITS OR CONSEQUENTIAL DAMAGES AS A RESULT OF THE OTHER PARTY'S BREACH OF THIS AGREEMENT.

Buyer's Initials

City's Initials

10. BROKERS. City represents that no real estate broker has been retained by City in the sale of the Property or negotiation of this Agreement. City is not responsible for any broker fees related to the sale of the Property. Buyer shall indemnify, hold harmless and defend City from any and all claims, actions and liability from any commission, finder's fee, or similar charges arising out of Buyer purchase of the Property.

11. ASSIGNMENT. Absent an express signed written agreement between the Parties to the contrary, Buyer may not assign its rights or delegate its duties under this Agreement without the express written consent of the City, which consent may be withheld for any reason. No permitted assignment of any of the rights or obligations under this Agreement shall result in a novation or in any other way release the assignor from its obligations under this Agreement.

12. MISCELLANEOUS.

12.1 Attorneys' Fees. If any Party employs counsel to enforce or interpret this Agreement, including the commencement of any legal proceeding whatsoever (including insolvency, bankruptcy, arbitration, mediation, declaratory relief or other litigation), the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs (including the service of process, filing fees, court and court reporter costs, investigative fees, expert witness fees, and the costs of any bonds, whether taxable or not) and shall include the right to recover such fees and costs incurred in any appeal or efforts to collect or otherwise enforce any judgment in its favor in addition to any other remedy it may obtain or be awarded. Any judgment or final order issued in any legal proceeding shall include reimbursement for all such attorneys' fees and costs. In any legal proceeding, the "prevailing party" shall mean the party determined by the court to most nearly prevail and not necessarily the party in whose favor a judgment is rendered.

12.2 Interpretation. This Agreement has been negotiated at arm's length and each Party has had the opportunity to have this Agreement reviewed and revised by counsel. Accordingly, each Party hereby waives any benefit under any rule of law (including Section 1654 of the California Civil Code) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party drafting it.

12.3 Survival. All indemnities, covenants, representations and warranties contained in this Agreement shall survive Close of Escrow.

12.4 Successors. Except as provided to the contrary in this Agreement, this Agreement shall be binding on and inure to the benefit of the Parties and their successors and assigns.

12.5 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

12.6 Integrated Agreement; Modifications. This Agreement, along with the City-Mercy Agreements, contains all the agreements of the Parties concerning the subject hereof any cannot be amended or modified except by a written instrument executed and delivered by the parties. There are no representations, agreements, arrangements or understandings, either oral or written, between or among the parties hereto relating to the subject matter of this Agreement and City-Mercy Agreements, that are not fully expressed. In addition, there are no representations, agreements, arrangements or understandings, either oral or written, between or among the Parties upon which any party is relying upon in entering this Agreement that are not fully expressed herein.

12.7 Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, any such provision shall not be affected by the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of this Section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision this is in keeping with the intent of the Parties as expressed herein.

12.8 Notices. Any delivery of this Agreement, notice, modification of this Agreement, collateral or additional agreement, demand, disclosure, request, consent, approval, waiver, declaration or other communication that either Party desires or is required to give to the other Party or any other person shall be in writing. Any such communication may be served personally, or by nationally recognized overnight delivery service (i.e., Federal Express) which provides a receipt of delivery, or sent by prepaid, first class mail, return receipt requested to the Party's address as set forth below:

To Buyer: Mercy Housing California
2512 River Plaza Drive, Suite 200
Sacramento, CA 95833
Attention: Richard C. Ciraulo

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

To Escrow Holder:
[NAME]
[ADDRESS]
Attention:

12.9 Any such communication shall be deemed effective upon personal deliver or on the date of first refusal to accept delivery as reflected on the receipt of delivery or return receipt, as applicable. Any Party may change its address by notice to the other Party. Each Party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this section and that any person to be given notice actually receives such notice.

12.10 Time. Time is of the essence to the performance of each and every obligation under this Agreement.

12.11 Days of Week. If any date for exercise of any right, giving of any notice, or performance of any provision of this Agreement falls on a Saturday, Sunday or holiday, the time for performance will be extended to 5:00 p.m. on the next business day.

12.12 Reasonable Consent and Approval. Except as otherwise provided in this Agreement, whenever a party is required or permitted to give its consent or approval under this Agreement, such consent or approval shall not be unreasonably withheld or delayed. If a party is required or permitted to give its consent or approval in its sole and absolute discretion or if such consent or approval may be unreasonably withheld, such consent or approval may be unreasonably withheld but shall not be unreasonably delayed.

12.13 Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as

may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

12.14 Waivers. Any waiver by any party shall be in writing and shall not be construed as a continuing waiver. No waiver will be implied from any delay or failure to take action on account of any default by any party. Consent by any party to any act or omission by another party shall not be construed to be a consent to any other subsequent act or omission or to waive the requirement for consent to be obtained in any future or other instance.

12.15 Signatures/Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any one of such completely executed counterparts shall be sufficient proof of this Agreement.

12.16 Date and Delivery of Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Parties intend that this Agreement shall be deemed effective, and delivered for all purposes under this Agreement, and for the calculation of any statutory time periods based on the date an agreement between parties is effective, executed, or delivered, as of the Effective Date.

12.17 Representation on Authority of Parties. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each Party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such Party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such Party and enforceable in accordance with its terms.

SIGNATURES ON FOLLOWING PAGE

ITEM 16.2.

ATTACHMENT 3

IN WITNESS WHEREOF, this Agreement is executed to be effective as of the date first set forth above.

CITY:

City of Rancho Cordova

By:

Micah Runner, City Manager

Attest:

Stacy Leitner, CMC, City Clerk

Reviewed as to Form:

Adam U. Lindgren, City Attorney

BUYER:

Mercy Housing California 122 LLC,
a California limited liability company

By:

Mercy Housing California,
a California nonprofit public benefit
corporation,
its sole member/manager

By:

Richard C. Ciraulo,
Vice President

EXHIBIT A

EXHIBIT B

ITEM 16.2.

ATTACHEMENT 4

**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

Space above this line for Recorder's use.

AFFORDABLE HOUSING AGREEMENT

by and between

THE CITY OF RANCHO CORDOVA

and

MERCY HOUSING CALIFORNIA 122 LLC

Date _____, 2026

ITEM 16.2.

ATTACHEMENT 4

THIS AFFORDABLE HOUSING AGREEMENT (this “**Agreement**”) is entered into effective as of _____, 2026 (the “**Effective Date**”) by and between the City of Rancho Cordova, a California municipal corporation (“**City**”) and Mercy Housing California 122 LLC, a California limited liability company (the “**Owner**”). City and Owner are hereinafter collectively referred to as the “**Parties**.”

RECITALS

A. The City and the Owner have entered into that certain Purchase and Sale Agreement dated _____, 2026 (the “**Conveyance Agreement**”), pursuant to which the City has agreed to convey an approximately 2 acre portion of Assessor Parcel Number 067-0010-114-0000, as more particularly described in Exhibit A attached hereto (the “**Property**”) which is the subject of this **Agreement**.

B. Conveyance of the Property to the Owner is subject to the Owner entering into an Affordable Housing Agreement with the City, pursuant to which the Owner will agree to construct seventy (70) rental of housing units for homeless and/or disabled veteran households and homeless families (the “**Project**”) on the Property, pursuant to the proposal provided to the City on September 9, 2022 in response to the City’s request for proposals for affordable housing targeted to veterans.

C. The Parties have agreed to enter into and record this Agreement in order to satisfy the conditions described in the foregoing Recitals.

D. The Parties intend the covenants set forth in this Agreement to run with the land and to be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

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

1. Definitions. The following terms shall have the meanings set forth below whenever such terms are used in this Agreement and the Exhibits attached hereto. Additional terms are defined in the Recitals and text of this Agreement.

1.1 “**Affordable Rent**” shall have the meaning ascribed to such term in California Health and Safety Code Section 50053 or successor provision and the regulations promulgated pursuant thereto. Pursuant to the foregoing, as of the Effective Date, Affordable Rent means the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.

Pursuant to California Health and Safety Code Section 50053(d) and 50052.5(h), the phrase “adjusted for household size appropriate to the unit” shall mean a household

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of one person for a studio unit, two persons for a one-bedroom unit, three persons for a two-bedroom unit, four persons for a three-bedroom unit, and five persons for a four bedroom unit.

1.2 **“Area Median Income”** or **“AMI”** means the area median income for Sacramento County, California, adjusted for household size, published periodically by the California Department of Housing and Community Development (**“HCD”**) in Section 6932 of Title 25 of the California Code of Regulations or successor provision published pursuant to California Health and Safety Code Section 50093(c). If HCD ceases to make such determination, Area Median Income shall be the median income applicable to Sacramento County, with adjustments for household size, as determined from time to time by the U.S. Department of Housing and Urban Development (**“HUD”**) pursuant to the United States Housing Act of 1937 as amended, or such other method of median income calculation applicable to the City of Rancho Cordova that HUD may hereafter adopt in connection with such Act.

1.3 **“Eligible Tenant”** means a prospective tenant of a Restricted Unit who has been approved by the City or its designee and who satisfies all of the following requirements:

(a) Gross income for the prospective tenant’s household does not exceed Very Low-Income, and has not exceeded such amount for the full calendar year immediately preceding the date of lease of the Restricted Unit.

(b) The prospective tenant certifies that he or she intends to occupy the Restricted Unit as his or her principal residence.

(c) At least one of the prospective tenants in a household is a disabled and/or homeless veteran, or the household is a homeless family.

1.4 **“Restricted Unit”** means a dwelling unit that is reserved for occupancy at an Affordable Rent by an Eligible Tenant.

1.5 **“Unrestricted Unit”** means one (1) manager’s unit that will not be restricted to the tenant and affordability restrictions in this Agreement.

1.6 **“Very Low-Income”** means an annual gross income that is not greater than fifty percent (50%) of Area Median Income, adjusted for household size, and as the determination for what qualifies as gross income may be adjusted to be consistent with HCD and U.S. Veterans Administration programs applicable to the Project.

1.7 **“Veteran”** means any individual who served honorably on active duty in a branch of the armed services of the United States Armed Forces, and as may be adjusted to be consistent with HCD and U.S. Veterans Administration programs applicable to the Project.

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2. Covenant to Construct Housing for Eligible Tenants.

2.1 Owner hereby covenants to construct or cause to be constructed sixty nine (69) Restricted Units for Very Low-Income households on the Property for Eligible Tenants, and one (1) Unrestricted Unit, as defined in this Agreement. The Owner will restrict the occupancy of Restricted Units for a term of fifty-five (55) years from the date the Project receives a certificate of occupancy (the “**Term**”). Notwithstanding anything to the contrary contained herein, as of the date hereof, the Project is intended to have the benefit of a contract with respect to project based rental assistance. If at any time during the term of this Agreement, the Project’s rental subsidies are reduced, not renewed, or terminated, then the rent and income restriction levels set forth herein for all Restricted Units may be adjusted upward by the Property owner as allowed by and in accordance with California Tax Credit Allocation Committee (CTCAC) California Code of Regulations, Title 4, Section 10337, et seq. (the “Regulations”). If the Project’s rental subsidies are reduced, not renewed, or terminated, Property Owner shall comply with the procedures set forth in Regulations Section 10337(a)(3)(A)-(B).

2.2 Owner shall market the Restricted Units in the Project to Eligible Tenants in compliance with all applicable fair housing laws. Owner shall approve Eligible Tenants. Owner shall provide to the City proof that prospective tenants of the Restricted Units qualify as Eligible Tenants at such time as City may reasonably require, including upon full occupancy of the Project.

2.3 In the event that a Restricted Unit has been vacant for more than thirty (30) days, and prior to that time the Owner has not received a rental application from a homeless family or homeless and/or disabled Veteran household that is otherwise an Eligible Tenant, then the Owner, with the City’s prior written authorization may rent the vacant Restricted Unit to a prospective tenant that is a veteran household that satisfies subsections (a) and (b) of Section 1.3, but that does not satisfy subsection (c) of Section 1.3.

3. Compliance Monitoring. Owner shall annually monitor the annual gross income of the Eligible Tenants that occupy the Project in order to ensure that only Eligible Tenants (except as otherwise provided in Section 2.3) occupy Restricted Units. the City shall monitor Owner’s compliance with this Section, and accordingly, Owner shall provide to the City, at such time as City may reasonably require, including upon full occupancy of the Project, proof that tenants that occupy the Project qualify as Eligible Tenants.

4. Maintenance of Property. Owner shall maintain the improvements and landscaping, or shall ensure that such improvements and landscaping are maintained, on the Property in accordance with the Rancho Cordova Municipal Code, and in a manner consistent with community standards so as to maintain the value of the

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Property. Owner shall comply with any and all covenants and agreements established by any Declaration of Covenants, Conditions, and Restrictions affecting the Property, and shall comply with all applicable federal, state and local laws affecting the Property.

5. Limitations on Change in Ownership, Management and Control of Owner.

5.1 Change Pursuant to this Agreement. Owner has represented that it possesses the necessary expertise, skill and ability to carry out the Project. The qualifications, experience, financial capacity and expertise of Owner is of particular concern to the City. It is because of these qualifications, experience, financial capacity and expertise that the City has entered into this Agreement with Owner. No voluntary or involuntary successor, assignee or transferee of Owner shall acquire any rights or powers under this Agreement, except as expressly provided herein.

5.2 Prohibition on Transfer. Prior to the expiration of the term of this Agreement, Owner shall not, except as expressly permitted by this Agreement, directly or indirectly, voluntarily, involuntarily or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment or lease (collectively, “**Transfer**”) of the whole or any part of Owner’s interest in the Property, the Project, or this Agreement, without the prior written approval of City, which approval shall not be unreasonably withheld or delayed. Any such attempt to assign any of these interests without the City’s consent shall be null and void and shall confer no rights or privileges upon the purported assignee. In addition to the foregoing, prior to the expiration of this Agreement, except as expressly permitted by this Agreement, Owner shall not undergo any significant change of ownership without the prior written approval of City. For purposes of this Agreement, a “significant change of ownership” shall mean a transfer of the beneficial interest of more than twenty-five percent (25%) in aggregate of the present ownership and/or control of Owner, taking all transfers into account on a cumulative basis.

5.3 Permitted Transfers. Notwithstanding any contrary provision hereof, the prohibitions set forth in this Section 5 shall not be deemed to prevent the following Transfers: (i) the lease of the residential units consistent with this Agreement; (ii) granting of easements or licenses necessary for the operation of the Project; (iii) a conveyance of the Property resulting from the foreclosure (or deed in lieu of foreclosure) of a deed of trust secured by the Property; or (iv) a Transfer to an entity which is under the direct control or under common control with Owner, or in which Owner or one of its affiliates is the general partner or sole member of the general partner (“**Controlled Affiliate**”).

5.4 Requirements for Proposed Transfers. The City may, in the exercise of its sole discretion, consent to a proposed Transfer of this Agreement if all of the following requirements are met (provided however, the requirements of this Section 5.4 shall not apply to Transfers described in Section 5.3):

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- (i) The proposed transferee demonstrates to the City's satisfaction that it has the qualifications, experience and financial resources necessary and adequate as may be reasonably determined by the City to competently complete and manage the Project and to otherwise fulfill the obligations undertaken by the Owner under this Agreement.
- (ii) The Owner and the proposed transferee shall submit for City review and approval all instruments and other legal documents proposed to effect any Transfer of this Agreement together with such documentation of the proposed transferee's qualifications and capacity as the City may reasonably request.
- (iii) The proposed transferee shall expressly assume all of the rights and obligations of the Owner under this Agreement, all other obligations of Owner related to the Project arising prior to the effective date of the Transfer (unless Owner expressly remains responsible for such obligations) and shall agree to be subject to and assume all of Owner's obligations set forth in this Agreement.
- (iv) The Transfer shall be effectuated pursuant to a written instrument satisfactory to the City.

Consent to any proposed Transfer may be given by the City Manager unless the City Manager, in his or her discretion, refers the matter of approval to the City Council. If the City rejects a proposed Transfer, the City, as applicable, shall provide the reasons for such rejection in writing within thirty (30) days following receipt of written request by Owner, and representatives of the City shall meet with Owner and the proposed transferee to discuss in good faith the reasons for the rejection and Owner's and transferee's responses thereto.

5.5 Effect of Transfer without City Consent.

5.5.1 In the absence of specific written agreement by the City, no Transfer by Owner shall be deemed to relieve the Owner or any other party from any obligation under this Agreement.

5.5.2 Without limiting any other remedy City may have under this Agreement, or under law or equity, this Agreement may be terminated by City if without the prior written approval of the City, Owner assigns or Transfers this Agreement. This Section 5.5.2 shall not apply to Transfers permitted under Section 5.3.

5.6 Recovery of City Costs. Owner shall reimburse City for all costs, including but not limited to attorneys' fees, incurred in reviewing instruments and other legal documents proposed to affect a Transfer under this Agreement and in reviewing the qualifications and financial resources of a proposed successor, assignee, or transferee within ten

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days following City's delivery to Owner of an invoice detailing such costs. This Section 5.6 shall not apply to Transfers permitted under Section 5.3.

6. Enforcement. The City is deemed to be the beneficiary of this Agreement and the covenants herein, both for and in their own right and for the purpose of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants set forth herein have been provided. If any such covenants are breached, and following the expiration of any applicable cure period, the City shall have the right to exercise all rights and remedies at law or in equity, expressly including the remedy of specific performance, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties hereunder are cumulative.

7. Default and Remedies.

7.1 Events of Default. The occurrence of any one or more of the following events shall constitute an event of default hereunder ("**Event of Default**"):

(a) Except as otherwise provided in Section 2.3, Owner's failure to ensure that the Project is occupied by Eligible Tenants.

(b) Subject to Owner's right to contest the following charges, Owner's failure to pay taxes or assessments due on the Property or the Project or failure to pay any other charge that may result in a lien on the Property or the Project, and Owner's failure to cure such default within ten (10) business days of receiving notice of default.

(c) Owner's default in the performance of any term, provision or covenant under this Agreement, and unless such provision specifies a shorter cure period for such default, the continuation of such default for ten (10) business days in the event of a monetary default or thirty (30) days in the event of a non-monetary default following the date upon which Owner has received written notice of the default by City, or if the nature of any such non-monetary default is such that it cannot be cured within thirty (30) days, Owner's failure to commence to cure the default within thirty (30) days and thereafter prosecute the curing of such default with due diligence and in good faith, but in no event longer than ninety (90) days from receipt of the notice of default, unless otherwise agreed to by the parties.

7.2 Remedies. If following the expiration of the applicable cure period, Owner fails to cure a default or fails to commence to cure and diligently pursue completion of a cure, as applicable, or if a cure is not possible, City may bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking declaratory relief; or exercise any rights and remedies available to City under applicable law or in equity.

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7.3 No Waiver. No failure or delay by the City in the assertion of any of its rights and remedies as to any default shall operate as a waiver of any default or of any such rights or remedies.

7.4 Limitation on Damages. In no event shall damages be awarded against Owner or City upon an event of default or upon termination of this Agreement.

7.5 Non-Liability of Officials, Employees, and Agents. No member, official, officer, director, employee, or agent of the Owner shall be personally liable to City for any obligation created under the terms of this Agreement, except in the case of actual fraud or willful misconduct by such person.

8. Covenants to Run with the Land. Owner hereby subjects the Property to the covenants, conditions and restrictions set forth in this Agreement. The Parties hereby declare their express intent that all such covenants, conditions and restrictions shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title to the Property. All covenants without regard to technical classification or designation shall be binding for the benefit of the Owner and the City, and such covenants shall run in favor of the City for the entire term of this Agreement. Each and every contract, deed or other instrument hereafter executed applicable to or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, conditions and restrictions, regardless of whether such covenants, conditions and restrictions are set forth in such contract, deed or other instrument.

9. Nondiscrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or the Project, or any part thereof, nor shall Owner, or any party or person claiming under or through Owner, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property, or any part thereof.

10. Term. The term of this Agreement shall commence upon the Effective Date, and shall, without regard to technical classification or designation, shall run with the land and be binding on Owner and its successors and assigns for the benefit of the Owner and the City until the expiration of the Term.

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11. Insurance and Indemnity.

11.1 Indemnity. Owner shall indemnify, defend (with counsel approved by City) and hold City, its City Council, officers, directors, employees, agents, and representatives (collectively, the “**Indemnitees**”) harmless from and against all liability, loss, cost, expense (including without limitation attorneys’ fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, judgment, penalty, deficiency, fine, order, and damage (all of the foregoing collectively “**Claims**”) arising directly or indirectly, in whole or in part, as a result of or in connection with Owner’s development, sale or ownership of the Restricted Units and/or the Project, or Owner’s performance or nonperformance under this Agreement. Owner’s indemnification obligations under this Section 11.1 shall not extend to the extent of any Claims resulting solely from the negligence or willful misconduct of any Indemnatee. The provisions of this Section 11.1 shall survive the expiration or earlier termination of this Agreement and the release of the Property or any part thereof from the burdens of this Agreement, as to any Claims accruing prior to the expiration or termination of this Agreement. It is further agreed that City does not and shall not waive any rights against Owner that they may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or the deposit with City by Owner, of any of the insurance policies described in this Agreement.

11.2 Insurance. For so long as Owner maintains an interest in the Property or the Project, Owner shall maintain at Owner’s expense, comprehensive general liability insurance and property damage insurance with such coverage and limits as may be reasonably requested by City from time to time, but in no event less than the sum of Two Million Dollars (\$2,000,000) per occurrence combined single limit. Such policies shall be issued by insurers licensed to issue such policies in California and having a rating of A-VII or better in Best’s Insurance Guide, shall be primary coverage not contributing with and not in excess of any coverage that Owner may carry, and shall name the Indemnitees (defined in Section 11.1) as additional insureds. Upon City request, Owner shall provide City with such proof of insurance as City shall reasonably request.

12. Miscellaneous.

12.1 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered in accordance with this Section. All such notices shall be sent by:

(i) personal delivery, in which case notice shall be deemed delivered upon receipt;

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(ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered two (2) business days after deposit, postage prepaid in the United States mail;

(iii) nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) day after deposit with such courier; or

(iv) facsimile transmission, in which case notice shall be deemed delivered on transmittal, provided that a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a nonbusiness day.

Owner: Mercy Housing California 122 LLC
c/o Mercy Housing California
2512 River Plaza Drive, ste 200
Sacramento, CA 95833
Attention: Rich Ciraulo

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

12.2 Attorneys' Fees. Any party may bring a suit or proceeding to enforce or require performance of the terms of this Agreement, and each party shall be responsible for its own attorney's fees and costs.

12.3 Waivers; Modification. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the waiving party. This Agreement may be amended or modified only by a written instrument executed by the Parties and duly recorded in the Official Records of Sacramento County.

12.4 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

12.5 Captions; Construction. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties acknowledge that this Agreement is the product of negotiation and compromise

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on the part of both Parties, and the Parties agree, that since both Parties have participated in the negotiation and drafting of this Agreement, this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

12.6 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager, or his or her designee, may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council for consideration. Any consent or approval required under this Agreement shall not be unreasonably withheld, delayed, or conditioned.

12.7 Entire Agreement. This Agreement, including Exhibit A attached hereto and incorporated herein by this reference contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements with respect to the subject matter hereof.

12.8 Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Each reference in this Agreement to a specifically named Party shall be deemed to apply to any successor or assign of such Party who has acquired an interest in the Property.

12.9 Due Authorization. Owner hereby represents and warrants that all actions necessary on the part of Owner to authorize the execution of this Agreement and to undertake the actions contemplated hereby have been undertaken and the persons executing this Agreement on behalf of Owner have been duly authorized to do so.

12.10 Parties Not Co-Venturers. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

12.11 Third Party Beneficiary. Owner and City hereto acknowledge and agree that the County of Sacramento ("County") is an intended third-party beneficiary of this Agreement with the right and privilege, but not the obligation, to enforce the provisions of this Agreement. This Agreement shall be enforceable by the County, and its successors and assigns, by all remedies available at law or in equity as set forth in this Agreement. County's failure or delay to exercise any right, remedy or privilege hereunder shall not operate as a waiver of such right, remedy or privilege nor prevent subsequent enforcement thereof.

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12.12 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one instrument.

12.13 Further Assurances. The Parties agree to execute such instruments and to undertake such actions, as may be necessary to effectuate the intent of this Agreement.

12.14 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Sacramento County, California or in the Federal District Court for the Northern District of California.

12.15 Time is of the Essence. In all matters under this Agreement, the Parties agree that time is of the essence.

SIGNATURES ON FOLLOWING PAGE.

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

CITY

CITY OF RANCHO CORDOVA

By: Micah Runner
Its: City Manager

ATTEST:

Stacy Leitner, CMC, City Clerk

APPROVED AS TO FORM:

Adam U. Lindgren, City Attorney

OWNER:

Mercy Housing California 122 LLC,
a California limited liability company

By: Mercy Housing California,
a California nonprofit public benefit corporation,
its sole member/manager

By: _____
Richard C. Ciraulo,
Vice President

SIGNATURES MUST BE NOTARIZED.

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Exhibit A

ALL THAT CERTAIN REAL PROPERTY IN THE CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

A PORTION OF RANCHO DE LOS AMERICANOS FILED IN THE OFFICE OF THE RECORDER OF SACRAMENTO COUNTY, IN BOOK 1 OF MAPS, MAP NO. 2 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF SCHIRRA AVENUE AND BLECKELY STREET AS SHOWN ON THAT CERTAIN RECORD OF SURVEY RECORDED IN BOOK 57 OF SURVEYS, PAGE 20; THENCE ALONG THE CENTERLINE OF SAID SCHIRRA AVENUE NORTH $85^{\circ}26'14''$ EAST 289.97 FEET; THENCE LEAVING SAID CENTERLINE SOUTH $04^{\circ}30'15''$ EAST 348.70 FEET TO A POINT ON THE NORTH LINE OF THAT CERTAIN EASEMENT FOR PUBLIC ROADWAY AND PUBLIC UTILITIES RECORDED IN BOOK 20050527, PAGE 1016 OF OFFICIAL RECORDS; THENCE ALONG THE NORTH LINE OF SAID PUBLIC ROADWAY EASEMENT SOUTH $85^{\circ}31'05''$ WEST 289.92 FEET TO A POINT ON THE CENTERLINE OF BLECKELY STREET; THENCE ALONG THE CENTERLINE OF BLECKELY STREET NORTH $04^{\circ}30'43''$ WEST 348.29 FEET TO THE POINT OF BEGINNING.

**MATHER VETERANS VILLAGE GRANT SUBRECIPIENT AGREEMENT BETWEEN
THE CITY OF RANCHO CORDOVA AND MERCY HOUSING**

This Agreement is entered [DATE] by and between the City of Rancho Cordova, a California municipal corporation, as RECIPIENT (hereinafter referred to as “CITY”), and Mercy Housing California, a California nonprofit public benefit corporation, as SUBRECIPIENT.

RECITALS

This Agreement sets forth the responsibilities of CITY and SUBRECIPIENT in accomplishing the objectives of the United States Department of Housing and Urban Development (“HUD”) Community Project Funding Grant (“CPF”) as set forth in the Consolidated Appropriations Act, 2024 (Public Law 118-42) and the Explanatory Statement for Division L of that Act, which was printed in the Senate section of the Congressional Record on March 5, 2024 (Explanatory Statement) as deemed to be amended by the Further Consolidated Appropriations Act, 2024 (Public Laws 118-47). The CPF program related thereto are referred to from time to time as the “CPF” or “CP FUNDS.”

On August 27, 2024, CITY received a Grant Award Letter (“Award Letter”) from HUD by which HUD proposed to award a grant in the amount of \$1,000,000.00, Grant Number B-24-CP-CA-0100 (the “Grant”), to City for a project entitled Mather Veterans Village 4, (the “Project”), which Award Letter is attached hereto as Exhibit C.

Along with the Award Letter, HUD provided City with a Grant Agreement, which delineates City’s duties as a grant recipient (Exhibit D), and a Community Project Funding Grant Guide (“CPFGG,” Exhibit E). Both the Grant Agreement and CPFGG are incorporated herein by reference.

Pursuant to Article III, Section H of the Grant Agreement, City is authorized by HUD to subaward some or all of the Grant funds to one or more subrecipients, “subject to the subaward requirements under 2 CFR Part 200, including 2 CFR 200.332,” as well as “other requirements provided by [the] Grant Agreement.”

CITY agrees to engage the services of SUBRECIPIENT, and SUBRECIPIENT agrees to perform the services for CITY, for the terms hereinafter described, and subject to the covenants and conditions herein set forth.

1. SUBRECIPIENT Services

SUBRECIPIENT agrees to perform the tasks, obligations, and services set forth in the “Scope of Work” attached to this Agreement as Exhibit A and incorporated herein by reference.

2. Payment for Services

Payments shall be distributed by CITY to SUBRECIPIENT for the services rendered and expenses incurred related to the approved project budget and in accordance with grant guidelines.

3. Availability of Funds/Modifications

CITY’s provision of funding to SUBRECIPIENT pursuant to this Agreement is contingent on the availability of CP FUNDS and continued Federal authorization for CPF PROGRAM activities and is subject to amendment or termination due to lack of funds or authorization. This Agreement is subject to written modification and termination as necessary by CITY in accordance with requirements contained in any future Federal or local legislation, regulations, rules or policies.

4. Obligation of Funds

SUBRECIPIENT shall not commit or spend any project funds (HUD or non-HUD funds) on hard costs or take any choice limiting actions, until all environmental review has been completed and certified by HUD in accordance with HUD’s NEPA-implementing regulations 24 CFR Part 50 or 24 CFR Part 58, and all appropriate federal environmental and historic preservation laws, regulations, and Executive Orders, and CITY has received a written “Release of Funds and Certification.” from HUD, as applicable.

5. Term of Agreement

The term of this Agreement shall retroactively be from **August 13, 2024** to **August 31, 2032**.

6. Period of Performance

SUBRECIPIENT shall not perform any work under this Agreement until (i) SUBRECIPIENT furnishes proof of insurance or self- insurance as required under Section 20 of this Agreement, and (ii) CITY gives SUBRECIPIENT a written, signed and numbered purchase order (which shall serve as an Authorization to obligate funds and incur costs). Notwithstanding the preceding sentence, work performed under this Agreement between August 13, 2024, and SUBRECIPIENT’s furnishing the above proof of insurance or self-insurance and CITY’s giving SUBRECIPIENT the above purchase order shall be reimbursed from the Grant, after such proof of insurance or self- insurance has been furnished. All services required of SUBRECIPIENT under this Agreement shall be completed on or before the end of the term of this Agreement.

7. Designated Representative

- (a) CITY's representative is as follows:

City of Rancho Cordova
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attention: Stefan Heisler

- (b) SUBRECIPIENT's representative, who shall be responsible for job performance, negotiations, contractual matters and coordination with the CITY Representative, is as follows:

Mercy Housing California
2512 River Plaza Drive, Suite 200
Sacramento, CA 95833
Attention: Richard C. Ciraulo

SUBRECIPIENT's professional services shall be actually performed by, or shall be immediately supervised by, SUBRECIPIENT's representative.

8. Compliance

SUBRECIPIENT agrees that it shall have the same obligations to CITY that CITY has undertaken to HUD pursuant to the Grant Agreement, Grant Award Letter, and CPF GG.

SUBRECIPIENT's must comply with all Federal laws and regulations, including, but not limited to, those described in Grant Agreement Articles III, IV, V & VI ("Award-Specific Requirements," "General Federal Requirements," "Drawdown Requirements," and "Program-Specific Reporting Requirements," respectively).

SUBRECIPIENT further agrees to comply with any environmental, procurement, construction, and other guidelines provided by CITY and/or the CPF GG. SUBRECIPIENT must comply with all local code regulations, and SUBRECIPIENT's services must conform to those standards.

As required by Section 30, SUBRECIPIENT shall obtain any permits, licenses and certificates which may be necessary for its performance under this Agreement. Failure to meet established performance goals and standards and/or non-compliance with applicable rules and regulations shall constitute non-compliance with the terms of this Agreement. CITY is entitled to use one or more of the following remedies for non-compliance: temporarily withhold cash payments pending correction of deficiencies by SUBRECIPIENT; disallow all or part of the cost of the activity or action not in compliance; wholly or partly suspend or terminate the current award for SUBRECIPIENT's program; withhold further awards for the program; and/or take other remedies allowed by law.

9. Subcontracts

SUBRECIPIENT shall incorporate the same or substantially equivalent requirements as are contained in this Agreement in all subcontracts which utilize any Grant and/or support the Project covered by this Agreement, to the extent applicable to such subcontracts. When project(s) utilize(s) Grant funds and other funding sources, all such funds shall be subject to Grant requirements, as described in this Agreement, as well as Exhibits C, D and E. SUBRECIPIENT, by entering into any such subcontract for performance of any portion of its Project, is not relieved of its responsibilities to CITY as set forth in this Agreement.

10. Non-Discrimination/Grievance Procedures

No person with responsibilities in the operation of any project under this Agreement will discriminate because of race, color, national origin, age, sex, political affiliation, disability, or marital or familial status.

11. Standard of Conduct/Conflict of Interest and Lobbying

No member, officer or employee of SUBRECIPIENT or its designee or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the process thereof, for work to be performed in connection with the program activities assisted under this Agreement.

No member, officer or agent of SUBRECIPIENT shall participate in the selection of the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

No covered persons who exercise or have exercised any functions or responsibilities with respect to Grant-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the Grant-assisted activity, or with respect to proceeds from the Grant-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this Section, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the SUBRECIPIENT, or any designated public agency.

By entering into this Agreement, SUBRECIPIENT certifies:

a) No Federal appropriated funds have been paid or will be paid, by or on behalf of SUBRECIPIENT, to any person for influencing or attempting to influence an

officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, SUBRECIPIENT shall complete and submit Standard Form LL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and other Federal disclosure forms as requested.

c) SUBRECIPIENT shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

12. Fiscal Control

SUBRECIPIENT shall be responsible for the internal control and monitoring of fiscal and programmatic/operational goals and procedures. SUBRECIPIENT shall establish such fiscal controls and fund accounting procedures as required by Federal regulations, or as may be deemed necessary by HUD and CITY to ensure the proper dispersal of, and accounting for, funds paid to SUBRECIPIENT under the Grant Guidelines.

a) Disbursement of Funds: Grant funds shall generally be disbursed by CITY to SUBRECIPIENT within thirty days of receipt of invoice for services rendered or expenses incurred related to the approved project budget.

b) Deposit of Funds: SUBRECIPIENT shall maintain separate accounts within established bookkeeping systems for the deposit of Grant Funds.

c) Payment by CITY is not to be construed as final in the event HUD disallows reimbursement for the project or any portion thereof. Reasonable back-up documentation, as specified by CITY, shall be submitted by SUBRECIPIENT with request for payment.

d) SUBRECIPIENT shall be liable for all amounts which are determined to be due by HUD including, but not limited to, disallowed cost which are the result of SUBRECIPIENT's or its contractor's conduct under this Agreement. SUBRECIPIENT shall be notified in writing and shall be permitted to respond regarding any controversy or proceeding between CITY and HUD arising from this Agreement.

e) All financial transactions must be supported by complete and verifiable source documents. Records shall provide a clear audit trail and shall be maintained as specified in Section 16 of this Agreement.

13. Program Income

Program income requirements are defined in section 2 CFR 200.307 and are described as gross income received by SUBRECIPIENT and directly generated from the use of CPF FUNDS. SUBRECIPIENT has stated they will not collect any program income through the use of Grant Funds.

14. Equipment

Equipment, which shall be defined as tangible, nonexpendable, personal property having a useful life of more than one (1) year and an acquisition cost of \$1,000 or more per unit, is eligible for purchase using Grant Funds only upon prior approval of CITY and subject to all relevant conditions in the Grant Agreement and Federal law. Such equipment shall be used by SUBRECIPIENT in the project for which it was acquired as long as needed, regardless of whether such project continues to be supported by Federal funds; at the time, equipment may be used in other activities currently or previously supported by a Federal agency. Use of such equipment is also subject to provisions of 2 CFR Part 200.313(c) and (4). SUBRECIPIENT shall also establish procedures for managing equipment, which meet the requirements of 2 CFR Part 200.313(d). Further, proceeds from disposition of such equipment shall be treated as program income as specified in Section 13 and 14 of this Agreement.

15. Records and Reports

SUBRECIPIENT agrees to supply to CITY, on at least a semiannual basis (or more frequently period if so designated in Exhibit A – Scope of Services), any progress reports and/or other documentation as may be required by CITY to audit performance of this Agreement and/or to enable CITY to analyze and evaluate SUBRECIPIENT's program. SUBRECIPIENT shall maintain separate accounting and financial records for each funding (revenue) source in support of the project(s).

a) Expenditure Summary and Payment Request (ESPR). SUBRECIPIENT shall submit ESPR and supporting documents for payment to CITY no later than 15 calendar days after the end of the 6-month reporting period. The first of these reporting periods begins on the first of January. SUBRECIPIENT will be responsible for making any corrections to the ESPR requested by HUD. The Expenditure Summary and Payment Request must be in alignment with the approved project budget (found in Exhibit A, scope of services), and any changes to any line items must be approved by HUD and the CITY.

SUBRECIPIENT is prohibited from making project or budget changes that would conflict with the Applicable Appropriations Act Conditions described in Article III, section D of the Grant Agreement.

b) Progress Reports: Progress reports shall address project status and, if applicable, an explanation of any problems/delays encountered and/or anticipated and measures to be taken to correct such problems; revised milestones including anticipated schedule for project completion; direct benefit statistics; and a summary of expenditures, obligations, program income, and drawdown to date.

c) Completion Report: SUBRECIPIENT shall prepare and submit to CITY a Completion Report within ninety (90) days of project completion. It shall include the following documentation, using templates if available from HUD's Disaster Recovery Grant Reporting (DRGR) system when possible:

- 1) A Certification of Project Completion.
- 2) A Grant Closeout Agreement.
- 3) A final financial report giving the amount and types of project costs charged to the grant (that meet the allowability and allocability Page 8 FY 2024 COMMUNITY PROJECT FUNDING GRANT AGREEMENT NO. B-24-CP-CA-0100 requirements of 2 CFR part 200, subpart E); a certification of the costs; and the amounts and sources of other project funds.
- 4) A final performance report providing a comparison of actual accomplishments with the objectives of the Project, the reasons for slippage if established objectives were not met and additional pertinent information including explanation of significant cost overruns.
- 5) A final property report, if specifically requested by HUD at the time of closeout.

16. Agreement Responsibility for Monitoring and Records

HUD, the Office of the Inspector General (OIG), and the designated representatives of CITY, and other appropriate officials shall have access to all personnel records, management information, and fiscal data of SUBRECIPIENT and any agency or contractor with whom SUBRECIPIENT executes a subcontract necessary to carry out the Project for monitoring purposes. SUBRECIPIENT shall respond in a timely manner to all identified corrective action needs as a result of HUD, CITY, or other monitoring. SUBRECIPIENT shall submit to CITY all required reports and monitoring corrective action plans on a timely basis, as delineated by CITY. Records shall be maintained as follows:

a) SUBRECIPIENT agrees to retain all pertinent records relating to the Grant or the Project, including financial records, until advised by CITY that further retention is unnecessary. Generally, records shall be retained for a period of three (3) years from the end of the fiscal year in which the last project covered by CITY's annual agreement with HUD is completed. Records shall be open and available for inspection by auditors and/or other staff assigned by HUD and/or CITY during the normal business hours of

SUBRECIPIENT. If at the end of such four (4) year period (fiscal year plus three years), there is ongoing litigation, claims, negotiations, audit or other action involving SUBRECIPIENT's or CITY's records, which has started before expiration of the four (4) year period, SUBRECIPIENT will retain the records until the completion of the action and resolution of all issues which arise from it as stated in 2 CFR Part 200.334.

b) Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, SUBRECIPIENT must provide citizens with reasonable access to records on the past use of Grant funds.

c) Records for nonexpendable property shall be retained for a period of five (5) years after final disposition of the property, if applicable.

17. Inspection Rights

SUBRECIPIENT agrees to allow CITY to inspect the physical premises of any project(s) upon 24-hour advance notice.

18. Request for Technical Assistance

SUBRECIPIENT shall refer to the HUD grant officer, Njeri Santana-Carter/ Njeri.A.Santana@hud.gov, any regulatory or procedural questions regarding operation of its CPF PROGRAM and keep the designated CITY representatives informed of all communication. All formal requests for technical assistance to the CITY shall be submitted in writing. Requests should specify the problem area, particular assistance being requested and proposed solution if applicable. Informal questions regarding day-to-day program operation may be directed to the designated CITY representative.

19. Insurance

Prior to commencing performance of the services required by this Agreement, and at all other times this Agreement remains in effect, SUBRECIPIENT shall procure and maintain in full force and effect all of the insurance or self-insurance required by Exhibit B attached hereto and by this reference incorporated herein.

20. Hold Harmless

SUBRECIPIENT shall hold CITY and CITY's officers, employees, agents and volunteers harmless and free from any and all claims, liabilities or expenses, including attorney's fees, arising out of or relating to any negligent act, negligent omission, or other wrongful conduct related in any way to SUBRECIPIENT'S performance of its services pursuant to this Agreement. In the event CITY and/or any of CITY's officers, employees, agents or volunteers are named in any lawsuit, or should any claim be made against it or any of them by lawsuit or otherwise arising out of or relating to such negligent act, negligent omission or other wrongful conduct, SUBRECIPIENT shall indemnify them for any judgment rendered against them, any sums paid out in settlement or otherwise, and all costs incurred by them in their defense, including, but not limited to attorney's fees.

SUBRECIPIENT also understands and agrees that it is being employed to perform the services provided for by this Agreement because of SUBRECIPIENT'S professed expertise and experience in performing the services provided for under this Agreement. In addition, SUBRECIPIENT understands and agrees that while CITY and CITY's officers, employees, agents and volunteers, may elect to do so, they have no duty to review, inspect, or supervise the work performed by SUBRECIPIENT pursuant to this Agreement. Therefore, SUBRECIPIENT waives any right of contribution or indemnity against CITY or any of CITY's officers, employees, agents and volunteers arising out of such failure to inspect, review, monitor or supervise the work performed by SUBRECIPIENT pursuant to this Agreement.

21. Covenants and Conditions

Each term and each provision of this Agreement to be performed by SUBRECIPIENT shall be construed to be both a covenant and a condition.

22. Termination

a) Termination of Agreement for Convenience: This Agreement may be terminated by either party after thirty (30) days written notice of intention to terminate, setting forth the reasons and the effective date of such termination, provided, however, that no notice of termination given by SUBRECIPIENT shall be effective unless HUD has agreed to release CITY from its obligations pursuant to the Program Activity(ies). Alternatively, this Agreement will automatically terminate if the United States Government terminates the Grant or terminates the Program Activity(ies) which is/are the subject of this Agreement.

b) Termination of Agreement for Cause: The parties understand that pursuant to CITY's execution of the HUD application, CITY assumed responsibility for the performance of the projects. If for any reason SUBRECIPIENT fails to fulfill in a timely and proper manner its obligations under this Agreement to undertake, conduct or perform the project(s) identified in this Agreement, or if SUBRECIPIENT violates any of the covenants, agreements, or stipulations of this Agreement, CITY shall have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof at least (5) days before the effective date of such termination. Notwithstanding the above, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any payments to SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due CITY from SUBRECIPIENT is determined.

SUBRECIPIENT hereby expressly waives any and all claims for damages for compensation arising under this Agreement except as set forth in this Section 22 in the event of such termination.

23. Effect of Termination

Upon termination, as stated in Section 3 or 22 of this Agreement, CITY shall be liable to SUBRECIPIENT only for work done by SUBRECIPIENT up to and including the

date of termination of this Agreement, unless the termination is for cause, in which event SUBRECIPIENT need be compensated only to the extent required by law.

24. Taxpayer Identification Number

SUBRECIPIENT shall provide CITY with a complete Request for Taxpayer Identification Number and Certification, Form W-9, as issued by the Internal Revenue Service.

25. Modification of Agreement

This Agreement may be modified only upon mutual written consent of CITY and SUBRECIPIENT.

26. Use of the term "CITY"

Reference to "CITY" in this Agreement includes CITY Manager, the designated CITY representative, or any authorized representative acting on behalf of CITY, except that any such individual shall not be held individually responsible for any duty or liability accruing to CITY due to this Agreement.

27. Notices

All notices given, or required to be given, pursuant to this Agreement shall be in writing and may be given by personal delivery or by U.S. mail. Notice sent by mail shall be addressed to each party's designated representative as set forth above. When addressed in accordance with Section 7, such notice shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this Section.

28. Permits and Licenses

SUBRECIPIENT, at its sole expense, shall obtain and maintain during the term of this Agreement, all appropriate permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

29. Waiver

A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement whether of the same or different character.

30. Governing Law

The terms of this Agreement shall be interpreted according to the laws of the State of California. Should litigation occur, venue shall be in the Superior Court of Sacramento County.

31. Specific Conditions

SUBRECIPIENT agrees to the following specific conditions: **NONE**

32. Assignment

SUBRECIPIENT shall not assign its benefits and/or burdens under this Agreement without the express written approval of CITY, and any attempt by SUBRECIPIENT to assign those benefits or burdens without such written approval shall be null and void.

33. Integrated Agreement

This Agreement represents the entire Agreement between CITY and SUBRECIPIENT with respect to the subject matter set forth herein, and all preliminary negotiations and agreements are deemed a part of this Agreement. No verbal agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

34. Counterparts

This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the counterpart(s) executed by the party or parties seeking enforcement thereof.

35. Authority to Execute

The person or person executing this Agreement on behalf of any party warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their party and has/have the authority to bind their party to the performance of its obligations hereunder.

In Witness Whereof, the parties have signed this Agreement on the dates set forth below.

SIGNATURES ON FOLLOWING PAGE

SUBRECIPIENT:

Mercy Housing California, a California nonprofit public benefit corporation

By:

By: _____

Name:

Its:

CITY:

CITY OF RANCHO CORDOVA,
a California municipal corporation

By: _____ Micah Runner, City Manager

ATTEST:

By: _____ Stacy Leitner, CMC, City Clerk

APPROVED AS TO FORM:

By: _____ Adam U. Lindgren, City Attorney

Attachments:

Exhibit A - Scope of Work
Exhibit B - Insurance Requirements
Exhibit C – Grant Award Letter
Exhibit D – Grant Agreement
Exhibit E – CPF Grant Guide

**EXHIBIT A
SCOPE OF WORK**

Scope of Work

The proposed project would construct a total of 70 units comprised of 58 one-bedroom units and 12 two-bedroom units. One unit would be reserved for the onsite manager, and 69 units would provide permanent supportive housing VASH-supported units for senior veterans aged 55+ experiencing homelessness. All units would include closets in the bedrooms, central air conditioning and heating, and kitchens equipped with a refrigerator, stove and hood, sink, cabinets, dishwasher, and garbage disposal. Communal laundry facilities are centrally located within the residential building. Landscaping would feature drought tolerant plants and emphasize tree-shading of open space areas. Mechanical equipment and HVAC units will be screened with either planting or fencing. The proposed project is on the former Mather Air Force Base directly south of the existing Mather Veterans Village Phase 1 and 3. The project would be constructed complimentary to the existing Phases 1 and 3 design directly across Schirra Ave. This includes constructing a 3,500 square foot community building which will house staff office spaces, a community kitchen and a large multipurpose space. Outdoor amenities would feature a large open courtyard and shared patio.

The CPF Grant funding will be used for hard construction costs including, but not limited to the following: site prep, grading, underground utilities, foundations & underground mechanical, electric, plumbing, slab on grade, exterior framing, roofing, doors, windows, interior framing, rough mechanical, electrical, plumbing & fire, drywall, painting, grading, trenching and footings for parking lot, sidewalks, site lighting, shade structures and irrigation, finished paving and sidewalks, finished landscaping, site lighting and irrigation, building finishes, interior casework.

FY 2024 COMMUNITY PROJECT FUNDING
GRANT AGREEMENT NO. B-24-CP-CA-0100

APPROVED BUDGET

SF424 – ESTIMATED FUNDING

Funding Name	Amount
Federal Estimated Funding	\$1,000,000.00
Applicant Estimated Funding	\$2,540,000.00
State Estimated Funding	\$31,967,000.00
Local Estimated Funding	\$1,959,990.00
Other Estimated Funding	\$5,000,000.00
Program Income Estimated Funding	\$.00
Total	\$42,466,990.00

CPF – ESTIMATED FUNDING

Funding Source	Estimated Funding
Hard Construction Costs	\$1,000,000.00
Total	\$1,000,000.00

EXHIBIT B**INSURANCE REQUIREMENTS**

Throughout the term of this Agreement, Borrower shall obtain and maintain, at Borrower's expense, the following policies of insurance.

- A. Liability Insurance. Commercial general liability insurance on an "occurrence basis" covering all claims with respect to injury or damage to persons or property occurring on, in or about the Property and the Improvements. The limits of liability under this Paragraph B shall be not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence, with a deductible no greater than Ten Thousand Dollars (\$10,000) or such higher deductible as may be approved by City, which approval shall not be unreasonably withheld.
- B. Worker's Compensation Insurance. Worker's compensation insurance, in the amount required under then applicable state law, covering Borrower's employees, if any, at work on the Predevelopment Work or engaged in services or operations in connection with the Project or the Property. Borrower shall require that any contract entered into by Borrower with regard to work to be undertaken on the Property include a contractual undertaking by the contractor to provide worker's compensation insurance for its employees in compliance with applicable state law.
- C. General Insurance Provisions.
 - 1. All policies of insurance provided for in this Exhibit shall be provided under valid and enforceable policies, in such forms and amounts as hereinbefore specified, issued by insurers licensed to do business in the State of California (or approved to do business in California and listed on the California Department of Insurance list of Eligible Surplus Lines Insurers or successor listing) and having a rating of A-VII or better in Best Insurance Guide or, if Best Insurance Guide is no longer in existence, a comparable rating from a comparable rating service. Borrower shall deliver to City certificates evidencing the insurance required to be carried by Borrower under this Exhibit E. If requested by City, Borrower shall deliver within ten (10) days following such request, certified, complete copies of the insurance policies required hereunder.
 - 2. Each policy of insurance obtained pursuant to this Agreement, other than worker's compensation insurance, shall contain endorsements which provide:
 - a) A waiver by the insurer of the right of subrogation against City for negligence of the City,
 - b) A statement that the insurance shall not be invalidated should any insured waive in writing prior to the loss any or all right of recovery against any party for loss accruing to the property described in the insurance policy, and

- c) A provision that no act or omission of Borrower which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained.
 - d) By endorsements, City, and its elected and appointed officials, officers, employees and agents shall be named as additional insured under the liability insurance required to be maintained by Borrower hereunder. City shall be named as loss payee on the property insurance policies required to be maintained hereunder.
 - 3. Each policy required hereunder shall include a Notice of Cancellation or Change in Coverage Endorsement which shall provide that such policy shall not be cancelled or materially changed without at least thirty (30) days' prior written notice by registered or certified mail to City.
 - 4. All insurance policies shall provide that there shall be no exclusion from coverage for cross liability among the listed insureds.
 - 5. Each policy shall contain an endorsement that provides that the insurance applies separately to each insured that is seeking coverage or against whom a claim is made, except with respect to the limits of liability
 - 6. Each policy shall be written as a primary policy not contributing with and not in excess of coverage that City may carry.
 - 7. Each policy shall expressly provide that City shall not be required to give notice of accidents or claims and that City shall have no liability for premiums.
- D. Blanket Policies. Any insurance provided for in this Exhibit E may be placed by a policy or policies of blanket insurance; provided, however, that such policy or policies provide that the amount of the total insurance allocated to the Property and the Project shall be such as to furnish protection the equivalent of separate policies in the amounts herein required, and provided further that in all other respects any such policy or policies shall comply with the other provisions of this Agreement.
- E. Waiver of Subrogation. To the extent permitted by law and the policies of insurance required to be maintained hereunder, and without affecting such insurance coverage, City and Borrower each waive any right to recover against the other:
- 1. Damages for injury or death of persons,
 - 2. Damage to property,
 - 3. Damage to the Property or the Improvements or any part thereof, or
 - 4. Claims arising by reason of any of the foregoing, to the extent that such damages and/or claims are covered (and only to the extent of such coverage) by insurance actually carried by either City or Borrower.

This provision is intended to restrict each party (as permitted by law) to recover against insurance carriers to the extent of such coverage, and waive fully, and for the benefit of each, any rights and/or claims which might give rise to a right of subrogation in any insurance carrier.

Compliance with Policy Requirements. Borrower shall observe and comply with the requirements of all policies of public liability, fire and other policies of insurance at any time in force, and Borrower shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing shall be willing to write or to continue such insurance.

EXHIBIT C

Award Letter

ITEM 16.2.

ATTACHMENT 5

EXHIBIT D

Grant Agreement



EXHIBIT E

Community Project Funding Grant Guide

MATHER VETERANS VILLAGE PHASE 4

EXECUTION OF AGREEMENTS

PURPOSE OF THIS ACTION

- Authorize a Purchase and Sale Agreement to transfer the MVV Phase 4 site to Mercy Housing
- Authorize an Affordable Housing Agreement restricting the use of the property to very low income homeless and disabled veterans and homeless households
- Authorize a Community Project Fund (CPF) subrecipient agreement to provide \$1,000,000 of CPF funds to the MVV Phase 4 project

MVV PHASE 4 PROJECT OVERVIEW

Key project details:

- 70 units of multifamily apartments
- 58 one-bedroom, 12 two-bedroom
- Homeless and disabled veterans or homeless families
- Senior veterans 62 and older a priority
- 50% Area Median Income



STAFF RECOMMENDATION

Staff recommends adopting the two Resolutions.

Next steps:

- Staff will work with Mercy Housing to execute the agreements
- The project is anticipated to begin construction in late February 2026
- A groundbreaking ceremony is being planned, stay tuned for a save the date!

THANK YOU

QUESTIONS AND COMMENTS



MEMORANDUM



ITEM 16.3.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Anthony Adams
Sacramento Regional Transit Director of Planning
SUBJECT: **HORN ROAD LIGHT RAIL STATION UPDATE AND REQUEST FOR DESIGN INPUT**

RECOMMENDATION

Receive presentation on Horn Road Light Rail Station from Sacramento Regional Transit (SacRT) and provide input.

RESULT OF RECOMMENDED ACTION

SacRT will incorporate input and proceed with final design.

BACKGROUND

Sacramento Regional Transit will present conceptual designs and layouts for the Horn Road Light Rail Station located on Folsom Boulevard near the intersection of Horn Road. The Project recently completed environmental review, has design fully funded, and SacRT is seeking funding to close the funding gap for construction. SacRT is seeking input from Council and the public to ensure the design meets community expectations. If funding is awarded in subsequent grants, the project is expected to begin construction in 2027 and be open for service in 2029.

FISCAL IMPACT AND FUNDING SOURCE

The project does not impact the city's General Fund.

ATTACHMENT(S)

1. Presentation



Horn Road Light Rail Station

January 5th, 2026

ITEM 16.3.

Meeting Objectives

- Share Project Status and Outreach to date with City/Public
- Share Conceptual Design Schemes
- Previous Shelter Scheme Selection by City Council (2016)
- Receive Input on Preferred Alternatives and Amenities



Outreach Summary – November 19th, 2025

Design & Aesthetics

- There was a preference for large shelters (Scheme D1) for shade and rain protection.
- Interest in natural aesthetic enhancements such as plantings/ivy, murals, and integrated artwork.
- Trees and greenery preferred if maintained; xeriscape (low maintenance) as alternative.
- Clock tower only if functional and multi-purpose. Additional costs would be a concern.

Safety & Comfort

- Station must be safe (increased security), clean, well-lit, and convenient.
- Windbreak elements suggested.

Connectivity & Functionality

- Smaller station expected (no park-and-ride); buses will continue with route adjustments.

Community Concerns & Preferences

- Concern of overspending on low-use stations.
- Shade is critical due to summer heat.

General comments regarding light rail stations

- Likes: Glenn Station (bike access), Historic Folsom (community feel), LA Metro (security).
- Dislikes: Some stations are perceived as unsafe or underused.
- Prefer repurposing empty lots for cafés or food trucks.

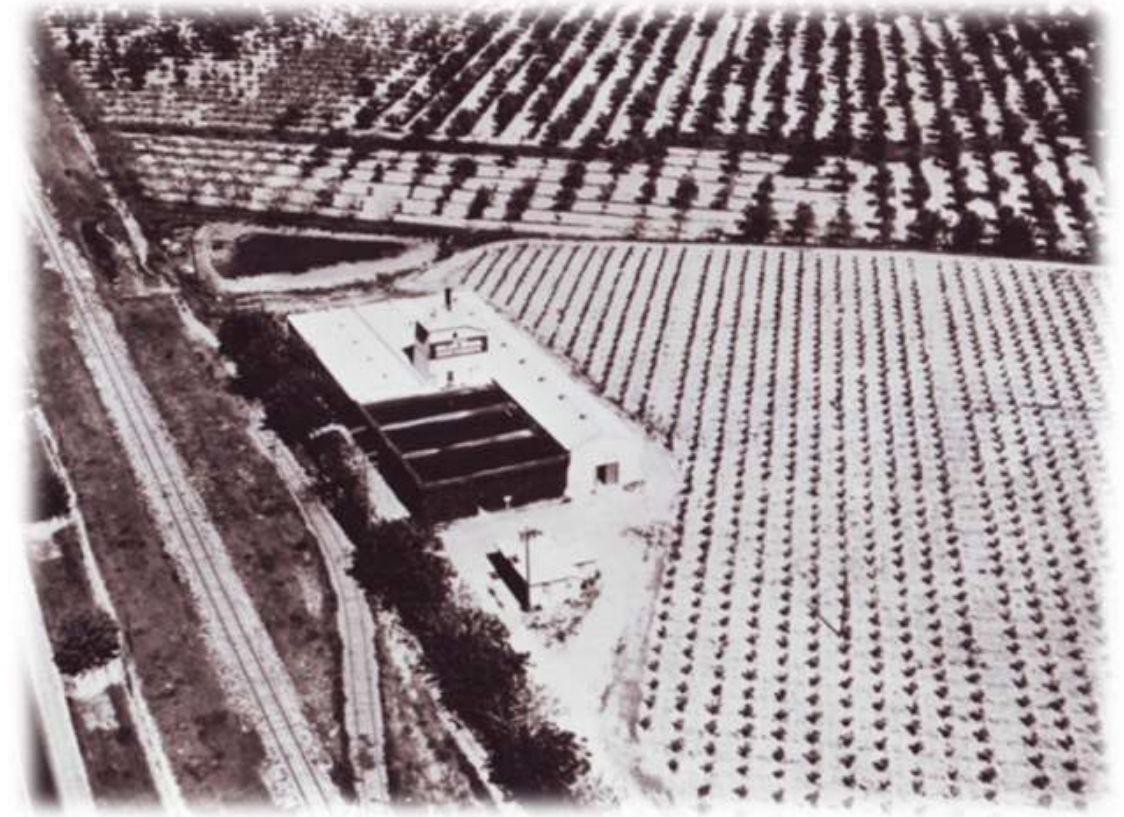
Project Status and Outreach

- Project Status

- 30% Plans
- Environmental Document
- Board Acceptance – Cat Ex 2018
- FTA Approval - Cat Excl 2023
- Final Design - **Now**
- Construction – Partially Funded
 - 2028-2029

- Outreach with City/Public

- West-East Workshop – 1/27/15
- Design Workshop – 2/20/15
- Public Image Workshop – 4/15/15
- Concept Briefing with City/SacRT – 9/18/15
- City Council Meeting – 10/5/15



Site Layout and Design Elements

Site Layout

- Gold Line Extension
- Raised Platform - Low Floor Vehicles
- Bus Stop and Kiss-and-Ride
- City's Complete Streets Project
- Kassis Development

Architectural Design

- Initial Shelter Concepts
- Conceptual Design Schemes C, D, and E



ITEM 16.3.

Station Design Elements



- Raised Platform - Low Floor Vehicles
- Bus Stop and Kiss-and-Ride
- Shelters, Benches, Lockers
- EMS, Smart-Card Reader
- Unique Design
- Landscaping

Site and Context

- Neighborhood overview
- Roadways and streetscape improvements
- Library, Former Winery
- Restaurant, Office Park
- Kiyo's tree
- Existing adjacent stations



ITEM 16.3.

Site and Context



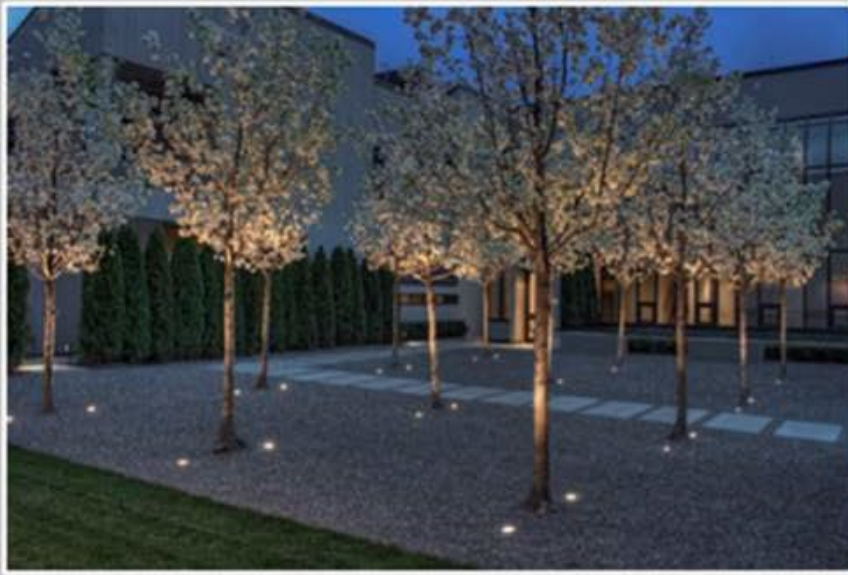
ITEM 16.3.

Integration of Art



- Benches
- Shelters
- Fencing
- Screens/Shade
- Lighting

Integration of Landscaping



- Scale-Transition
- Buffer/Screening
- Shade

- Space Definition
- Sustainable Design

Conceptual Design

Site Context and Scale

- Boulevard Scale
- Economics/Design Strategy



Township 9



larger scale



Broadway Station

Conceptual Design

Site Context and Scale

- Boulevard Scale
- Economics/Design Strategy



smaller scale



Scheme C - Conceptual Site Plan



ITEM 16.3.

Scheme C – Precedent Images

39th Street Station



ITEM 16.3.

Scheme C – Conceptual Design



ITEM 16.3.

Scheme C – Conceptual Design



Scheme C – Conceptual Design



ITEM 16.3.

Scheme C – Conceptual Design



ITEM 16.3.

Scheme D – Conceptual Site Plan



Scheme D – Precedent Images



Township 9 Station

Scheme D – Precedent Images



Broadway Station



Train Shed

ITEM 16.3.

Scheme D – Conceptual Design



ITEM 16.3.

Scheme D – Conceptual Design



Scheme D – Conceptual Design



Scheme D – Conceptual Design



Scheme D1 – Conceptual Design



ITEM 16.3.

Scheme D1 – Conceptual Design



ITEM 16.3.

Scheme E – Conceptual Site Plan



ITEM 16.3.

Scheme E – Conceptual Design



ITEM 16.3.

Scheme E – Conceptual Design



ITEM 16.3.

Scheme E – Conceptual Design



ITEM 16.3.

Scheme E – Conceptual Design



ITEM 16.3.

Comparative Views



Scheme C



Scheme D



Scheme E



Scheme DI

ITEM 16.3.

Comparative Views



Scheme C



Scheme D



Scheme E



Scheme DI

ITEM 16.3.

Comparative Views



Scheme C



Scheme D



Scheme E



Scheme DI



Questions & Answers





MEMORANDUM



ITEM 16.4.

DATE: January 5, 2026
TO: Honorable Mayor and Council Members
FROM: Adam Lindgren, City Attorney
SUBJECT: **A RESOLUTION APPROVING AN INCENTIVE PAYMENT FOR 2025 PERFORMANCE AND A SALARY INCREASE FOR MICAH RUNNER FOR SERVICE AS CITY MANAGER, AND ADJUSTING THE FULL TIME EMPLOYEE SALARY SCHEDULE FOR THE POSITION OF CITY MANAGER**

RECOMMENDATION

Receive oral report summarizing the proposed changes to the City Manager's pay and benefits and adopt the Resolution.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolution would authorize payment of a 5% (\$14,635) performance incentive payment to City Manager Micah Runner based on his 2025 performance, increase his annual salary by \$25,305 to \$318,000 (\$26,500 per month), and update the Full Time Employee Salary Schedule for the position of City Manager to \$26,500 per month.

BACKGROUND

Micah Runner has served as the City Manager for the City of Rancho Cordova since December 2022. The City Council conducted closed sessions to evaluate Mr. Runner's performance, and to receive information and provide direction regarding his salary and benefits package. The City Council determined that the City Manager's overall performance in 2025 was very positive.

Consistent with the terms of the City's employment agreement with the City Manager, the Resolution before the City Council would approve a 5% performance incentive payment (\$14,635) to be paid immediately based on the City Council's conclusion that Mr. Runner received a very positive 2025 performance review and succeeded in achieving the specific objectives previously established by the City Council. The Resolution would also increase the City Manager's base salary by \$25,305 per year from \$292,695 to \$318,000 (\$26,500 per month), and update the Full Time Employee Salary Schedule for the position of City Manager to \$26,500 per month. The new City Manager's salary is 3.3% above the median and 2.1% below the average of the eleven Sacramento regional City Manager comparison group.

Before taking final action, the City Council would orally report a summary of the recommended actions on City Manager pay and benefits during this open session of a regular City Council meeting.

FISCAL IMPACT AND FUNDING SOURCE

The ongoing fiscal impact will be \$25,305 plus the cost of additional CalPERS retirement and insurance benefits in the approximate amount of \$4,625, plus a one-time fiscal impact of \$14,635 for the performance incentive payment. The City Manager's salary and benefits are paid by the city's General Fund.

ATTACHMENT(S)

1. Resolution
2. Exhibit A to the Resolution - City Manager Salary Schedule

CITY OF RANCHO CORDOVA

RESOLUTION NO. XX-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA, STATE OF CALIFORNIA, APPROVING AN INCENTIVE PAYMENT FOR 2025 PERFORMANCE AND A SALARY INCREASE FOR MICAH RUNNER FOR SERVICE AS CITY MANAGER, AND ADJUSTING THE FULL TIME EMPLOYEE SALARY SCHEDULE FOR THE POSITION OF CITY MANAGER

WHEREAS, Micah Runner has served as City Manager for the City of Rancho Cordova since December of 2022; and

WHEREAS, the City Council approved an employment agreement ("Agreement") with Micah Runner ("City Manager") on December 19, 2022; and

WHEREAS, Section II.A.1 of his Agreement allows up to a 5% performance incentive benefit, in addition to his salary; and

WHEREAS, the City Council conducted a performance evaluation of City Manager in closed session at its December 9, 2025 meeting, and reported out of closed session that the City Manager's overall performance in 2025 was a very positive annual review; and

WHEREAS, the City Council met in closed session on December 15, 2025, to conduct labor negotiations related to the City Manager; and

WHEREAS, following the performance review and labor negotiations, the City Council directed that an item be placed on the City Council agenda for the Council to consider awarding the City Manager the maximum performance incentive pay of five percent (5%) available for 2025 based on his performance, as demonstrated by his success in meeting the specific objectives established by the City Council, and increasing Mr. Runner's salary by \$25,305 per year to \$318,000 per year which is \$26,500 per month; and

WHEREAS, this Resolution would adjust the adopted Full Time Employee Salary Schedule most recently approved on June 2, 2025, by Resolution No. 55-2025 to increase the identified City Manager monthly salary from \$24,391 per month to \$26,500 per month.

NOW THEREFORE BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA as follows:

1. City Manager, Micah Runner, shall be awarded a performance incentive for his positive 2025 performance in the amount of \$14,635.

2. Section II.A.1 of the "Employment Agreement with City Manager and City of Rancho Cordova" between the City of Rancho Cordova and Micah Runner entered into on December 19, 2022, is amended, effective January 1, 2026, to state:

"The City Manager shall be paid a monthly salary of Twenty-Six Thousand Five Hundred Dollars which amount is Step E in the Salary Range Table as adopted by Resolution ____ - 2026. This constitutes "Base Salary."

ITEM 16.4.

ATTACHMENT 1

3. The adopted Full Time Employee Salary Schedule most recently approved on June 2, 2025, by Resolution No. 55-2025 is hereby adjusted to increase the identified City Manager monthly salary from \$24,391 per month to \$26,500 per month as identified in Exhibit A hereto.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova this 5th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Garrett Gatewood, Mayor

Stacy Leitner, CMC
City Clerk

ITEM 16.4.

ATTACHMENT 2
Exhibit A to the Resolution

Fiscal Year 2025/2026 (Effective 1/1/2026)																														
Classification	Step A Hourly	Step A Bi- Weekly	Step A Monthly	Step A1 Hourly	Step A1 Bi- Weekly	Step A1 Monthly	Step B Hourly	Step B Bi- Weekly	Step B Monthly	Step B1 Hourly	Step B1 Bi- Weekly	Step B1 Monthly	Step C Hourly	Step C Bi- Weekly	Step C Monthly	Step C1 Hourly	Step C1 Bi- Weekly	Step C1 Monthly	Step D Hourly	Step D Bi- Weekly	Step D Monthly	Step D1 Hourly	Step D1 Bi- Weekly	Step D1 Monthly	Step E Hourly	Step E Bi- Weekly	Step E Monthly	Proposed Annual Salary		
City Manager (1/1/2026 - 12/31/2026)																												negotiated by City Council	\$26,500.00	\$ 318,000.00
Note: In accordance with Resolution #103-2012 and 20-2004, the City Manager is authorized to make title, salary range and classification changes during the fiscal year.																														
Revision Summary																														
Resolution 47-2012; effective 6-1-2012																														
Resolution 103-2012; retroactively made effective 7-1-2011																														
Resolution 63-2013; effective 7-1-2013																														
Resolution 62-2014; retroactively effective 7-1-13																														
Resolution 99-2015; retroactively effective 7-1-15																														
Resolution 87-2017; retroactively effective 7-1-2016																														
Resolution 87-2017; effective 7-1-2017																														
Resolution 144-2018; effective 7-1-2018																														
Resolution 141-2019; effective 7-1-2019																														
Resolution 75-2020; effective 7-1-2020																														
Resolution 80-2021; effective 6-27-2021																														
Resolution 122-2022; effective 6-26-2022																														
Resolution 65-2023; effective 6-25-2023																														
Resolution 119-2024; effective 7-7-2024																														
Resolution 55-2025; effective 6-22-2025																														