



Winters City Council Meeting  
City Council Chambers  
318 First Street  
Tuesday, July 2, 2013

*Members of the City Council*

*Cecilia Aguiar-Curry, Mayor  
Woody Fridae, Mayor Pro-Tempore  
Harold Anderson  
Wade Cowan  
Bruce Guelden*

*John W. Donlevy, Jr., City Manager  
John Wallace, City Attorney  
Nanci Mills, City Clerk*

---

**5:45 p.m. – Executive Session**

**AGENDA**

Safe Harbor for Closed Session – Pursuant to Government Code Section 54954.5  
Pursuant to Government Code Section 54957 – Memorandums of Understanding

---

**6:30 – Regular Meeting**

**AGENDA (pp 1-4)**

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

## COUNCIL/STAFF COMMENTS

### PUBLIC COMMENTS

At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

### CONSENT CALENDAR

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, June 18, 2013 *(pp 5-10)*
- B. Street Closure Request by Winters Chamber of Commerce Requesting Approval of Temporary Street Closure on August 23<sup>rd</sup> for the Earthquake Street Festival, including Main Street from Railroad Avenue to First Street and East Main Street from Railroad Avenue to Elliot Street *(pp 11-13)*
- C. Updated Project Budget Sheet and Amendment No. 1 to Design Services Agreement – Railroad Avenue/Dry Slough Bridge Replacement, Project No. 11-02 *(pp 14-25)*

### DISCUSSION ITEMS

- 1.

SUCCESSOR AGENCY TO THE DISSOLVED WINTERS COMMUNITY  
DEVELOPMENT AGENCY

1. Resolution SA-2013-01, a Resolution of the Successor Agency to the Dissolved Winters Community Development Agency Adopting a Property Management Plan (pp 26-98)
  2. Resolution SA-2013-02, a Resolution of the Successor Agency to the Dissolved Winters Community Development Agency Approving the Real Property Purchase and Sale Agreement and Joint Escrow Instructions by and Between the City of Winters and Cross Development (pp 99-140)
  3. Resolution SA-2013-03, a Resolution of the Successor Agency to the Dissolved Winters Community Development Agency Approving the Real Property Purchase and Sale Agreement and Joint Escrow Instructions by and Between the City of Winters and Yolo Federal Credit Union (pp 141-182)
- 

CITY MANAGER REPORT

INFORMATION ONLY

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the July 2, 2013 regular meeting of the Winters City Council was personally delivered to each Councilmember's mail boxes in City Hall and posted on the outside public bulletin board at City Hall, 318 First Street on June 26, 2013, and made available to the public during normal business hours.

  
\_\_\_\_\_  
Nanci G. Mills, City Clerk

Questions about this agenda – Please call the City Clerk's Office (530) 794-6701. Agendas and staff reports are available on the city web page [www.cityofwinters.org/administrative/admin\\_council.htm](http://www.cityofwinters.org/administrative/admin_council.htm)

*General Notes: Meeting facilities are accessible to persons with disabilities. To arrange aid or services to modify or accommodate persons with disability to participate in a public meeting, contact the City Clerk.*

*Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.*

*Winters City Council Agenda  
Meeting of July 2, 2013*

*The city does not transcribe its proceedings. Anyone who desires a verbatim record of this meeting should arrange for attendance by a court reporter or for other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation.*

*How to obtain City Council Agendas:*

*View on the internet: [www.cityofwinters.org/administrative/admin\\_council.htm](http://www.cityofwinters.org/administrative/admin_council.htm) Any attachments to the agenda that are not available online may be viewed at the City Clerk's Office or locations where the hard copy packet is available.*

*Email Subscription: You may contact the City Clerk's Office to be placed on the list. An agenda summary is printed in the Winters Express newspaper.*

*City Council agenda packets are available for review or copying at the following locations:*

*Winters Library – 708 Railroad Avenue*

*City Hall – Finance Office - 318 First Street*

*During Council meetings – Right side as you enter the Council Chambers*

*City Council meetings are televised live on City of Winters Government Channel 20 (available to those who subscribe to cable television) and replayed following the meeting.*

*Wednesday at 10:00 a.m.*

*Videotapes of City Council meetings are available for review at the Winters Branch of the Yolo County Library.*



Minutes of the Winters City Council Meeting  
Held on June 18, 2013

---

**5:45 p.m. – Executive Session**

Safe Harbor for Closed Session – Pursuant to Government Code Section 54954.5

Pursuant to Government Code Section 54957 - Public Employee Performance  
Evaluation – City Attorney

Mayor Aguiar-Curry said there was nothing to report from Executive Session.

---

**6:30 p.m. – Regular Meeting**

Mayor Cecilia Aguiar-Curry called the meeting to order at 6:30 p.m.

Present: Council Members Harold Anderson, Wade Cowan, Woody Fridae, Bruce  
Guelden and Mayor Cecilia Aguiar-Curry.

Absent: None

Staff: City Manager John Donlevy, City Attorney John Wallace, City Clerk Nanci  
Mills, Fire Chief Aaron McAlister, Fire Division Chief Ron Karlen, Public  
Works Supervisor Eric Lucero, Building Official Gene Ashdown,  
Environmental Services Manager Carol Scianna, Housing Programs  
Manager Dan Maguire, Project Manager Jim Keating, and Management  
Analysts Mary Jo Rodolfa and Tracy Jensen.

Vacaville Vice Mayor and Kaiser Permanente Public Affairs Manager Dilenna Harris led  
the Pledge of Allegiance.

Approval of Agenda: City Manager Donlevy requested that Discussion Item #7,  
Appointment to Planning Commission, be postponed until the July 16<sup>th</sup> City Council  
meeting. Motion by Council Member Fridae, second by Council Member Cowan to  
approve the agenda with this change. Motion carried unanimously.

**COUNCIL/STAFF COMMENTS:** Council Member Anderson toured Travis AFB with other elected officials on 6/7, which was very informative, not to mention a sobering realization, seeing how young our military and reserves are; attended a Yolo County Transportation District Board meeting on 6/10; attended a Yolo-Solano Air Quality Management District meeting in Davis on 6/12, and was appointed to a special committee that has been given a 6-month period to explore ag issues.

Council Member Fridae attended the grand opening of the Burger King/ARCO AM/PM and also attended the tour of Travis AFB, which was an eye-opening experience. Travis is a premier Air Force Base, their hospital is the star of the west coast and is truly amazing. Attended the first Thursday dinner in Sacramento, with a presentation regarding transportation and the levels of service (A through F, with C being the target.) Attended the Yolo County Natural Heritage Program Advisory Board meeting, where an audit was performed for the first time in three years, which was an embarrassment. The new executive director, Petrea Marchand, has helped right the ship and has written grants for millions of dollars for operations, products, and gaining acres for mitigation. They currently have a slight surplus in their budget. A meeting has been scheduled for 8/12 to decide whether to wrap up the program or continue going forward. Council Members Fridae and Guelden also toured a Del Webb development in Lincoln

Council Member Guelden attended the Burger King/ARCO AM/PM grand opening and tour of Travis AFB, which was held on the hottest day of the year. Although the hangars were warm, it was an excellent tour with valuable information. Attended the Habitat Joint Powers Agency Advisory Committee meeting and met with Don Saylor, the chairman of the committee and Chad Roberts, who is from Davis and associated with the Audubon Society, who are in agreement about the Swainson Hawk.

Council Member Cowan attended the Yolo Visitor's Bureau meeting with Mayor Aguiar-Curry and also attended a RAN (Remote Access Network) board meeting on 6/6, where they talked about the distribution of funds throughout the County, including funds for a new live scan machine at the Winters Police Department. They are also working on getting mobile scanners in cars. The RAN board meets only once per year. Attended the ribbon cutting ceremony at Burger King/ARCO AM/PM on 6/7; attended the Chamber mixer on 6/10; attended the car show on 6/11; met with Dan Maguire and four local architects on 6/12 regarding way finder signs; attended the Chamber board meeting on 6/14; the Earthquake Festival is scheduled for 8/23, where Lisa Brant from the PTA is working with the Chamber to plan events for kids; the PTA will co-host the July Chamber mixer at Putah Creek Café; the Visitors Center saw 224 visitors last month and sales are up; the next Agri-Tour is scheduled for 7/17 at Tumber Farms.

Mayor Aguiar-Curry attended a meeting with Capay Valley Vision on 6/4; attended a Local Government Commission meeting on 6/6, where the topics were Protecting our Transportation Investment and Regional view on Long Range Planning; attended a Yolo County Visitors Bureau meeting on 6/6, with a branding presentation by the City of Lodi; attended a SACOG Transportation and Land Use meeting on 6/6, where the final Regional Bicycle and Pedestrian and Trails Master Plan was accepted; attended the

Yolo County WRA Board of Directors meeting on 6/10, where the key speakers were Tim Quinn (ACWA) and David Guy (NCWA) regarding the Water Bond which will be on the 2014 ballot. Also, presentations were given from the WDCWA and the City of Davis Chromium 6 study. Also working with Yocha Dehe to obtain slightly used computers for local groups; attended the Strategic Planning Committee meeting on 6/17; attended a meeting with Supervisors Saylor and Chamberlain on 6/18 regarding an ag tourism/event center in Esparto, which is under scrutiny. This could affect some of our local ag tourism/event farms; also attended the Yolo WRA executive committee meeting on 6/18 for the planning of the Special July 1 meeting to adopt the 2013 Westside IRWMP. All signatories will be signing which includes Yolo County, parts of Solano, Napa, Sonoma and Lake Counties. Mayor Aguiar-Curry would like to take back a letter of support from the City of Winters which may help us secure funding during future rounds from DWR. Come and meet the Yolo County Farmbudsman at an Open House on 6/27 at Turkovich Family Wines, 6:30pm-8:30pm. Tour Eleanor Roosevelt Circle's two senior housing units in Davis and Dixon on 7/10, 9:30am-11:30am. The Department of Employment and Social Services will be at the Winters Library on 7/15. Services offered include application and registration, interviews, eligibility for CalWorks, CalFresh, Medi-cal, information for Foster Care, Child Welfare and Adult Services. The Sacramento Valley Division League meeting will be held on 7/19 at 3:00pm. The League of CA Cities registration is open for early bird registration. Travis AFB is conducting Public Outreach in Winters.

PUBLIC COMMENTS: Pastor Dave Lucci with New Life Church (previously Discovery Worship Center) asked if the \$300 to tear down an ugly shed/lean-to on the back of the church's property could be waived. Mayor Aguiar-Curry suggested that Mr. Lucci come to City Hall on Thursday, June 20 and speak to Building Official Gene Ashdown and thanked him for coming by and expressing his concerns.

#### CONSENT CALENDAR

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, June 4, 2013
- B. Yolo Federal Credit Union Purchase and Sale Agreement Extension
- C. Agreement with De Nova Planning Group for Preparation of the City's 2014-2022 Housing Element Update

City Manager Donlevy gave an overview. Motion by Council Member Fridae, second by Council Member Anderson to approve the Consent Calendar. Motion carried unanimously.

#### PRESENTATIONS

Dilenna Harris, Public Affairs Manager introduced Kim Trumbull, Chief Operating Officer/Chief Nursing Officer at Vacaville Center of Kaiser Permanente. Kaiser is

working with Travis AFB to utilize surgeons that are not deployed to perform surgeries in Vacaville. This is a great relationship and provides advanced training at no cost to the surgeons. The Vacaville helipad is one of the largest in the country and can accommodate the landing of a Blackhawk. Kaiser provides healthcare reform education to employers and businesses at [www.kp.org](http://www.kp.org).

## DISCUSSION ITEMS

1. Public Hearing and Adoption of Resolution 2013-16, a Resolution of the City Council of the City of Winters Amending and/or Approving the Annual Levy Report, and Ordering the Levy and Collection of Assessments within the City of Winters City-Wide Maintenance Assessment District, Fiscal Year 2013/2014

City Manager Donlevy gave an overview. Mayor Aguiar-Curry opened the public hearing at 7:07 p.m. and closed the public hearing at 7:07 p.m. with no public comment.

Motion by Council Member Guelden, second by Council Member Fridae to adopt Resolution 2013-16, approving the annual levy report, and ordering the levy and collection of assessments within the City of Winters City-Wide Maintenance Assessment District, Fiscal Year 2013/2014. Motion carried with the following vote:

AYES: Council Member Anderson, Cowan, Fridae, Guelden, Mayor Aguiar-Curry  
NOES: None  
ABSENT: None  
ABSTAIN: None

2. Approval of City Park Rehabilitation Plan for the Play Courts, Restrooms, Infrastructure Park Interior and Play Structure and Appointment of a Committee to Study and Recommend Improvements to the Wooden Play Structure

Public Works Supervisor Eric Lucero gave an overview of the City Park Rehabilitation Plan and identified the areas for rehabilitation/improvement. Grant funds were awarded for this project in the amount of \$192,750. City Manager Donlevy said a notice inviting volunteer committee members will be noticed in the Express, various community groups will be contacted, and a recommendation for this project, including the selection of the committee members, will come back to Council at the July 16<sup>th</sup> City Council meeting.

3. Purchase of One (1) New Type I Urban Interface Fire Engine

Fire Division Chief Ron Karlen gave a power point presentation and said the Winters Fire Department was only one of three departments to receive FEMA grant funds for a

new engine, which is scheduled to be delivered in January or February, 2014 and put in use by March, 2014.

Motion by Council Member Fridae to adopt Resolution 2013-22, authorizing the suspension of competitive bidding for the purchase of one new fire engine, approve the purchase from Golden State Fire Apparatus utilizing cooperative purchase pricing from the Houston-Galveston Area Council (H-GAC), for one new Type 1 Urban Interface Engine, and approve a budget amendment to the Fire capital outlay budget not to exceed \$75,617.00. This amount includes the original matching FEMA AFG portion of \$25,233.00 and the additional amount of \$50,384.00 requested to complete the project. Motion carried with the following vote:

AYES: Council Member Anderson, Cowan, Fridae, Guelden, Mayor Aguiar-Curry  
NOES: None  
ABSENT: None  
ABSTAIN: None

4. Resolution 2013-21, A Resolution of the City Council of the City of Winters Granting Consent for the City of Winters to be Included within Yolo Community Facilities District 2013-1 (Clean Energy)

Environmental Services Manager Carol Scianna gave an overview and introduced John Mott Smith from Yolo County Climate Compact and Joe Livaich from Ygrene and provided their respective website addresses for more information: [www.cleanenergyyolo.com](http://www.cleanenergyyolo.com) and [www.ygrene.us](http://www.ygrene.us).

Motion by Council Member Fridae, second by Council Member Cowan to adopt Resolution 2013-21, granting consent for the City of Winters to be included within Yolo Community Facilities District 2013-1 (Clean Energy). Motion carried with the following vote:

AYES: Council Member Anderson, Cowan, Fridae, Guelden, Mayor Aguiar-Curry  
NOES: None  
ABSENT: None  
ABSTAIN: None

5. Award of Construction Agreement for Walnut Park – Phase 1, Project No. 11-03

Housing Programs Manager Dan Maguire gave an overview. Motion by Council Member Cowan, second by Council Member Anderson to approve staff recommendation and authorize the City Manager to award and execute a construction contract with the lowest responsive and responsible bidder of the bids received at the bid opening scheduled for June 26, 2013, and authorize expenditures up to \$375,540 to

cover the award and contingency for Walnut Park – Phase 1, Project No. 11-03. Motion carried unanimously.

6. Wastewater Services Monthly Update

Severn Trent Services Project Manager Jim Keating gave an overview of the Log of Operations for the month of May for the Wastewater Treatment Plant. It was agreed by Council that monthly reports are to continue. With Public Works employees currently in the busiest time of the year, the OIT program will hold training as time allows and there is no set training schedule.

7. Appointment to Planning Commission

This item has been postponed to the July 16<sup>th</sup> City Council meeting.

---

CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS COMMUNITY  
DEVELOPMENT AGENCY

1. None

---

**CITY MANAGER REPORT:** Cal Trans has approved funding for the Putah Creek Car Bridge! The lowest bidder was disqualified, moving to the second lowest bidder, Disney Construction. The project will go before the Solano County Board of Supervisors for approval on 6/25. If approved, construction will begin this year. More details are to be provided next week. Staff met with a committee from SACOG, who are meeting with jurisdictions who are submitting project applications. They were very receptive to the roundabout project at Grant and Walnut, where there is a good chance that \$200,000 in TDA funds will be committed toward the project cost of approximately \$600,000 - \$700,000. They also encouraged staff to apply for local funds, possibly \$100,000 for maintenance, and bring forward a maintenance list for Railroad Avenue from Niemann to Grant.

**ADJOURNMENT:** Mayor Aguiar-Curry adjourned the meeting at 9:02 p.m.

---

Cecilia Aguiar-Curry, MAYOR

ATTEST:

---

Nanci G. Mills, City Clerk



**STAFF REPORT**

**TO:** Honorable Mayor and Council Members  
**DATE:** July 2, 2013  
**THROUGH:** John W. Donlevy, Jr., City Manager  
**FROM:** Dan Maguire, Economic Development and Housing *DM*  
**SUBJECT:** Street Closure Request by Winters Chamber of Commerce for Annual Earthquake Festival to be Held on August 23, 2013

---

**RECOMMENDATION:**

Approve the closure of Main Street between Railroad Avenue and First Street and East Main between Railroad Avenue and Elliot Street to allow for the Chamber of Commerce Earthquake Street Festival.

**BACKGROUND:**

The Winters Chamber of Commerce has requested the closure of Main Street between Railroad Avenue and First Street and the closure of East Main Street between Railroad Avenue and Elliot Street from 1:00 p.m. to 12:00 a.m. They have requested that barricades be placed at these intersections. The inclusion of the first block of East Main is for the relocation of the kid's area of the Festival from its previous location (western portion of the first block, Pacific Ace Hardware to First Northern Bank) as was done for the event previously. This relocation continues to be favored by many of the merchants and also allows for the western half of Main Street (west of the mid-block crossing) to remain open until later in the afternoon.

If approved, closure notification will be posted on all affected streets a minimum of 48 hours prior to the scheduled closures.

Per the City's Street Closure Ordinance, it requires Council approval on identified streets on the attached request form.

**FISCAL IMPACT:**

To be Determined (Police staff overtime, signage, barricade placement).



**City of Winters Request for Street Closure**

This application is for citizens or groups that have occasion to request that streets be temporarily closed for such things as bicycle races, running contests, block parties and other such events requiring the re-routing of traffic. For a parade or amplified sound an additional permit is required.

A request to close streets shall be filed with the Police and Public Works Departments at least ten (10) business days prior to the date the street would be closed.

There shall be no closure of the following streets without Council approval:

1. Main Street
2. Railroad Street
3. Grant Avenue
4. Valley Oak Drive
5. Abbey Street

Request to close these streets shall be processed in much the same manner except that the request shall be submitted to the City Council by the Police Department. Requests to close the streets herein listed shall be submitted at least thirty (30) business days prior to the street closure.

Requests for street closures that are not submitted by the minimum time lines may be granted only by the Winters City Council.

Name: <u>Mike Sebastian</u>	Organization: <u>Winters Chamber</u>
Address: <u>11 Main Street, Winters CA</u>	Mailing Address: <u>Same</u>
Telephone: <u>530 795 2329</u>	Today's Date: <u>6/10/2013</u>
Streets Requested: <u>First block of Main Street First Block of E. Main</u>	
Date of Street Closure: <u>8/23/2013</u>	Time of Street Closure: <u>1 PM to midnite</u>
Description of Activity: <u>Earthquake Street Festival:</u>	
<u>event from 5 pm to 11 pm</u>	
Services Requested of City: <u>barricades, no parking signage</u>	
APPROVED: <u>[Signature]</u> Police Department <u>CS</u> Public Works Department <u>CS</u>	

### City of Winters Request for Street Closure

Please provide a listing of the names and signatures of people living on the street (s) to be closed and acknowledging that they know why the closure is requested and that they agree to the closure. Attach additional sheets if necessary.

Chamber of Commerce	11 Main St.	<i>[Signature]</i>
Buckhorn Restaurant	2 MAIN ST	<i>[Signature]</i>
Potomac Creek Cafe	1 main St	<i>[Signature]</i>
Spin A Yarn	14 Main St	<i>[Signature]</i>
Zoily	18 main st	<i>[Signature]</i>
Rootstock	22 Main St.	<i>[Signature]</i>
Ireland Agency	26 Main St.	Winters
Adry's	30 main st. Winters, CA	<i>[Signature]</i>
Tienda Delicioso	44 MAIN ST WINTERS 95694	
First Northern Bank	48 Main St.	<i>[Signature]</i>
Metro PCS	47 Main St (Below)	
El Pueblo	43 Main St.	<i>[Signature]</i>
Velocity	41 Main St	<i>[Signature]</i>
Ace Hardware	35 Main St	<i>[Signature]</i>
WHF Dental office	31 Main St.	<i>[Signature]</i>
WHF Medical	23 Main St.	<i>[Signature]</i>
Camile's	19 Main St.	<i>[Signature]</i>
Berryessa Gap Tasting Room	15 main st	<i>[Signature]</i>
Cloth Carousel	9 Main St.	<i>[Signature]</i>
The Palms	13 Main St	<i>[Signature]</i>
Steady Eddys	5 E. Main St.	<i>[Signature]</i>
Clayground	7B E. Main St	<i>[Signature]</i>
Main St. Cellars	9 E. Main St	<i>[Signature]</i>
Victor Muechga	Metro PCS 48 main st winters	

Realty World 7C E. Main St. *[Signature]*

Edward Jones 7E E. Main St *[Signature]*



## STAFF REPORT

**TO:** Honorable Mayor and Council Members  
**DATE:** July 2, 2013  
**THROUGH:** John W. Donlevy, Jr., City Manager  
**FROM:** Alan Mitchell, City Engineer  
**SUBJECT:** Updated Project Budget Sheet and Amendment No. 1 to Design Services Agreement – Railroad Ave./Dry Slough Bridge Replacement, Project No. 11-02

---

**RECOMMENDATION:** Staff recommends that City Council:

1. approve the revised Project Budget Sheet (July 2013), for the Railroad Ave./Dry Slough Bridge Replacement, Project No. 11-02;
2. approve Amendment No. 1 to the Consultant Services Agreement No. 12.11-02 with Drake Haglan and Associates, in the amount of \$153,356.20; and
3. authorize the City Manager to execute the Amendment.

**BACKGROUND:** In September 2011, Caltrans authorized Highway Bridge Program (HBP) funds for Preliminary Engineering, for replacement of Dry Slough Bridge. The Project consists of bridge rehabilitation and reconstruction of Railroad Avenue over Dry Slough to replace the existing structurally deficient two (2) lane bridge with a new two lane bridge. The new bridge will cross Dry Slough at the current span and alignment meeting AASHTO minimum standards.

In May 2012, Council approved a Consultant Services Agreement No. 12.11-02 with Drake Haglan and Associates, for pre-design and environmental review and clearance. Those tasks have been completed. Final design services were deferred until additional Federal HBP funds could be secured. Last week, the City received notification that the additional funds are available.

Staff worked with Drake Haglan to develop a comprehensive scope, fee, and schedule for final design services. Amendment No. 1 includes construction documents for the bridge and roadway, regulatory agency permit applications, construction cost estimate, and utility coordination. Once these are completed, staff will request additional HBP funding for right of way, bidding and construction phase services.

**ALTERNATIVES:** None recommended by staff.

**FISCAL IMPACT:** The project is funded with Federal Highway Bridge Program and Gas Tax funds. The original approved Agreement Fee was \$184,973. The new total Fee is \$338,229.20. The costs will be paid based on actual time and materials, not to exceed that amount without approval.

Due to Caltrans policy to initially authorize for design (PE) up to only 25% of the estimated construction cost, the original scope of services included only preliminary engineering, environmental clearance, and project management. The initial construction cost estimate for the Dry Slough Bridge was approximately \$900,000, so only \$225,001 was originally programmed. The updated construction cost estimate is \$1,027,861. Unfortunately, Caltrans HQ has recently significantly changed their interpretation of reasonable costs for PE. Staff was able to work with Local Assistance Engineers to get Caltrans HQ to approve additional funds to cover the design services cost (\$299,522 Fed), which represents an almost 30% PE/CON ratio.

The updated PBS reflects this additional funding for final design services, as well as permit application fees.

Attachment: Project Budget Sheets (May 2012 and July 2013)  
Drake Haglan Amendment No. 1

**RAILROAD AVE./DRY SLOUGH BRIDGE REPLACEMENT**

**Project Budget Sheet - Pre-Design and Environmental Only**

CIP#: 11-02

MTIP # YOL19291

Last Updated: July-13

Original Approval: December-11

Project Owner: Public Works

Project Manager: Alan Mitchell

Project Resource: Consultant

**Description:**

This project is included in the SACOG MTIP and has been approved for Highway Bridge Program funds. Project will replace structurally deficient 2-lane bridge with a functional, safe 2-lane bridge.

**Authority:**

General authority to maintain the existing city street infra-structure, and provide safe travel for the community.

<b>Budget:</b>						
Item	%	Amount	Item	%	Amount	
Project Management		\$40,028	Design		\$153,356	
Testing and Inspection			Permits		\$10,000	
Pre-Design		\$116,573	Construction			
RW Consultant			Other			
CEQA/NEPA		\$68,400	<b>Project Total:</b>		<b>\$388,357</b>	

<b>Financing Schedule:</b>		Project Start:	2011	Project Completion:	2014		
Phases: Design/NEPA only funded Phases							
Fund Code:	221						
Name:	Federal Aid Pass Through - HBP	Gas Tax	Blank	Blank	Blank	Blank	FY Totals
FY 11/12:	\$ 26,560	\$ 3,441					\$ 30,001
FY 12/13:	\$ 155,000	\$ 20,000					\$ 175,000
FY 13/14:	\$ 117,963	\$ 65,393					\$ 183,356
<b>Fund Totals:</b>	<b>\$ 299,523</b>	<b>\$ 88,834</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 388,357</b>

Recommended for Submittal

Recommended for Approval

Finance Department Approval

City Manager Approval

\_\_\_\_\_  
 Carol Scianna, Public Works (date)  
*Alan Mitchell* 6/25/13  
 Alan Mitchell, City Engineer (date)  
 \_\_\_\_\_ (date)  
 Shelly Gunby, Director of Finance  
 \_\_\_\_\_ (date)  
 John Donlevy, City Manager (date)

**RAILROAD AVE./DRY SLOUGH BRIDGE REPLACEMENT**

**Project Budget Sheet - Pre-Design and Environmental Only**

CIP#: 11-02

MTIP # YOL19291

Last Updated: May-12

Original Approval: December-11

Project Owner: Public Works

Project Manager: Alan Mitchell

Project Resource: Consultant

**Description:**

This project is included in the SACOG MTIP and has been approved for Highway Bridge Program funds. Project will replace structurally deficient 2-lane bridge with a functional, safe 2-lane bridge.

**Authority:**

General authority to maintain the existing city street infra-structure, and provide safe travel for the community.

<b>Budget:</b>						
Item	%	Amount	Item	%	Amount	
Project Management		\$40,028	Investigations			
Testing and Inspection			Land			
Pre-Design		\$116,573	Construction			
RW Consultant			Other			
CEQA/NEPA		\$68,400	<b>Project Total:</b>			<b>\$225,001</b>

<b>Financing Schedule:</b>		Project Start:	2011	Project Completion:	2014	
Phases: Design/NEPA only funded Phases						
Fund Code:		221				
Name:	Federal Aid Pass Through - HBP	Gas Tax	Blank	Blank	Blank	Blank
FY 11/12:	\$ 26,560	\$ 3,441				FY Totals
FY 12/13:	\$ 172,633	\$ 22,367				\$ 30,001
FY 13/14:						\$ 195,000
Fund Totals:	\$ 199,193	\$ 25,808	\$ -	\$ -	\$ -	\$ 225,001

Recommended for Submittal

Recommended for Approval

Finance Department Approval

City Manager Approval

*Carol Solanna* 5/21/12  
 Carol Solanna, Public Works (date)

*Alan Mitchell* 5/17/12  
 Alan Mitchell, City Engineer (date)

*Shelly Gundry* 5/21/12  
 Shelly Gundry, Director of Finance (date)

*John Dorevy* 5-16-2012  
 John Dorevy, City Manager (date)



**CONSULTANT SERVICES AGREEMENT  
AMENDMENT No. 1**

This Amendment is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013, and modifies AGREEMENT NO. 12.11-02, dated May 21, 2012, between the City of Winters (CITY) and Drake Haglan and Associates (CONSULTANT) for the design of the Railroad Ave./Dry Slough Bridge Replacement project.

This amendment changes the agreement as described below:

**AMENDMENTS**

The following sections shall be amended to read as follows:

1. **SERVICES.** Subject to the terms and conditions set forth in this Agreement, CONSULTANT shall provide to the CITY the Services described in Exhibits "A" and "A-1", which are the CONSULTANT'S Scope of Services for preliminary design and environmental, and final design, respectively. Consultant shall provide said services at the time, place, and in the manner specified by the Agreement and Exhibits.

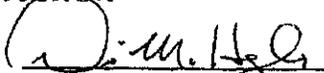
2. **PAYMENT.** The Consultant shall be paid for the actual costs, for all time and materials expended, in accordance with the Fee Proposal included in Exhibit "B", but in no event shall total compensation exceed One-Hundred-Eighty-Four-Thousand Nine-Hundred Seventy-Three dollars (\$184,973) for work described in Exhibit "A", without the City's prior written approval. The Consultant shall be paid for the actual costs, for all time and materials expended, in accordance with the Fee Proposal included in Exhibit "B-1", but in no event shall total compensation exceed One-Hundred-Fifty-Three-Thousand Three-Hundred Fifty-Seven dollars (\$153,357) for work described in Exhibit "A-1", without the City's prior written approval.

EXECUTED as of day first above-stated.

CITY OF WINTERS  
a municipal corporation

By: \_\_\_\_\_  
John W. Donlevy, Jr., City Manager

CONSULTANT

By:   
Dennis Haglan, Principal

ATTEST:

By: \_\_\_\_\_  
Nanci G. Mills, CITY CLERK

## EXHIBIT "A-1"

CITY OF WINTERS

### BRIDGE REPLACEMENT RAILROAD AVENUE OVER DRY SLOUGH PROFESSIONAL DESIGN SERVICES

#### SCOPE OF SERVICES

##### I. Project Background

Railroad Avenue is a two lane extension of County Road 89 through the center of the City of Winters (CITY) in Yolo County. Railroad Avenue crosses over Dry Slough approximately 0.77 miles north of State Route 128 (Grant Avenue). Railroad Avenue is classified as a major rural collector and is the main road from downtown Winters to points north. The Dry Slough Bridge on Railroad Avenue has been classified as structurally deficient and will be replaced under the Federal Highway Bridge Program (HBP):

Bridge Name: Railroad Avenue over Dry Slough  
Bridge Number: 22C-0114  
Bridge Type: Concrete Slab  
Year Constructed: 1920  
Sufficiency Rating: 2.0

##### II. Project Description

Replace the deficient concrete slab bridge on Railroad Avenue with a new bridge, in accordance with the requirements of the federal-aid Highway Bridge Program.

##### III. Design Standards

The PS&E is to be prepared in English units in accordance with the latest editions (as of April 2013) from the following design standards and design criteria:

- City of Winters Improvement Standards
- A Policy on Geometric Design of Highways and Streets, AASHTO
- City of Winters Construction Specifications
- Caltrans Highway Design Manual
- Caltrans Traffic Manual
- Special Policies amending the Traffic Manual by Caltrans District 3
- Caltrans Standard Plans and Specifications
- Caltrans Standard Special Provisions
- Caltrans Bridge Design Specifications, Division of Structures (AASHTO)
- Caltrans Bridge Details Manual, Division of Structures
- Caltrans Bridge Design Aids Manual, Division of Structures
- Caltrans Bridge Memos To Designers, Division of Structures
- Caltrans Bridge Design Practice Manual, Division of Structures
- Caltrans Local Assistance Procedures Manual
- 55 miles per hour design speed on Railroad Avenue

- Remain within existing CITY right-of-way, whenever possible
- Avoid or minimize impacts to sensitive environment areas

#### IV. Items of Work

Upon receiving written approval for the completion of the CEQA and NEPA processes, the Final Design phase will commence.

##### Task 1 - PROJECT MANAGEMENT:

###### TASK 1.1– Project Management

CONSULTANT will manage the project by tracking the schedule, budget and value of the products produced. CONSULTANT will create and maintain an "issues log" for the project, which will include each issue encountered that requires a decision, the responsible decision-maker for that issue, and the date the decision was made. This "issues log" will be transmitted to the CITY on a regular basis.

Progress summary reports will be prepared and submitted to the CITY each month. The progress summary reports will identify work completed to date, work anticipated for the next month, and action items necessary to keep the project on track and moving forward, in bullet point format. CONSULTANT will also maintain the schedule to forecast workload on the project including design, environmental, right-of-way and permitting activities. A revised schedule will be prepared and submitted quarterly. CONSULTANT will provide internal quality control on products submitted to the CITY. Quality control checkpoints will be shown on the project schedule.

In addition to the above tasks, CONSULTANT will set up a project ftp site to facilitate information exchange, such as the survey information, etc. Updated project information will be posted as needed to allow the CITY access to up-to-date information.

###### TASK 1.2– Progress Meetings

CONSULTANT Project Manager and appropriate staff will meet with the CITY and others as necessary to manage and deliver this project. Face to face meetings are to be held every other month at a minimum. For purposes of this scope, a total of 4 face-to-face meetings at the CITY offices are assumed.

##### Deliverables – Task 1

- Monthly Progress Summary Reports with Issues Log
- Quarterly Updated Project Schedule
- Meeting Agendas and Notes
- LAPM/HBP Documents

##### Task 2 - 65% Design:

This task consists of bringing the concept designs developed for the geometric approvals and bridge type selection up to the 65% "unchecked details" level of completion.

### **Task 2.1 - Roadway Civil Design:**

The roadway civil design will proceed based on the approved preliminary engineering design concepts, and will be further developed as needed to support the environmental process.

The roadway will include as designed, based on a CITY supplied Traffic Index (TI) and the recommendations of the Geotechnical Report indicating the R-value.

The Typical Section sheet and Plan & Profile sheets will be produced. The Typical Section will show the roadway dimensions and structural sections based on CITY provided traffic index (TI) and the R-values as determined from the geotechnical study. The plan view will delineate the general roadway improvements and pavement dimensions. Geometric information, tied to the project control points, will be shown to sufficiently describe both the horizontal and vertical alignments.

The approach roadway Construction Details will be prepared at appropriate scales. Utility locations, re-grading and geometric details will be shown. Specific improvement details may also be shown on the Construction Details.

Traffic handling details will be shown on relevant sheets. The plan will show detour route signage to be used during any intermittent construction closures (if planned). Advisory and construction area signs (CAS) will be shown on a Construction Area Signs Sheet.

A signing, striping, and pavement marking plan will be developed utilizing CITY standard details and current Caltrans Traffic Manual, Sign Specifications, and Standard Plans, as applicable. Existing as well as new sign locations will be shown. Sign panels will be shown for new nonstandard signs. Standard signs will be designated by appropriate Caltrans standard sign numbers. Temporary signing and striping, portable delineators, temporary crash cushion arrays and temporary railing (Type K) will be shown, as necessary, on this plan. CONSULTANT staff will work closely with the CITY Traffic Engineer to incorporate applicable requirements into the bridge plans.

A Summary of Quantities Sheet for all traffic items including pavement markers, pavement markings, striping, and permanent signs will be prepared.

### **Task 2.2 - Bridge Design and Detailing**

Bridge design in support of the environmental process will be in accordance with Caltrans Bridge Design Specifications and applicable sections of the Caltrans Bridge Memo to Designers and Bridge Design Aids manuals. The design will meet CITY, Caltrans and FHWA standards in effect as of the date of Notice to Proceed. Seismic design will be performed in accordance with latest edition of the Caltrans Seismic Design Criteria.

Detailing of plans will be in accordance with Caltrans Bridge Design Details Manual. Both the design and detailing will be based on the use of the latest Caltrans Bridge Design Specifications, Standard Plans and Standard Specifications.

### **Task 2.3 - Potholing**

This task will provide subsurface location of the existing gas line using vacuum excavation (potholing). Four pothole locations will be vacuum excavated to provide vertical and horizontal location of the gas line. Potholes will be backfilled with native materials with no restoration required.

Traffic control flagmen may be needed if pothole locations are inaccessible.

### **Task 2.4 - 65% Plans Submittal**

A submittal of the 65% plans will be made to the CITY. A preliminary contract item list will be prepared, as well as an updated GP estimate reflecting any significant changes from the Final Project Memorandum. CONSULTANT will perform an independent QA/QC review of the 65% plans and incorporate appropriate revisions prior to submittal to the CITY.

CONSULTANT will deliver five sets of half size (11x17) plan sheets and attend one submittal review meeting at the CITY office. Upon receipt of CITY comments on the 65% plans submittal, and approval of the environmental documents, CONSULTANT will review and incorporate applicable revisions into the design and will resubmit with the draft PS&E submittal.

### **Deliverables – Task 2**

- Five sets 65% 11x17 Plans
- Updated Engineers Estimate
- Contract Items List

### **Task 3 - Bridge Design Independent Check**

CONSULTANT will perform an independent design check of the bridge plans in conformance with usual Caltrans bridge design procedures. A plan set will be marked up following CONSULTANT QC plan. Upon completion of design check, discrepancies between the design and checker will be reconciled and plans updated for preparation of quantities, estimate and specifications. CONSULTANT will prepare responses to comments received on the 65% submittal.

### **Task 4 – Final Roadway Design**

CONSULTANT will finalize roadway plans and respond to comments received from the 65% submittal. Final grading and drainage details will be developed as well as new/existing roadway conformance details.

### **Task 5 - Specifications**

CONSULTANT will prepare required technical special provisions for Sections 8, 9 and 10. CONSULTANT will supply project specific information to the CITY for inclusion into the CITY supplied boilerplate specifications, including Section 4, order of work, time of completion, etc. The basis of the specifications shall be the latest Caltrans Standard Specifications. It is assumed that the CITY will prepare the "boiler plate" documents, including the notice to bidders, proposal, bond forms, and agreement. Required mitigation measures and permitting requirements from the environmental permits will be included in

the specifications. CONSULTANT will assemble the final project specifications ready for printing the contract documents. CONSULTANT will review project plans and specifications to confirm that appropriate avoidance measures and conditions of permits, including items of work required by the permits, and environmental mitigation measures are incorporated into the bridge plans and specifications. Items of work required by the permits will be included in the estimate and addressed in the specifications.

#### **Task 6 - Quantities and Engineer's Estimate**

Two independent sets of bridge quantity calculations will be prepared by individuals experienced in this work. The quantity calculations will be organized and detailed for use by field inspectors during construction. Standard Caltrans summary sheets will be used for bridge and road quantity calculations, aiding in facilitating the review process and use by the construction personnel. Bridge quantity estimators must agree within tolerances prescribed in Chapter 11 of the Caltrans Bridge Design Aids Manual. Any deviations will be resolved and the Marginal Estimate sheet will be prepared.

Unit prices will be applied to each contract item resulting in the Engineer's Estimate of Probable Construction Cost (Estimate). Prices used will be based on the latest available data from the CITY and Caltrans, reflecting the location of the project and the quantity of each item. The estimate will be segregated into two categories: roadway and bridge. Non-participating costs, if any, will also be segregated. Five (5) percent of the total estimate will be added for contingencies, per current Caltrans guidelines, and an additional five (5) percent CITY contingency will also be added to arrive at the cost presented to the CITY.

#### **Task 7 - Quality Control**

The plans will be reviewed for compatibility between portions of work and design disciplines, including a Road Plan Review as described in the Caltrans Memo to Designers 2-25.

The Geotechnical Engineer shall review the Structure plans prior to the 65% Plan Submittal for compliance with the geotechnical recommendations.

CONSULTANT shall perform an independent QC/QA review prior to submittals being transmitted to the CITY.

#### **Task 8 - Draft PS&E Submittal**

A submittal of Draft PS&E will be made to the CITY. The submittal will include the plans, specifications and estimate. Five sets of 11x 17 plans with a set of special provisions and the Engineer's Estimate will be submitted to the CITY. CONSULTANT will assist the CITY with preparation of the Caltrans PS&E Certification Form.

Bridge Plans will be submitted in AutoCAD format. Specifications will be prepared in Microsoft Word and the estimate will be prepared in Microsoft Excel.

### **Deliverables – Task 8**

- Five sets 90% 11x17 Plans
- Two Hard Copies Cost Estimate
- PS&E in electronic format (Plans in PDF, specs in Word, Estimate in Excel)
- Two Hard Copies Special Provisions
- One set 11x17 Plans for each Utility Company

### **Task 9 - Final Geotechnical Report**

Comments on the draft geotechnical report will be addressed in the final geotechnical report, and the report will be submitted along with the sign Log of Test Borings Sheets.

### **Deliverables – Task 9**

- Final Geotechnical Report

### **Task 10 - Environmental Commitments Record**

Sycamore Environmental will compile and maintain the Environmental Commitments Record for the biological and cultural phases of the Project. The Environmental Commitments Record includes the avoidance, minimization measures, permit conditions, and mitigation requirements. The Environmental Commitments Record will be prepared in Caltrans standard format.

### **Deliverables – Task 10**

- Environmental Commitments Record

### **Task 11 - Permit Applications**

Sycamore Environmental will prepare applications for a section 404 permit from the U.S. Army Corps of Engineers, a section 401 water quality certification from the Regional Water Quality Control Board (RWQCB), and a 1602 Streambed Alteration Agreement from the California Department of Fish and Game (DFG). For an HBP project with a NEPA CE, we anticipate the project would be authorized under a Nationwide 23 permit. A conceptual mitigation plan and mitigation requirements in the NES and ISMND will support the permit applications. Sycamore Environmental will coordinate as necessary with the agencies to obtain the permits on behalf of the City. The City will provide application fees.

- Prepare application for a Section 404 CWA Nationwide Permit and coordinate with the Corps. Submit one application to County and one to Corps.
- Prepare application for a Section 401 CWA Water Quality Certification and coordinate with the Regional Water Quality Control Board. Submit one application to County and one to RWQCB.
- Prepare application for a 1602 Streambed Alteration Agreement and coordinate with DFG. Submit one application to County and one to DFG.
- Attend field verification with Corps and incorporate Corps comments.
- Submit Final Wetland Delineation to Corps, including verified delineation maps.
- Respond to agency comments as necessary.

**Deliverables – Task 11**

- City review draft permit applications (Two hardcopies, and digital copies)
- Final permit applications (Three hardcopies, and digital copies)

**Task 12 - Utility Coordination/Design**

Final relocation notices (Utility "C" letters) will be prepared by CONSULTANT and sent to the CITY for distribution upon submittal of the Draft PS&E package.

**Deliverables – Task 12**

- Utility "C" Letters

**Task 13 - Final PS&E:**

Upon receipt of comments from the Draft PS&E submittal to the CITY, and other jurisdictional agencies, which will be routed through the CITY, final revisions will be made. CONSULTANT will incorporate appropriate comments in the plans, specifications, and estimate. CONSULTANT will perform an independent QA/QC review of the Final submittal package and incorporate appropriate revisions prior to submittal to the CITY.

A Resident Engineers file will be prepared that includes the Foundation Report, Hydraulics Report, bridge 4-scale drawings, bridge quantity and quantity check calculations, estimate summary forms and designers' notes to the Resident Engineer.

The submittal will include the following:

**Deliverables – Task 13**

- One set of 24 x 36 Reproducible Mylar Final Design Plans signed by the Registered Engineer responsible for the preparation of the plans
- One un-bound hard copy of Final Project Special Provisions signed by the Registered Engineer responsible for the preparation of specifications
- Electronic Microsoft Excel file of Construction Cost Estimate
- AutoCAD Project Plans on CD
- Electronic Microsoft Word file of specifications
- Hard copy of Construction Cost Estimate
- Resident Engineer's File





SUCCESSOR AGENCY TO THE DISSOLVED WINTERS  
COMMUNITY DEVELOPMENT AGENCY  
STAFF REPORT

TO: Honorable Chair and Members of the Successor Agency to the Dissolved Winters  
Community Development Agency

DATE: July 2, 2013

THROUGH: John W. Donlevy, Jr., City Manager

FROM: Shelly A. Gunby, Director of Financial Management *Shelly*

SUBJECT: Consideration of Resolution SA-2013-01 approving and adopting a Long-Range  
Property Management Plan pursuant to Health and Safety Code Section 34191.5

---

**RECOMMENDATION:**

It is recommended that the Successor Agency adopt Resolution No SA-2013-01 approving and adopting the Property Management Plan and submitting the Property Management Plan to the Oversight Board for approval

**BACKGROUND:**

Following dissolution of the Winters Community Development Agency ("Agency"), the City elected to become the successor agency to the Agency by Resolution No.2012-02 dated January 17, 2012 (the "Successor Agency"). Pursuant to Health and Safety Code Section 34173(b), the Successor Agency is now a separate legal entity from the City.

Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a long-range property management plan ("Property Management Plan") that addresses the disposition and use of the real properties of the former Agency. The Property Management Plan must be submitted to the Oversight Board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion.

Health and Safety Code Section 34191.5(a) established a Community Redevelopment Property Trust Fund (the "Trust"), administered by the successor agency, to serve as the repository of the former redevelopment agency's real properties. Health and Safety Code Section 34191.4(a) requires that all real property and interests in real property of the former Agency (unless the property is subject to the requirements of any existing enforceable obligation) shall be transferred to the Property Trust Fund

82573.000228037547.1

upon approval by the Department of Finance of the Property Management Plan.

## **DISCUSSION/ANALYSIS**

The Property Management Plan required under Health and Safety Code Section 34191.5(b) must include an inventory of all properties of the former Agency in the Trust. The inventory must include the date of the acquisition of the property and the value at the time of acquisition, and an estimate of the current value of the property; the purpose for which the property was acquired; parcel data, including address, lot size and current zoning; an estimate of the current value of the parcel, including any appraisal information, if available; an estimate of any lease, rental or any other revenues generated by the property, and a description of the contractual requirement for the disposition of those funds; the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts; a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the Successor Agency, and a brief history of previous development proposals and activity, including the rental or lease of property.

The Property Management Plan must also address the use or disposition of all the properties in the Trust, including retention of the property for governmental use, the retention of the property for future development, the sale of the property, or the use of the property to fulfill an enforceable obligation. The Property Management Plan must separately identify and list properties in the Trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

Health and Safety Code Section 34191.5(c)(2) provides that (a) if the Property Management Plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the City; and (b) if the Property Management Plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or for use for a project identified in an approved redevelopment plan, the proceeds from the sale shall be distributed as property tax to the taxing entities.

The Property Management Plan must be submitted to the Oversight Board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion, The Agency received the finding of completion on June 12, 2013. The Property Management Plan is not effective until it has been approved by the Department of Finance. Health and Safety Code Section 34191.5(2)(C) provides that property shall not be transferred to a successor agency, city, county or city and county, unless the Property Management Plan has been approved by the Oversight Board and the Department of Finance.

### **FISCAL IMPACT:**

No City or Successor Agency funds are involved with the adoption of the Property Management Plan.

### **ATTACHMENTS:**

1. Successor Agency Resolution SA-2013-01 approving and adopting the Property Management

Plan.

2. Property Management Plan.

**RESOLUTION NO. SA-2013-01**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED WINTERS COMMUNITY DEVELOPMENT AGENCY APPROVING AND ADOPTING A LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5**

**WHEREAS**, pursuant to Health and Safety Code Section 34173(d), the City of Winters elected to become the successor agency to the Winters Community Development Agency (“Successor Agency”) by Resolution No. 2012-02 on January 17, 2012; and

**WHEREAS**, pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

**WHEREAS**, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a long-range property management plan (“Property Management Plan”) that addresses the disposition and use of the real properties of the former redevelopment agency; and

**WHEREAS**, Health and Safety Code Section 34191.5(b) also requires the Successor Agency to submit the Property Management Plan to the Successor Agency’s oversight board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion pursuant to Health and Safety Code Section 34179.7; and

**WHEREAS**, the Successor Agency has prepared a long-range Property Management Plan that contains all the information required under Health and Safety Code Section 34191.5; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FORMER WINTERS COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. CEQA Compliance.** The approval of the Property Management Plan through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Yolo, California, within five (5) days following the date of adoption of this Resolution.

**Section 3. Approval of Property Management Plan.** The Successor Agency hereby approves the Property Management Plan, in substantially the form currently on file with the City Clerk.

**Section 4. Transmittal of Property Management Plan.** The Director of Financial Management is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the Property Management Plan, including submitting the Property Management Plan to the Successor Agency's oversight board for approval, and to the State of California Department of Finance, and posting the approved Property Management Plan on the Successor Agency's website.

**Section 5. Effectiveness.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Successor Agency to the dissolved Winters Community Development Agency on the 2nd day of July , 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

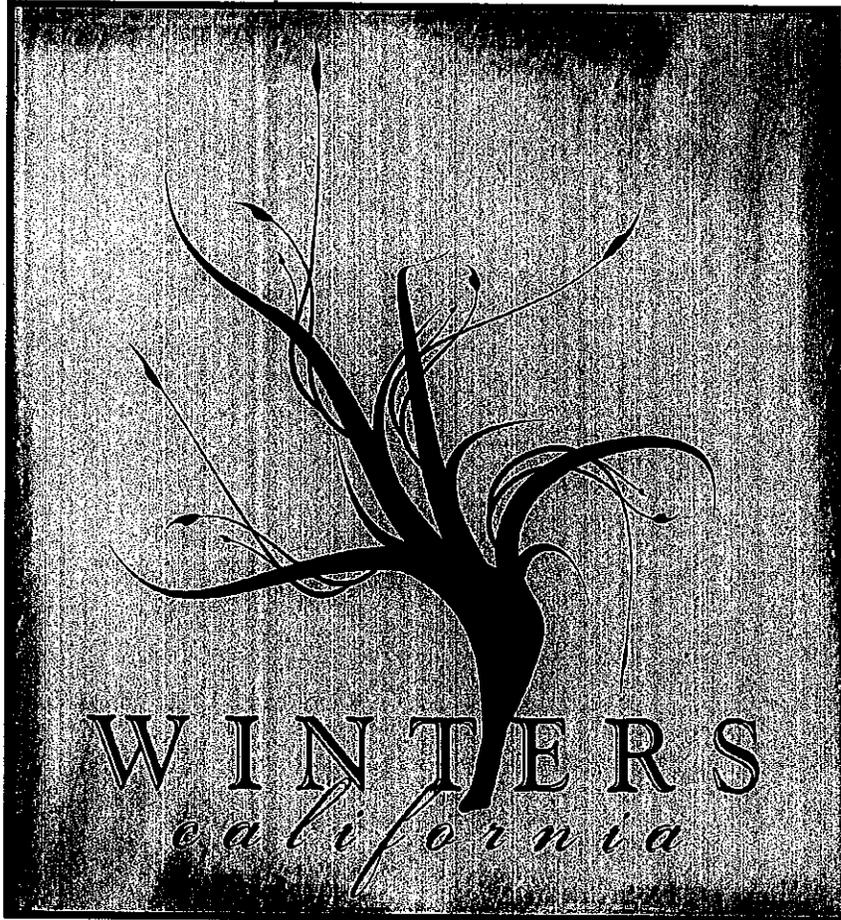
W. Keith Fridae, Agency Chair

ATTEST:

---

Nanci G. Mills, Agency Secretary

# Long Range Property Management Plan



Successor Agency to the Winters Community  
Development Agency

## Long Range Property Management Plan

City of Winters as Successor Agency to the Dissolved Winters Community Development Agency

### Introduction

On June 1, 2012 Assembly Bill 1484 (AB1484) was signed into law that required the Successor Agency to the Dissolved Winters Community Development Agency (CDA) to prepare a Long Range Property Management Plan (PMP) that addresses the disposition and use of the dissolved Winters Community Development Agency (CDA) real property. The PMP must be submitted to the governing board of the Successor Agency (the City of Winters City Council also serves as the members of the Successor Agency ) and the Oversight Board for approval before being submitted to the Department of Finance (DOF). This document is the Long Range Property Management Plan (PMP) of the Successor Agency to the dissolved Winters Community Development Agency.

Upon approval by the Successor Agency, the Oversight Board and the DOF, properties retained for governmental use will be transferred to the City of Winters while properties retained for future disposition and implementation of a redevelopment plan will remain in the Property Trust Fund until all the approvals for such disposition and use have been obtained, at which time they will be transferred to the City for disposition or use pursuant to this PMP. The Successor Agency must receive prior approval by the Oversight Board for each property transfer or disposition. Oversight Board approval is subject to review by DOF.

The PMP addresses the disposition and use of the real properties of the dissolved CDA and must do all of the following:

Include an inventory of all properties in the Property Trust Fund and this inventory will include all of the following information:

- The date of the acquisition of the property and the value of the property at that time.
- The purpose for which the property was acquired.
- Parcel data, including address, lot size and current zoning in the former CDA redevelopment plan or specific, community or general plan.
- An estimate of the current value of the parcel including, if available, any appraisal information.
- An estimate of any lease, rental or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
- The history of environmental contamination, including designation as a brownfield site, any related environmental studies and history of any remediation efforts.
- A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the Successor Agency.

- A brief history of previous development proposals and activity, including the rental or lease of the property.
- Address the use or disposition of all the properties in the Property Trust Fund. Permissible uses include retention of the property for governmental uses, the retention of the property for future development, the sale of the property, or the use of the property to fulfill an enforceable obligation. The PMP shall separately identify and list all properties in the Property Trust Fund dedicated to governmental uses purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties the following shall apply:
  - a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the City.
  - b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than specified immediately above, the proceeds from the sale shall be distributed as property tax to the taxing entities.

#### Summary of Properties Owned by the Successor Agency

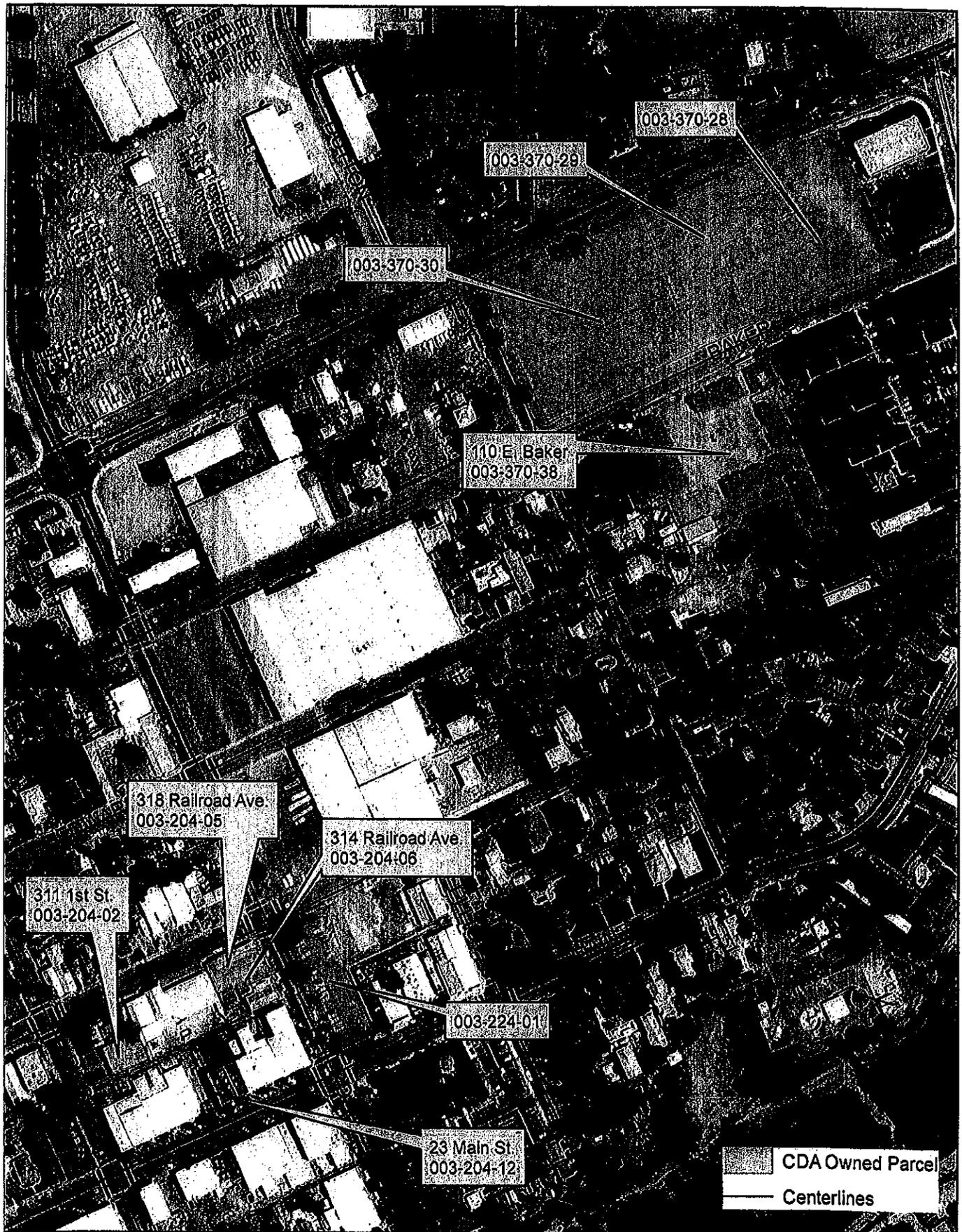
1. 110 E. Baker Street. A 76,926.96 square foot parcel of land owned by the Successor Agency that has a 34 unit affordably restricted apartment complex built on it . This Apartment Complex was built by CHOC (Community Housing Opportunity Corporation) as the developer with the City of Winters and the Winters Community Development Agency providing gap financing assistance. The land is leased to CHOC for \$1/year for 99 years under a ground lease agreement.
- 2 23 Main Street. This site is a 3,049.20 square foot parcel that was purchased by the Winters Community Development Agency as a vacant lot. The lot is located in the middle of the first block of main street and was vacant and over run by weeds when purchased. Subsequent to the purchase of the property, the City of Winters has created a Mini Park in the area with landscaping and park benches for seating.
- 3-5. The Grant Avenue Commercial Property- This site is 3 parcels along the Grant Avenue Corridor, located on Grant Avenue between East Street and Morgan. Grant Avenue is the main entrance from the East into the City of Winters. These parcels were purchased in a foreclosure sale by the Community Development Agency and are vacant at this time.
6. 311 First Street. This is a 9,016.92 square foot parcel located on First Street adjacent the Newt's Expressway, the alley that runs directly behind the Downtown Businesses,

and directly across the street from City Hall. This is a vacant site that is used for parking by City Staff and visitors to City Hall and other surrounding uses

7. 314 Railroad Avenue. A 3,920.40 square foot parcel that includes a vacant building that formerly housed a Cafe.
  8. 318 Railroad Avenue. A 2,613.6 square foot parcel that includes a vacant building that formerly housed a Bar.
  9. Parking Lot located at the Corner of Abbey and Railroad. This parking lot is subject to a Reciprocal Access and Public Parking Easement Agreement. The easement provides reciprocal access and public parking between Agency owned parking and private owned parking, as well as maintenance and upkeep of the access as public parking areas.
- 10-23. Assets identified as Successor Agency assets that are not real property. All these assets are used for governmental uses and will be transferred to the City of Winters. See Appendix A for a detailed list.

These properties are described in greater detail in the Inventory section of this report. Also attached to this report is a map with the properties indicated in yellow.

# Community Development Agency Owned Parcels



# Property Inventory

## Site 1

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor Agency to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- 110 E Baker Street
- 003-370-038

### Current Use/Description

- Land owned by the dissolved CDA currently has a 34 unit affordably restricted apartment complex on it. The land is leased to the developer, Community Housing Opportunities Corporation or CHOC for 99 years.
- The site is located on E Baker Street directly adjacent to another affordably restricted apartment complex owned by the same developer.
- The land is 76,926.96 square feet or 1.766 acres

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- November 10, 2004
- \$464,994
- Implementation of Redevelopment Plan

### Parcel Size

- 76,926.96 square feet
- 1.766 acres

### Current Zoning

- R4-High Density Multifamily Residential

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$635,000
- Ground lease is for 99 years at \$1/year, for maximum revenue from the property of \$99

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- Not applicable

- Transfer to the Housing Successor Agency. This site is the location of a 34 unit affordably restricted apartment complex that the Housing function of the dissolved Community Development Agency partnered with the developer CHOC to increase the affordable housing within the redevelopment project area, this project was completed in 2007 and is an asset to the community and provides necessary affordable housing to the citizens of our community.

#### **Previous Development Proposals and Activity**

Previous proposals were only submitted by CHOC for this land, and there are no records of other development proposals or activities.

Site is subject to a 99-year lease to CHOC for affordable housing apartment complex.

## Site 2

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor Agency to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- 23 Main Street
- 003-204-006

### Current Use/Description

- Mini Park
- Site is located at the middle of the first block of Main Street, and is the location of a mini park with landscaping and benches for individuals to sit and enjoy the landscaping and the ambiance of the downtown area.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- February 1, 2007
- \$173,691
- Implementation of Redevelopment Plan

### Parcel Size

- 3,049.2 square feet
- .07 acres

### Current Zoning

- C2-Central Business District

### Estimate of Current Value/Property Revenue

- Appraised on March 15, 2011 at \$118,000
- No revenue is expected

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- Not Applicable
- Transfer to the City for continued Governmental use as a mini park within the downtown
- This site advances the planning objective of the successor agency by the continued elimination of blight within the downtown and providing park space in the city as indicated in the 2009-2013 implementation plan.

**Previous Development Proposals and Activity**

- There is no record of other development proposals or activity for this site.

## Site 3

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- No address assigned
- 003-370-028

### Current Use/Description

- Vacant Land
- The Site is currently vacant located on Grant Avenue, between East Street and Morgan. Grant Avenue is the main entrance to the City of Winters from the East.
- The Grant Avenue Corridor is currently the only viable area for new commercial development.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 4/30/09
- \$192,093
- Implementation of Redevelopment Plan

### Parcel Size

- 55,495.44 square feet
- 1.274 acres

### Current Zoning

- C2-Central Business District

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$275,611
- N/A

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- This property is directly adjacent to public transit stop,
- Transfer to City of Winters for Implementation of Redevelopment Plan
- Advance the Economic Development objective of the Successor Agency
- The City has entered into negotiations and has a purchase and sale agreement with a developer to develop a retail establishment on this site. The development of this site

for a retail use will fulfill the program activities included in Table II-4 of the 2009-2013 Implementation Plan. This project would increase the assessed value of property within the City and provide additional tax revenue to all affected taxing entities.

**Previous Development Proposals and Activity**

- Granite Bay Holdings proposed a commercial development on this parcel along with two others in 2007-2008. The company subsequently went through bankruptcy proceedings and the parcel was foreclosed on and sold.
- Winters Community Development Agency purchased the site, along with two others in a foreclosure sale on April 30, 2009 in order to be able to work with developers to create a retail center on the Grant Avenue Corridor, a main artery through the City.
- An RFP was issued in 2009 for a proposal to develop the Site. An Exclusive Negotiating Rights Agreement was entered into with Yackzan Group, Inc. The agreement expired without any action by developer Yackzan Group, Inc.

## Site 4

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency
- Successor Agency to the dissolved Winters Community Development Agency.

### Address/Parcel Number

- No address assigned
- 003-370-029

### Current Use/Description

- Vacant Land
- The Site is currently vacant located on Grant Avenue, between East Street and Morgan. Grant Avenue is the main entrance to the City of Winters from the East.
- The Grant Avenue Corridor is currently the only viable area for new commercial development.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 4/30/09
- \$152,286

### Parcel Size

- 43,995.60 square fee
- 1.01 acres

### Current Zoning

- C2-Central Business District

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$220,230
- n/a

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- This property is directly adjacent to public transit stop
- Transfer to City of Winters for Implementation of Redevelopment Plan
- Advance the Economic Development objective of the Successor Agency

- The City has entered into negotiations and has a purchase and sale agreement with a developer to develop a retail establishment on this site. The development of this site for a retail use will fulfill the program activities included in Table II-4 of the 2009-2013 Implementation Plan. This development would increase the assessed value of property within the City and provide additional tax revenues to all the affected taxing entities.

**Previous Development Proposals and Activity**

- Granite Bay Holdings proposed a commercial development on this parcel along with two others in 2007-2008. The company subsequently went through bankruptcy proceedings and the parcel was foreclosed on and sold.
- Winters Community Development Agency purchased the site, along with two others in a foreclosure sale on April 30, 2009 in order to be able to work with developers to create a retail center on the Grant Avenue Corridor, a main artery through the City.
- An RFP was issued in 2009 for a proposal to develop the Site. An Exclusive Negotiating Rights Agreement was entered into with Yackzan Group, Inc. The agreement expired without any action by developer Yackzan Group, Inc.

## Site 5

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor Agency to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- No address assigned
- 003-370-030

### Current Use/Description

- Vacant Land
- The Site is currently vacant located on Grant Avenue, between East Street and Morgan. Grant Avenue is the main entrance to the City of Winters from the East.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 4/30/09
- \$337,444

### Parcel Size

- 97,487.28 square fee
- 2.238 acres

### Current Zoning

- C2-Central Business District

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$484.159
- n/a

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- This property is directly adjacent to public transit stop
- Transfer to City of Winters for Implementation of Redevelopment Plan
- Advance the Economic Development objective of the Successor Agency
- The City has entered into discussions with a developer to develop an affordably restricted Senior Housing Project on this site

### Previous Development Proposals and Activity

- Granite Bay Holdings proposed a commercial development on this parcel along with two others in 2007-2008. The company subsequently went through bankruptcy proceedings and the parcel was foreclosed on and sold.
- Winters Community Development Agency purchased the site, along with two others in a foreclosure sale on April 30, 2009 in order to be able to work with developers to create a retail center on the Grant Avenue Corridor, a main artery through the City.
- An RFP was issued in 2009 for a proposal to develop the Site. An Exclusive Negotiating Rights Agreement was entered into with Yackzan Group, Inc. The agreement expired without any action by developer Yackzan Group, Inc.

## Site 6

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor Agency to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- 311 First Street
- 003-204-002

### Current Use/Description

- Public Parking
- The Site is located directly behind Main Street Businesses and directly across from City Hall. City Hall staff utilize the parking lot during the day as well as other visitors to City Hall and customers visiting the businesses downtown. In the evening, this lot provides parking to patrons of the restaurants and the Palms Playhouse located in the downtown core. There are only 4 other off street parking spaces available to staff and visitors to City Hall. Without the parking lot, staff and visitors to City Hall must park on the Street.
- The site formerly included a dilapidated building, that has since been removed

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 5/19/09
- \$458,141 [Implementation of Redevelopment Plan

### Parcel Size

- 9016.92 square feet
- .207 acres

### Current Zoning

- D-A Downtown-A, part of the form based code for the Downtown to establish unique use and development standards within the Downtown Master Plan area.

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$220,000
- none

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- None
- Transfer to City of Winters for continued Governmental Use

- The site provides parking for city staff on a daily basis and keeps staff and visitors from having to park on the street while doing business at City Hall.

**Previous Development Proposals and Activity**

- No record of previous development proposals or activity,

## Site 7

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency

Successor Agency to the Dissolved Winters Community Development Agency

### Address/Parcel Number

- 314 Railroad Avenue
- 003-204-006

### Current Use/Description

- This site includes a vacant building that formerly housed a Cafe
- Site is located on Railroad Avenue between Main Street and Abby Street

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 4/1/10
- \$351,399
- Implementation of Redevelopment Plan

### Parcel Size

- 3, 920.40 square feet
- .09 acres

### Current Zoning

- D-A A Downtown-A, part of the form based code for the Downtown to establish unique use and development standards within the Downtown Master Plan area

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$350,000
- none

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- None
- Transfer to City of Winters for Implementation of Redevelopment Plan
- Staff is currently in negotiations with a developer to build an infill project utilizing this site along with another Successor Agency parcel and two City owned parcels in the downtown area. This project would significantly increase the assessed value of property within the City and provide additional revenue to all the affected taxing entities. The development of this property is included in the 2009-2013 Implementation Plan.

**Previous Development Proposals and Activity**

- This site previously was the location of a Cafe and T-shirt printing business, the owners of which moved out of state. The building is now vacant, and no other development proposals beyond that mentioned above have been received.

## Site 8

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency
- Successor Agency to the Dissolved Winters Community Development Agency.

### Address/Parcel Number

- 318 Railroad Ave
- 003-204-005

### Current Use/Description

- Site is currently a vacant building on that was formerly a bar
- Site is located at the corner of Abbey Street and Railroad Avenue.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 4/1/10
- \$289,479
- Implementation of Redevelopment Plan

### Parcel Size

- 2,613.50 square feet
- .06 acres

### Current Zoning

- D-A A Downtown-A, part of the form based code for the Downtown to establish unique use and development standards within the Downtown Master Plan area

### Estimate of Current Value/Property Revenue

- Appraised Value on 3/15/11 \$240,000
- None

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- None
- Transfer to City of Winters for Implementation of Redevelopment Plan
- Staff is currently in negotiations with a developer to build an infill project utilizing this site along with another Successor Agency parcel and two City owned parcels in the downtown area. This project would significantly increase the assessed value of property

within the City and provide additional revenue to all the affected taxing entities. The development of this property is included in the 2009-2013 Implementation Plan.

**Previous Development Proposals and Activity**

- This site previously was the location of a Bar, the owner of which has subsequently passed away and the building remains vacant at this time.

## Site 9

### Owner/Title

- Successor Agency to the Dissolved Winters Community Development Agency
- Successor Agency to the Dissolved Winters Community Development Agency.

### Address/Parcel Number

- No address assigned
- 003-224-001

### Current Use/Description

- Site is currently a public parking lot.
- Site is located at the corner of Abbey Street and Railroad Avenue and is currently used as public parking.

### Acquisition Date/Acquisition Property Value/Acquisition Purpose

- 1/1/08
- \$144,000
- Implementation of Redevelopment Plan

### Parcel Size

- .406 acres
- 17,685 square feet

### Current Zoning

- D-A A Downtown-A, part of the form based code for the Downtown to establish unique use and development standards within the Downtown Master Plan area

### Estimate of Current Value/Property Revenue

- Purchase price of \$144,000
- none

### History of Environmental Contamination

- No record of environmental studies

### Potential for Transit-Oriented Development/Use or Disposition of Property/Advancement of the Planning Objective of the Successor Agency

- None
- Transfer to City of Winters for Implementation of Redevelopment Plan.

### Previous Development Proposals and Activity

- No record of previous development proposals or activity

## Appendix A

The following are infrastructure, buildings and other improvements that were constructed on City-owned property, paid for, in whole or in part, by the dissolved CDA, and have been identified as assets of the dissolved CDA. These assets will be transferred to the City for continued governmental use.

Property 10: Lights installed at the City Park Baseball field to provide the ability for evening baseball and softball games in the park.

Property 11: Linoleum installed in City owned building currently used for early childhood education programs.

Property 12: Tennis Courts rehabilitated on the property of the Winters Joint Unified School District with a joint use agreement in place for City programs and the public to use.

Property 13: Amphitheatre constructed at the City owned Winters Community Center.

Property 14: Shade Structure constructed at the City owned Winters Community Center.

Property 15: Community Swimming Pool constructed on the property owned by the Winters Joint Unified School District. The City and School District have a joint use agreement for the use of the swimming pool.

Property 16: Restroom facility constructed at City owned Rotary Park.

Property 17: Joint Police and Fire Station constructed on City owned land. Currently in use and occupied as a Police and Fire Station.

Property 18: Reconstruction of streets within the City of Winters.

Property 19: Rehabilitate and pave the City owned Railroad Trestle Bridge, resulting in the creation of a bike and pedestrian path over Putah Creek instead of an abandoned and dangerous deteriorated and unusable bridge.

Property 20: Parking lot constructed between the City owned Winters Community Center and the City owned Rotary Park.

Property 21: Improvements reconstructed at the intersection of Jackson and McArthur Streets in the City of Winters

Property 22: Roadway and Sidewalk enhancements constructed at the intersection of Main and Railroad and Railroad and Abbey Streets in Downtown Winters.

Property 23: Roadway and Sidewalk enhancements constructed at the intersection of Main and First Street and at the mid block between Railroad and First Street in Downtown Winters.

**Winters Community Development Project  
Implementation Plan**



**WINTERS COMMUNITY DEVELOPMENT AGENCY  
2009 – 2013**

## **TABLE OF CONTENTS**

<b>EXECUTIVE SUMMARY</b>	<b>P. 4</b>
<b>I. INTRODUCTION</b>	<b>P. 8</b>
<b>A. Organization</b>	<b>P. 9</b>
<b>B. Interpretation</b>	<b>P. 9</b>
<b>II. NON-HOUSING IMPLEMENTATION PLAN</b>	<b>P. 10</b>
<b>A. Description of Redevelopment Project Area</b>	<b>P. 10</b>
<b>B. Project Area Goals and Objectives</b>	<b>P. 10</b>
1. Goals	P. 10
2. General Objectives	P. 11
3. Redevelopment Activities	P. 11
<b>C. CDA Accomplishments Over Last Five Years</b>	<b>P. 13</b>
<b>D. Five Year Planning Period Revenues</b>	<b>P. 16</b>
1. Tax Increment Bond Issuance Proceeds	P. 16
2. Co-Funding of Projects	P. 16
<b>E. Proposed Five Year Non-Housing Programs and CDA Expenditures</b>	<b>P. 16</b>
<b>F. Linkage Between Programs and Elimination of Blighting Influences</b>	<b>P. 17</b>
1. Blighting Conditions in the Project Area	P. 17
2. Linkage Between Programs and Elimination of Blighting Influences	P. 17
a. Public Infrastructure	P. 17
b. Public Facilities	P. 18
c. Parks	P. 18
d. Economic Development	P. 18
e. Project Area Planning	P. 19
f. CDA-Owned Property Disposition and Development	P. 19
<b>III. WINTERS HOUSING IMPLEMENTATION PLAN</b>	<b>P. 21</b>
<b>A. CDA Accomplishments</b>	<b>P. 21</b>
<b>B. Overview of Legal Requirements</b>	<b>P. 21</b>
1. Implementation Plan Requirements: Housing Activities	P. 21
2. Major Statutory Provisions of CRL for Affordable Housing	P. 22
<b>C. Affordable Housing Production (Inclusionary) Obligations and Housing Production Plan</b>	<b>P. 22</b>
1. Historical Housing Production in the Project Area	P. 23
2. New Construction – Multi-Family	P. 24
3. New Construction – Single Family	P. 24
4. Rehabilitation	P. 24
5. Projected Future Housing Production and CDA Obligations	P. 25
6. Affordable (Inclusionary) Housing Production	P. 25
<b>D. Replacement Housing Obligation</b>	<b>P. 26</b>

<b>E. Housing Set-Aside Fund</b>	<b>P. 27</b>
1. History and Status	P. 29
2. Deposits During Next Five Years	P. 29
3. Proposed Housing Activities & Projected Expenditures	P. 31
<b>F. Projection for Annual Unit Production in the Project Area</b>	<b>P. 32</b>
<b>G. Goals, Policies and Programs</b>	<b>P. 32</b>
1. Housing Goals	P. 32
2. Housing Programs	P. 33

**TABLES INDEX**

ES-1	Projected Tax Increment Funds Available for Projects	P. 7
II-1	Summary Description	P. 10
II-2	Non-Housing Program Activities	P. 12
II-3	Redevelopment Goals and Program Activities Matrix	P. 13
II-4	Proposed Five Year Non-Housing Programs and Expenditures	P. 17
II-5	Redevelopment Goals and Blight Linkage	P. 19
II-6	Redevelopment Objectives and Blight Linkage	P. 20
II-7	Redevelopment Activities and Blight Linkage	P. 20
III-1	Housing Production Summary, Historical and Projected	P. 23
III-2	Project Area Housing Production and Affordable Housing Obligation, Historical and Projected	P. 24
III-3	Residential Units Removed, Historical and Projected	P. 26
III-4	Historical Project Area Affordable Housing Construction, 1992-2008	P. 27
III-5	Housing Set Aside Fund Excess Surplus	P. 28
III-6	Estimated Housing Resources	P. 28
III-7	Estimated Financial Summary of Housing Funds, FY 2009-2013	P. 28
III-8	City of Winters/Yolo County 2008 Income Limits	P. 30
III-9	Affordable Housing Need (Regional Fair Share by Income Category)	P. 31
III-10	Proportion of Senior Population	P. 31
III-11	Affordable Housing Policies, Housing Implementation Plan, Housing Element Policies Affecting the CDA	P. 34

**APPENDICES INDEX**

Appendix A	Table 1-A	Water Improvements	P. 36
	Table 2-A	Wastewater Improvements	P. 37
	Table 3-A	Road Improvements	P. 38
Appendix B		Overview of Redevelopment Housing Requirements	P. 39
	Table 1-B	Affordable Housing Cost	P. 40
	Table 2-B	Affordable Housing Need	P. 40
	Table 3-B	Units Constructed to Date with Housing Funds and Proportion by Income Category	P. 41
	Table 4-B	Production from Major New Developments	P. 43
Appendix C		Settlement Terms	P. 44

**FIGURE INDEX**

Figure I - CDA Project Area Map	P. 45
---------------------------------	-------

## **2009 – 2013 Five Year Implementation Plan Executive Summary**

The project area of the Winters Community Development Project Area Plan includes approximately 669 acres, or 41 percent of the total land area of the City of Winters. The Winters City Council adopted the Community Development Project Area Plan in 1992, and the Winters Community Development Agency (CDA) oversees the Plan.

The CDA has adopted the following mission statement as an overall framework for its redevelopment activities:

*"To maximize the abundant potential of Winters's land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities."*

### **CDA Goals**

The State Community Redevelopment Law enables a local government to form a Community Development (Redevelopment) CDA when it determines that physical, social or economic problems, identified as "blight" or "blighting influences" in the State Community Development Law, exist within a community. Blight and blighting influences encompass a broad spectrum of definitions in the State Law, ranging from inadequate public improvements, to economic conditions that inhibit sound use or development of property, to physically deteriorated and dilapidated structures and facilities.

The Community Development Agency (CDA) of the City of Winters proposes to use the authority provided to it by this Plan to eliminate or reduce blight and blighting influences presently existing with the City and the Project Area, as set forth in this Plan.

This action is necessary because within the Project Area there presently exists an inadequate circulation system; mixed and shifting land uses; inappropriate and fragmented parcelization; physical deterioration of property; and inadequate public improvements, including needed flood control and storm drainage facilities, recreation improvements, traffic signalization, street reconstruction, curb, gutter and sidewalk construction, parking facilities, street lighting, and municipal services facilities – all of which inhibit proper and desirable development of the Project Area.

The overall goal of the CDA is to maximize the potential benefits of the CDA to the community, while preserving the historical ambiance and quality of life in Winters.

### **CDA Objectives**

In order to achieve these goals, the CDA has identified objectives that are designed to alleviate blighting conditions in the project area:

- To provide a stable, diversified and stronger economic base for the Project Area and Community.
- To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.
- To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.
- To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.
- To maximize opportunities for the revitalization, expansion and development of commercial and industrial uses within the Project Area.

- To improve and increase the community's supply of affordable housing in a manner consistent with the Housing Element of the General Plan and the policies of the Community Redevelopment Law.
- To accomplish these goals with minimum displacement of any property owner, resident or business person who may wish to remain within the Project Area.

## **CDA Programs**

To achieve these goals and objectives, the CDA will continue to implement current redevelopment projects and activities in the project area during the five-year period of the 2009-2013 Implementation Plan. The programs and projects fall under the following categories:

- Public infrastructure;
- Public facilities;
- Economic development;
- Project area planning; and
- Property disposition and development.

## **CDA Accomplishments 2003-2008 (previous 5-year Plan)**

The overall goal of the CDA is to maximize the potential benefits of the CDA to the community, while preserving the historical ambiance and quality of life in Winters. Since the adoption of the 2003 - 2008 Implementation Plan, the CDA has undertaken and participated in a number of projects and activities toward meeting the goals and objectives identified in the 2003-2008 Implementation Plan. Some of the notable accomplishments as they relate to the CDA Objectives identified in the 2003-2008 Implementation Plan include (a complete list of projects is provided in Section II.C):

- Attraction of Palms Playhouse and Lease Assistance Program;
- Preparation of Downtown Master Plan and beginning of implementation. The CDA authorized \$1.35 Million toward Phase I of the Downtown Pedestrian Improvement Project anticipated to be completed fall of 2008. The CDA also authorized \$185k toward Phase II of the Downtown Pedestrian Improvement Project anticipated to commence immediately following the completion of Phase I and completed during the fall of 2009;
- In 2006/07, the CDA expended \$725,000 toward the development of a City/School District swimming pool;
- In 2006/07, the CDA expended over \$600,000 toward the development of the Rotary Park parking lot and restrooms, the Community Center shade structure, downtown bike racks, and the Downtown Façade program;
- In September of 2004, the CDA approved the Downtown Façade Improvement Program and continues to provide funds for this program each year;
- In February of 2007, the CDA purchased 23 Main Street in downtown Winters which will provide a Main Street to alleyway walk-through to improve pedestrian path of travel in Winters;
- In October of 2004, the CDA purchased property at East Baker Street for the development of the Winters II Affordable Housing project. The CDA also provided over \$1.5m in grants and loans for this project which was leased up in early 2008;
- In 2004/05 and 2005/06, the CDA provided almost \$500k toward the successful rehabilitation of the 1906 dilapidated and abandoned Southern Pacific Railroad trestle bridge which is now in use for pedestrian and cyclist transit and experiencing Putah Creek;
- Other projects funded by the CDA over the life of the 2003-2008 Plan included: \$250k toward the Rominger Softball Field; almost \$350k toward the rehabilitation of the Winters Parent Nursery School; downtown streetlights; water tower logo; Little League lights; and holiday lights;
- In September 2004, the CDA purchased a 18,949 square foot property on Railroad Avenue between Main and Abbey Streets for future in-fill development of downtown Winters. The CDA is currently negotiating a Disposition and Development Agreement with Monticello Investors for the

development of a 47,000 square foot mixed use development including commercial and residential uses;

- The CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

### **Estimated Cost of the Five Year Non-Housing Program**

Over the next five years, the CDA plans to implement the following redevelopment projects and programs. The list below describes the projects proposed which would actualize the CDA's proposed goals and objectives. The CDA's estimated cost share of the five-year program of non-housing activities is \$11,328,900 for the period of FY 2009 to FY 2013. The CDA anticipates that sufficient funds (through the issuance of tax increment bonds and the use of non-CDA funding sources) will be available to accomplish the proposed five-year program of non-housing activities.

- Public Safety Building design and construction. This will include the development of a joint use facility for the Police and Fire Departments.
- Water and Sewer improvements to include major upgrades to mains, pumping stations and telemetry.
- City wide traffic circulation and safety improvements, including traffic lights and calming features.
- Completion of the downtown design and zoning code.
- The construction of a new joint use library to be co-located and operated at Winters High School.
- Downtown Signage Program
- Construction of Water Well #7 at the corner of West Main Street and Grant Avenue
- Revitalization of the Downtown
- Rehabilitation of existing public facilities including the Community Center
- Various Street and alleyway improvements including the Downtown Pedestrian Improvement Project
- Park facility improvements
- Development and Implementation of Economic Development strategy and programs including branding and marketing programs
- Property acquisition and site development
- Rehabilitation of possible downtown sites
- Feasibility study and rehabilitation assistance for downtown historic structures
- Downtown Master Plan implementation
- Incentive programs for new business and new job development
- Continuation of the Façade Improvement Program

Below is a table showing a financial summary of net non-housing funds available for programs during the Five Year Implementation Plan period. Additionally, remaining funds from the March 2004, CDA \$7.8 million Tax Allocation Bond issue and the June, 2007 \$11 million issue will go toward the construction of the Public Safety Facility, sewer expansion and other capital and housing projects.

**Table ES-1  
Projected Tax Increment Funds Available for Projects**

Fiscal Year	Projected Non-Housing Tax Increment	Projected Admin	Projected Pass Throughs	Projected Debt Service	Net Available for Projects
2008-2009	\$ 1,654,956.00	\$ 351,055.00	\$ 356,666.78	\$ 785,723.50	\$ 161,510.72
2009-2010	1,737,703.80	359,831.38	374,469.97	941,986.00	\$ 61,416.45
2010-2011	1,824,588.99	368,827.16	393,163.32	939,338.50	\$ 123,260.01
2011-2012	2,043,818.44	378,047.84	606,431.66	936,058.50	\$ 123,280.44
2012-2013	<u>2,146,009.36</u>	<u>387,499.03</u>	<u>636,723.09</u>	<u>936,838.50</u>	<u>\$ 184,948.73</u>
<b>Total</b>	<u>\$ 9,407,076.59</u>	<u>\$1,845,260.41</u>	<u>\$2,367,454.83</u>	<u>\$ 4,539,945.00</u>	<u>\$ 654,416.35</u>

## Statutory Affordable Housing Requirements

The major statutory affordable housing requirements imposed on redevelopment agencies by the California Redevelopment Law (CRL) may be categorized generally as:

- Housing Production Requirement – Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost. This is sometimes referred to as an "Inclusionary" requirement.
- Replacement Housing Requirement – Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.
- Housing Fund Requirement – Redevelopment agencies are required to expend specified percentages of tax increment revenue for the provision of affordable housing.

The Winters Community Development Agency has historically met its legal obligations under the CRL and Housing Element Law. The housing production and replacement housing numbers used in this report represent the best available information to date.

## Housing Production Requirement

From the inception of the project area in July 1992 and up until July 2008, the CDA has met the CRL housing production requirement that 15 percent of the housing units newly developed or substantially rehabilitated in the project area must be affordable to very low, low and moderate income households, of which six percent of units developed or rehabilitated must be affordable to very low income households earning 50 percent of the median income or less. The CDA intends to meet its affordable housing production requirements in the next ten years and throughout the life of the project to 2033.

- Historically, since the inception of the project area in 1992, the CDA estimates that 473 dwelling units have been produced in the project area: 425 new units and 48 substantially rehabilitated units. Of these, 190 are affordable to very low, low and moderate income households. These 473 units "produced" generated an inclusionary housing obligation of 73 units, which was far exceeded through the provision of 190 affordable units, representing forty percent of total production.
- Between 2009 and 2013 the CDA projects that a total of 97 dwelling units will be constructed in the project area. Of these, 15 will be affordable to very low, low and moderate-income households.
- From 2009 until the end of the Project (2033), the CDA estimates that 392 new or substantially rehabilitated dwelling units will be developed within the project area. Of these, 60 will be affordable to very low, low and moderate-income households.

## **Replacement Housing Requirement**

### **Historical**

- To date, the CDA's activities have not resulted in the loss of any housing units from the housing stock. As a result, the CDA has yet to incur any replacement housing obligations.

### **Projected**

- The CDA does not anticipate removing any housing units from the housing stock during the term of the Implementation Plan (2009 – 2013).

### **Housing Fund Requirement**

Since 1992, the CDA has committed at least 20 percent of its tax increment revenues, which are deposited into the housing set-aside fund (housing fund) to support the production of very low, low and moderate-income housing and will continue to do so in the future.

- The CDA projects depositing tax increment bond proceeds in the housing fund, between 2009 and 2013 (Fiscal Years 2008/2009 through 2012/2013), meeting its 20 percent obligation. The CDA anticipates expending all of these funds on housing activities, leaving the housing fund with a zero balance at the end of Fiscal Year 2012/2013.

### **Annual Goals**

Over the next ten years, the Community Development CDA will continue to dedicate its housing activities to assist in the achievement of the City's goals, policies and programs described in the City's *Draft 2008 Housing Element Update*.

During the five-year period covered by this Implementation Plan, it is possible that the CDA will undertake some but not all of the projects listed. All costs and time frames listed for the programs and projects are estimates only and may differ from the actual costs and time frames. Specific projects may also be modified or added depending on actual circumstances, including but not limited to changing needs of the CDA, actual costs of the projects and the availability of funding. The Implementation Plan will not be further amended as the result of any such addition or modification, so long as the projects are: 1) permitted by the Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.); 2) consistent with the Redevelopment Plan for the Winters Community Development Project Area; and 3) consistent with the goals and objectives set forth in the Implementation Plan.

## **I. INTRODUCTION**

The California Community Redevelopment Law (CRL) requires each Community Development Agency administering a redevelopment plan to prepare and adopt a five-year implementation plan. The principal goal of the Implementation Plan is to guide an agency in implementing its redevelopment programs to help eliminate blighting influences. In addition, the affordable housing component of the Implementation Plan provides a mechanism for a Community Development Agency to monitor its progress in meeting both its affordable housing obligations under the CRL and the affordable housing needs of the community. In effect, the Implementation Plan is a guide, incorporating the goals, objectives and potential programs of an agency for the next five years, while providing flexibility so the agency may adjust to changing circumstances and new opportunities.

This document constitutes the Implementation Plan for the Winters Redevelopment Project Area. This Implementation Plan outlines the proposed program of revitalization, economic development, and affordable housing activities of the Winters Community Development Agency for the required five-year planning period that includes FY 2008/09 through FY 2012/13. In addition, information for later years is also provided where it is available or required.

#### **A. ORGANIZATION**

Generally, the Implementation Plan must contain the following information:

- Specific goals and objectives for the next five years for both the housing and non-housing activities.
- Specific programs and expenditures for the next five years for both housing and non-housing activities.
- An explanation of how the goals, objectives, programs and expenditures will assist in the elimination of blight and in meeting affordable housing obligations.
- Other information related to the provision of affordable housing.

These Implementation Plan requirements cover two broad categories of redevelopment activities. Consequently, this Implementation Plan is organized into two parts. Chapter II sets forth the requirements for non-housing activities and related expenditures. Chapter III addresses affordable housing activities and expenditures and charts agency progress in meeting its affordable housing obligations. Chapter III also includes the Affordable Housing Production Plan (also known as the AB 315 Plan).

#### **B. INTERPRETATION**

This Implementation Plan is intended to provide general guidance for the implementation of the agency's programs and activities. It is expected that particular constraints and opportunities, not fully predictable at this time, will arise in the course of undertaking the programs and activities described in this Implementation Plan over the next five years. Therefore, the CDA intends to use and interpret this Implementation Plan as a flexible guide. The CDA acknowledges that specific programs and activities as actually implemented over the next five years may vary in their precise timing, location, cost, expenditure, scope and content from that set forth in this document.

## II. NON-HOUSING IMPLEMENTATION PLAN

### A. DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The redevelopment project area includes 669 acres, or 41.6 percent of the total land area of the City of Winters. Generally, the project area includes most of the City south of Grant Avenue and portions of the City north of Grant. (See Table II-1 for a summary of the project area and Figure I for a map of the project area.)

The Winters City Council adopted the project area in 1992 and established the Community Development Agency to oversee and have jurisdiction over the Redevelopment Project. The Winters City Council established the Redevelopment Plan for the project area through Ordinance No. 92-08.

On January 15, 2008, the Winters City Council passed and adopted Ordinance No. 2008-01 which did the following: 1) As allowed under SB 211, the Ordinance eliminated the existing time limit on incurring debt; 2) As allowed under SB 1045, the Ordinance amended the time limit on the effectiveness of the Redevelopment Plan, extending the effectiveness of the Redevelopment Plan to July 19, 2033; and 3) as allowed under SB 1045, the Ordinance amended the time limit which the CDA may pay indebtedness or receive property taxes, extending the date to July 20, 2043.

**Table II-1  
Summary Description**

Acres	669
Adopted	July 20, 1992
Base Assessed Value	\$61,667,954
<b>Time Limits under AB 1290</b>	
Incurring Debt <sup>1</sup>	Eliminated as allowed under SB 211
Project Activities	July 19, 2033 (includes SB 1045 amendment)
Tax Increment Receipt	July 19, 2043 (includes SB 1045 amendment)
<b>Time Limit for Use of Eminent Domain</b>	
Eminent Domain Expiration	July 20, 2004
<b>Financial Capacity (As of 7/01/08)</b>	
Tax Increment Cap	\$121,000,000
Bonded Indebtedness Cap	\$25,000,000
Tax Increment Received FY 2008	\$1,746,952
Bonded Indebtedness Outstanding	\$18,060,000

Source: Winters Community Development Agency, 2008.

### B. PROJECT AREA GOALS AND OBJECTIVES

#### 1. Goals

The Implementation Plan provisions of the CRL require the CDA to establish goals and objectives for the project area for the five-year planning period.

The CDA has adopted the following mission statement as an overall framework for its redevelopment activities:

*"To maximize the abundant potential of Winters' land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities."*

<sup>1</sup> Ten-year extension available if necessary to eliminate remaining blight.

This mission statement provides the basis for the following set of redevelopment goals:

- Alleviate and prevent the spread of blight and deterioration through redevelopment, rehabilitation and development.
- Construct needed capital improvements and facilities to benefit all segments of the project area.
- Attract additional retail and industrial development to serve the Winters community and the greater region.
- Support development of new housing and rehabilitation of existing housing for all income levels.
- Provide the necessary assistance to increase local employment opportunities, primarily through the development of vacant or underutilized land

## **2. General Objectives**

To achieve these goals the CDA identified specific objectives designed to alleviate the blighting conditions in the project area that constrain development. These objectives include:

- Construct needed public facilities and improvements, including civic improvements for public safety, libraries, and the general community.
- Upgrade, expand, and rebuild non-existent and/or aging infrastructure systems to support new development, including improvements to storm water collection and drainage systems, street lights, pedestrian circulation improvements, passive and active open space, and similar public improvements.
- Provide mechanisms to upgrade existing private residential and commercial buildings to ensure their preservation and enhancement and to increase their economic life and value. Use redevelopment funds as leverage for grants such as Community Development Block Grant (CDBG) Housing Rehabilitation and Business Loan Programs.
- Pursue specific opportunities to attract development to the project area through market analysis, specific plans, and, marketing efforts.
- Implement an effective economic development strategy designed to attract and retain employers to the project area.
- Improve the traffic circulation system, which has constrained development and divided neighborhoods.

## **3. Redevelopment Activities**

The CDA identified a number of programs and projects to achieve the goals and objectives of the Redevelopment Plan. The CDA will continue to implement these programs and projects during the five-year period of the 2009-2013 Implementation Plan. A number of these programs continue to be dependent upon the response of the private sector to CDA initiatives. Other program elements are dependent upon funding sources not under CDA control and other factors. Programs identified include the following:

- **Public Infrastructure:** Improve, construct and reconstruct major public systems, such as streets, roads, water, and wastewater and storm drainage systems.
- **Public Facilities:** Rehabilitate, develop and improve parks, recreational facilities and public buildings and facilities.
- **Economic Development:** Design and implement projects, activities, and programs to strengthen existing industrial and commercial enterprises and retailers, and attract new businesses which will provide quality jobs.
- **Property Disposition and Development:** Improve and arrange for development of property by private sector developers that will promote and support the City's redevelopment efforts.
- **Project Area Planning:** Implement planning projects that guide land use, transportation, public facilities, and recreation development. Maintain the City's balance between commercial, residential and industrial developments with thoughtful planning.

The program activities are described in Table II-2. Table II-3 correlates these project activities to the non-housing redevelopment goals listed above.

**Table II-2  
Non-Housing Program Activities**

Program Activities	Summary Descriptions	Estimated Costs
Various Water Improvements	Install new water mains and complete other improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 1-A.	\$350,000 - \$500,000
Various Wastewater Improvements	Install new sewer mains at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 2-A.	
Various Road and Sidewalk Improvements	Reconstruct failed streets (sections of McArthur Avenue and Mermod Place, and other failed streets in project area), rehabilitate or replace the two vehicle bridges on Railroad Avenue, and complete other roadway improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 3-A. Various sidewalk improvements in the project area. Grant Avenue Improvements	\$165,600 - \$300,000
<b>Construct New Facilities</b>	<b>Construct a civic center.</b>	
	<b>Construct a joint-use fire and police facility.</b>	\$6,800,000
	<b>Construct a joint-use library with Yolo County and the Winters Joint Unified School District.</b>	\$457,418,67
	<b>Construct joint-use facilities with the Winters Joint Unified School District.</b>	
	<b>Construct a senior citizen center.</b>	
	<b>Relocate the City's Public Works and the Winters Joint Unified School District's Corporation Yards to a joint facility.</b>	
Revitalize Existing Facilities	Improve the Community Center and other community facilities as needed.	
<b>Construct New Parks</b>	<b>Construct a multi-sports field active park facility at the City's Landfill.</b>	
	<b>Acquire land and construct park facilities within the project area.</b>	
Revitalize Existing Facilities	Complete improvements to City, Valley Oak, Blue Oak, Putah Creek park area, and Rotary Parks.	
	Continue efforts to improve the Putah Creek Nature Park with native plantings, trails, access points, interpretive signage, and other amenities.	
Downtown Revitalization	Provide economic incentives for infill development and historic rehabilitation projects, facilitate CDA property disposition for in-fill mixed use development, facilitate seismic retrofits in downtown business district, improve streetscapes (sidewalks, landscaping, furnishings, etc.), upgrade building facades, construct a parking facility in or adjacent to the central business district, facilitate and encourage other economic development initiatives such as downtown festivals and events, art programs, tourism incentives, etc.	\$1,070,000 - \$1,500,000

Project Area Marketing	Increase visibility and attractiveness of project area to prospective businesses and developers. Develop and implement economic development strategy including a branding and marketing strategy.	
<b>Project Area Planning</b>		
Master Plan	Continue to implement Downtown Master Plan projects, programs and activities including: Downtown Signage program, Downtown Improvement Projects, street and alley improvements, completion of Downtown Form Based Code, etc.	\$1,635,000
<b>Property Acquisition</b>		
Property Acquisition	Acquire available lands to advance goals of the CDA.	\$1,500,000

**Table II-3  
Redevelopment Goals and Program Activities Matrix**

<b>Program Activities</b>					
<b>Redevelopment Goal</b>	<b>Public Infrastructure</b>	<b>Public Facilities</b>	<b>Economic Development</b>	<b>Project Area Planning</b>	<b>Property Disposition/Development</b>
Alleviate and prevent spread of blight and deterioration.	✓	✓	✓	✓	✓
Attract additional retail/Industrial development.	✓	✓	✓	✓	✓
Eliminate obstacles to development of office space and retail uses.	✓	✓	✓	✓	✓
Support development of housing for all income levels.	✓		✓	✓	✓
Provide necessary assistance to increase local employment opportunities.			✓	✓	✓

Source: Winters Community Development Agency, 2003.

**C. CDA ACCOMPLISHMENTS OVER LAST FIVE YEARS**

Since the adoption of the 2003 - 2008 Implementation Plan, the CDA has undertaken and participated in a number of projects and activities to directly meet the objectives identified in the 2003-2008

Implementation Plan. Below are some of the notable accomplishments as they relate to the CDA Objectives identified in the 2003-2008 Implementation Plan:

- 1) **Objective:** To provide a stable, diversified and stronger economic base for the Project Area and Community.

Accomplishment: On August 16, 2005, the CDA authorized the lease and sublease of the second floor and a portion of the first floor of a property in downtown Winters, for a period of 10-years in order to retain the Palms Playhouse (the "Palms") in downtown Winters. The Palms acts as an anchor tenant for the downtown, attracting a significant number of visitors from the region, expanding the "open" hours of the downtown, and bringing vibrancy thereby benefiting other downtown businesses and promoting economic development. The lease savings realized by the Palms is required to be re-invested in the Palms production for marketing, on-going improvements and toward an improved sound system which enables the Palms to attract a higher level of musical talent.

- 2) Objective: To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.

Accomplishment: In March 2006, the City Council approved the Downtown Master Plan which provides a vision for the overall economic and capital development of the central business district of downtown Winters. This adopted document includes a variety of plans and policies which represent key steps in achieving the overall build-out of the area including pedestrian improvements, street improvements, parking improvements, alleyway improvements etc. On October 17, 2006 the CDA authorized a \$20,000 budget to begin the implementation of programs for the economic development projects as outlined in the Master Plan. In March of 2007, the CDA released a Request for Proposal for Engineering and Design Services for the Downtown Streetscape Improvement Project. Through an agreement approved on August of 2007, and amended October of 2007, the CDA authorized \$1.3 million for Rick Engineering to take the CDA through the construction document phase for the Downtown Streetscape Improvement Program. Improvements include pedestrian improvements and bulb-outs at Main Street and Railroad Avenue. It is anticipated that the project will be constructed by the fall of 2008.

Accomplishment: In 2004/05 and 2005/06, the CDA provided almost \$500k toward the successful rehabilitation of the 1906 dilapidated and abandoned Southern Pacific Railroad trestle bridge which is now in use for pedestrian and cyclist transit and experiencing Putah Creek.

- 3) Objective: To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.

Accomplishment: In 2005, the CDA provided almost \$125,000 toward the rehabilitation of the City tennis court.

Accomplishment: In 2006/07 the CDA expended \$725,000 toward the development of a City/School District swimming pool and over \$600,000 toward the development of the Rotary Park / City Parking Lot and restrooms, the Community Center Shade structure, downtown bike racks, and the Downtown Façade program. The Rotary Park /City Parking Lot project resulted in the creation of a Downtown Park at one of the City's main corners which acts as a gathering place for activities and events such as harvest markets, tree lighting ceremonies, etc. attracting visitors and patrons to the downtown and benefitting local businesses. The Project resulted in a net gain of 57 new parking spaces, from 65 on-site/off-site spaces to 122 on-site/off-site spaces (56 additional on-site spaces and 1 additional off-site space).

Accomplishment: Other projects funded by the CDA over the life of the 2003-2008 Plan included: \$250k toward the Rominger Softball Field and almost \$350k toward the rehabilitation of the Winters Parent Nursery School.

- 4) Objective: To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.

**Accomplishment:** On September 7, 2004, the CDA approved the Downtown Façade Improvement Program (DFIP), including the Guidelines, Agreement, Application, Rebate Claim Form, and Sample Façade Maintenance Easement needed to implement the program; and authorized CDA tax increment funds for its implementation. The CDA has continued to offer and provide funds for this program each year.

**Accomplishment:** In March 2006, the CDA completed the Downtown Master Plan providing a comprehensive plan to describe policy changes and capital improvement projects that will help downtown Winters to attract investment and grow while maintaining its historic, small-town character. The CDA is currently out to bid for Phase I of the Downtown Pedestrian Improvement project, identified in the Downtown Master Plan. This is a \$1.3M project. The CDA will also contribute \$185k toward Phase II which received a \$495k grant from SACOG. Phase II is anticipated to move forward immediately following completion of Phase I in the fall of 2008.

**Accomplishment:** Other projects funded by the CDA over the life of the 2003-2008 plan include funding for: downtown streetlights, water tower logo, little league lights, holiday lights.

- 5) **Objective:** To maximize opportunities for the revitalization, expansion and development of commercial and industrial uses within the Project Area.

**Accomplishment:** In February 2007, the CDA purchased 23 Main Street in downtown Winters from the Barbour/Whitworth Family for \$174,178.45. The CDA intends to provide for a permanent ten foot access easement through the property from the alley to Main Street for pedestrian purposes, as identified in the Downtown Master Plan. The Winters Center for the Arts has the option to lease back or purchase the property provided they have a bona fide development proposal for the construction of an Art Center building on the site which would be used by the Winters Center for the Arts and the public.

**Accomplishment:** In September 2004, the CDA purchased a 18,949 square foot property on Railroad Avenue between Main and Abbey Streets for future in-fill development of downtown Winters. The CDA is currently negotiating a Disposition and Development Agreement with Monticello Investors for the development of a 47,000 square foot mixed use development including commercial and residential uses.

- 6) **Objective:** To improve and increase the community's supply of affordable housing in a manner consistent with the Housing Element of the General Plan and California Community Redevelopment Law of the State of California, Health & Safety Code Sections 33000 et seq., policies to increase, improve, and expand the community's supply of affordable housing.

**Accomplishment:** On October 19, 2004, the CDA authorized the expenditure of funds, for the purchase a 1.71 acre vacant parcel at 110 East Baker (the Property"), at its \$460,000 appraised value, for the development of the Winters II Affordable Housing Project. The CDA became the owner on title on November 19, 2004. On March 1, 2005, the CDA entered into an Agreement to Negotiate Exclusively with the Community Housing Opportunities Corporation ("CHOC") to

prepare a Disposition and Development Agreement with respect to the Property. In August of 2006, the CDA approved a Ground Lease with Bruhn Orchards Housing Associates, L.P., a California Limited Partnership that was established by CHOC, which provides for a long term lease of the Property for \$1.00 per year and which provides for the development of the Property. The CDA provided a predevelopment loan in the amount \$50,000, a development loan in the amount \$150,000, and a grant of \$1,400,000 for the project. The two loans are on favorable terms. The CDA also picked up a portion of closing costs for the project. Additionally, the City of Winters was awarded a HOME grant in 2005 and the City is loaning \$2,850,280 of the HOME funds to CHOC for the Winters II project under favorable terms. The Winters II project was completed and leased up in January 2008.

Accomplishment: The CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

- 7) Objective: To accomplish these goals with minimum displacement of any property owner, resident or business person who may wish to remain within the Project Area.

Accomplishment: No property owners, residents or business owners were displaced due to CDA efforts.

#### **D. FIVE YEAR PLANNING PERIOD REVENUES**

Over the next five years, the CDA will undertake those activities that can be financially supported by its revenue stream. The CDA has three basic revenue sources:

- Tax Increment Revenues
- Bond issuance proceeds
- Non-CDA financial resources

##### **1. Tax Increment Bond Issuance Proceeds**

Bond proceeds will be the principal source of revenue to finance the proposed non-housing projects over the five year planning period. In March 2004, the CDA issued \$7.8 million in Tax Allocation Bonds to begin financing the development and housing programs in the project area. In its overall fiscal strategy, the CDA has determined that the use of tax allocation bonds to fund major improvements should occur to spur both economic development and produce needed public improvements. In June, 2007 the CDA issued an additional \$11 million, which will go toward the construction of the Public Safety Facility, sewer expansion and other capital and housing projects. It is anticipated that the majority of these bond proceeds will be encumbered during the 2008/09 fiscal year.

##### **2. Co-Funding of Projects**

Wherever possible, the CDA will leverage other funds in connection with its redevelopment efforts. The CDA has targeted local, state and federal funding sources to assist with the financing of eligible projects. As permitted by law, possible funding sources include government grants and assistance programs, as well as private sector sources. The CDA will pursue funds from a number of sources including the following:

- Federal/State CDBG (Community Development Block Grant) funds
- State CalHFA (California Housing Finance Agency) funds
- Federal/State HOME funds
- Federal TEA 21 (Transportation Equity Act for the 21st Century) funds
- Federal EDA (Economic Development Administration) funds
- Various State Parks and Recreational Facilities grants
- Sacramento Area Council of Government (SACOG) MTP grants

#### **E. PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND CDA EXPENDITURES**

The CDA has developed programs to implement its goals and objectives during the five-year Implementation Plan period. Table II-4 presents estimated expenditures for each program. These programs and activities are the result of the process to create an effective overall development and redevelopment strategy for the Winters Redevelopment Project.

In March 2004, the CDA issued \$7.8 million in Tax Allocation Bonds and in June, 2007 the CDA issued an additional \$11 million. Of this amount, \$12,664,316.37 (or 68 percent) is allocated to non-housing programs and expenditures while \$4,528,472.61 (or 24 percent) is allocated to affordable housing programs. Table II-4 provides information on the estimated five-year expenditure levels for non-housing programs. The total expenditures are based on the availability of \$10,674,484 in funds from a bond issuance, \$654,416 in tax increment not reserved for bond debt service and in anticipation of an additional bond issue in 2012 or 2013. If remaining funds are available, the CDA will use its annual budget process to establish funding priorities for these funds.

**Table II-4**

<b>PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND EXPENDITURES</b>	
<b>Program Activities</b>	<b>Estimated Funding Level</b>
Public Infrastructure	\$2,150,600
Public Facilities	\$7,257,419
Parks	\$
Economic Development	\$1,050,000
Project Area Planning	\$20,000
Property Acquisition/Disposition and Cleanup	\$1,500,000
Marketing	\$52,500
<b>TOTAL</b>	<b>\$12,030,519</b>

Source: Winters Community Development Agency, 2008.

**F. LINKAGE BETWEEN PROGRAMS AND ELIMINATION OF BLIGHTING INFLUENCES**

The Implementation Plan must provide an explanation of how the goals, objectives, programs and expenditures for the next five years will serve to eliminate blighting conditions in the project area. To provide this explanation, it is first useful to summarize the blighting influences that continue to affect the Winters Redevelopment Project.

**1. Blighting Conditions in the Project Area**

When the project area was adopted by the City of Winters in 1992, the project area suffered from a number of significant blighting influences. Despite the CDA's implementation of its program to date, many of these conditions remain and continue to impair the project area's development. This is largely a result of the size of the project area and the extent of blighting conditions present in it.

Specifically, the following conditions remain and continue to act as a detriment to development in the project area.

- Obsolete, aged, deteriorated, vacant, and under-utilized buildings as well as buildings with empty second floors (Buckhorn Restaurant, Putah Creek Café, Masonic Hall, and Greenwood buildings).
- Inadequate and deteriorated public improvements, including water delivery systems, storm drains, sewer collection systems, roadways, and sidewalks throughout the project area.
- Deteriorated housing conditions and a lack of quality housing opportunities for a wide range of income levels. A lack of neighborhood-serving retail uses and services for the residents of the project area and adjacent neighborhoods.

**2. Linkage Between Programs and Elimination of Blighting Influences**

The CDA's proposed goals, objectives, programs and expenditures, as outlined in Sections B and E above, will help eliminate blighting influences in the Winters Community Development Project Area in the following manner:

**a. Public Infrastructure**

### **Various Water Improvements**

Within the project area are a number of water mains that are either under-sized, significantly old (with some mains in excess of 100-years-old), or a combination of the two. Replacement of these water mains will significantly improve the water distribution system, assist existing residential areas, and improve the commercial development potential of the project area.

### **Various Wastewater Improvements**

Several of the wastewater mains in the project area are aged and inadequately sized. Replacement of these wastewater mains will increase the wastewater collection system capacity to assist existing residential areas and improve the commercial development potential of the project area.

### **Various Road Improvements**

The project area contains a number of street sections that have deteriorated to the point of failure and will require reconstruction. In addition, two roadway bridges in the project area are in need of rehabilitation or reconstruction). Reconstruction of the street sections and rehabilitation or replacement of the bridges will improve the traffic circulation in the project area.

## **b. Public Facilities**

### **Fire and Police Facility**

Both current fire and police facilities are of inadequate size and lack areas to expand. An adequately sized joint-use fire and police facility will accommodate additional staff as the City grows, provide economies of scale for the office and other operations, increase the on-site training capabilities, and free up properties in the project area that can be better utilized for commercial and other uses.

### **Library Facility**

The Winters Branch of the Yolo County Library is housed in a cinderblock building built 50 years ago originally as an office for the U.S. Bureau of Reclamation during its construction of the Monticello Dam. The population of the City has more than tripled since construction of the building. A new joint-use facility with participation by Yolo County, the Winters Joint Unified School District, and the City of Winters will provide a library with sufficient floor space to serve a population of approximately 2000 grade school children, the Winters Community in general, and allow for a dedicated parking area for the library's visitors. With the construction of a joint-use library facility, the existing building, which lies in the heart of the project area and on the edge of the central business district, can then be converted to another use.

## **c. Parks**

### **Construction of New Parks**

Both the City and project area suffer from the limited amount of park acreage – particularly athletic fields for youth and adult soccer, baseball, and softball. Construction of a multi-sports field active park facility at the City's Landfill will alleviate this problem.

## **d. Economic Development**

### **Central Business District Improvements**

Various improvements to the central business district (pedestrian improvements, streetscapes, building façade upgrades, etc.) will improve the appearance and functionality of this key commercial area and will attract additional business and result in the upgrade of existing structures. The provision of economic incentives for infill development and historic rehabilitation projects, disposition of CDA property for in-fill mixed use development, seismic retrofit improvements construction of additional parking in or adjacent to the central business district, facilitating and encouraging other economic development initiatives such as downtown festivals and events, art programs, tourism incentives, etc. will serve to increase the visibility and attractiveness of the project area to prospective businesses and developers. Development and

implementation of an economic development strategy, including a branding and marketing strategy, will greatly address the issue of obsolete, aged, deteriorated, vacant and under-utilized buildings and empty second floors which are the underlying factors of blight in the Project Area.

**e. Project Area Planning**

**Downtown "DNA" – Form Based Code for Central Business District**

The preparation of a Downtown "DNA" – a Form Based Code for a portion of the central business district will provide increased planning flexibility for the revitalization of this key commercial area.

**f. CDA-Owned Property Disposition and Development**

Disposition and development of a mixed use project on the CDA owned property on Railroad between Main Street and Abbey Street will bring new business to Winters, add new jobs, strengthen the existing commercial businesses and contribute to Winters ability to attract visitors.

Table II-5 provides a matrix linking the CDA's goals with specific blighting conditions each goal is designed to address. Table II-6 provides a similar linkage concerning the CDA's objectives. Table II-7 links each program activity with existing blighting conditions.

**Table II-5**

<b>Redevelopment Goals and Blight Linkage</b>					
<i>Blighting Conditions in the project area</i>	<b>GOALS</b>				
	<i>Alleviate/Prevent the spread of blight and deterioration</i>	<i>Attract add'l retail &amp; industrial development</i>	<i>Eliminate obstacles to the development of office space and retail uses</i>	<i>Support development of housing for all income levels</i>	<i>Provide the necessary assistance to increase job opportunities</i>
Obsolete, aged and deteriorated buildings	✓	✓	✓		✓
Incompatible uses		✓	✓	✓	✓
Inadequate and deteriorated public improvements	✓		✓	✓	
Deteriorated hsnng conditions, lack of qual. hsnng opprtnities for range of income levels	✓			✓	
Lack of neighbrhd-srvng retail uses and services		✓	✓		✓

Source: Winters Community Development Agency, 2008.

**Table II-6**

<b>Redevelopment Objectives and Blight Linkage</b>					
<i>Blighting Conditions in the project area</i>	<b>Objectives</b>				
	<i>Improve traffic circulation system</i>	<i>Upgrade, expand and rebuild infrastructure systems</i>	<i>Provide mechanisms to upgrade private buildings</i>	<i>Pursue specific opportunities to attract development to the project area</i>	<i>Implement an effective economic development strategy</i>
Obsolete, aged and deteriorated buildings	✓	✓	✓	✓	✓
Incompatible uses			✓	✓	✓
Inadequate and deteriorated public improvements	✓	✓	✓	✓	
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓				
Lack of neighborhood-serving retail uses and services	✓			✓	✓
Inadequate public facilities, including public safety, civic center, and library facilities				✓	✓

Source: Winters Community Development Agency, 2008.

**Table II-7**

<b>Redevelopment Activities and Blight Linkage</b>						
<i>Blighting Conditions in the project area</i>	<b>Programs and Activities</b>					
	<i>Public Infrastructure</i>	<i>Public Facilities</i>	<i>Economic Development</i>	<i>Project Area Planning</i>	<i>Property Disposition and Development</i>	<i>Marketing</i>
Obsolete, aged and deteriorated buildings		✓	✓	✓	✓	
Incompatible uses		✓	✓	✓		✓
Inadequate and deteriorated public improvements	✓		✓	✓		
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓		✓	✓	✓	✓
Lack of neighborhood-serving retail uses and services		✓	✓	✓	✓	✓

Source: Winters Community Development Agency, 2008.

### **III. WINTERS HOUSING IMPLEMENTATION PLAN**

The Community Redevelopment Law (CRL) requires the housing portion of the Implementation Plan to set forth specific goals and objectives for the five-year planning period, outline specific projects and expenditures planned for the five years and explain how the stated goals, objectives, projects and expenditures will produce affordable housing units to meet its obligations. In addition the CDA recognizes the important role of housing programs and activities in its redevelopment program. The proposed affordable housing programs, therefore, should be viewed not simply as the means of implementing the CDA's stated goals and objectives related to affordable housing, but as key elements in its overall revitalization efforts.

#### **A. CDA Accomplishments**

On October 19, 2004, the CDA authorized the expenditure of funds, for the purchase a 1.71 acre vacant parcel at 110 East Baker (the Property"), at its \$460,000 appraised value, for the development of the Winters II Affordable Housing Project. The CDA became the owner on title on November 19, 2004. On March 1, 2005, the CDA entered into an Agreement to Negotiate Exclusively with the Community Housing Opportunities Corporation ("CHOC") to prepare a Disposition and Development Agreement with respect to the Property. In August of 2006, the CDA approved a Ground Lease with Bruhn Orchards Housing Associates, L.P., a California Limited Partnership that was established by CHOC, which provides for a long term lease of the Property for \$1.00 per year and which provides for the development of the Property. The CDA provided a predevelopment loan in the amount \$50,000, a development loan in the amount \$150,000, and a grant of \$1,400,000 for the project. The two loans are on favorable terms. The CDA also picked up a portion of closing costs for the project. Additionally, the City of Winters was awarded a HOME grant in 2005 and the City is loaning \$2,850,280 of the HOME funds to CHOC for the Winters II project under favorable terms. The Winters II project was completed and occupied in January of 2008 and offers a total of 34 very-low income units: 7 at 35% of median income; 7 at 40% of median income; and 20 at 50% of median income.

Additionally, the CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

#### **B. Overview of Legal Requirements**

This section presents an overview of the legal obligations of the Winters Community Development Agency related to the provision of affordable housing in the Winters Redevelopment Project Area (project area). Appendix B presents a more detailed description of these requirements.

##### **1. Implementation Plan Requirements: Housing Activities**

The affordable housing planning components required by the CRL to be contained in the Implementation Plan include:

- The number of housing units projected to be rehabilitated, price-restricted, assisted or destroyed.
- The amount available in the Low and Moderate Income Housing Set-Aside Fund, estimates of deposits into the Housing Set-Aside Fund during the next five years and a plan for using annual deposits to the low- and moderate-income housing set-aside fund.
- An identification of proposed locations for replacement housing, if units are projected to be removed.
- The project area's Affordable Housing Production Plan, as described below.
- An explanation of how the goals, objectives, projects and expenditures set forth in the Implementation Plan will implement the affordable housing requirements of the CRL, including a housing program for each of the five years of the Implementation Plan.

## **2. Major Statutory Provisions of CRL for Affordable Housing**

The major statutory affordable housing requirements imposed on redevelopment agencies by CRL may be categorized generally as:

- Housing Production Requirement – Specified minimum percentages of new or rehabilitated housing units in a project area are to be made available at a specified affordable housing cost and income levels.
- Replacement Housing Requirement – Agencies must replace housing units (or bedrooms) removed from the housing stock as a result of redevelopment activities.
- Housing Fund Requirement- Redevelopment agencies are required to expand specified percentages of tax increment revenue for provision of affordable housing.
- Programs Requirement – Agencies must explain how its housing program(s) will implement the affordable housing requirements of the CRL, including a program for each of the five years of the Implementation Plan.

Each of these legal requirements and how the CDA meets them is discussed in the following sections. More detail on legal requirements is found in Appendix B.

### **C. AFFORDABLE HOUSING PRODUCTION (INCLUSIONARY) OBLIGATIONS AND HOUSING PRODUCTION PLAN**

This section constitutes the Housing Production Plan of the Implementation Plan. Housing developed or substantially rehabilitated in a project area by public or private entities other than the CDA, including entities receiving CDA assistance, 15 percent of the total number of units must be affordable to very low-, low- and moderate- income households. Of those units, 40 percent must be affordable to very low income households. This 40 percent requirement for very low, translates to 6% of the total units developed or substantially rehabilitated in the project area. (See Appendix B for more detail on inclusionary obligations.) The remaining 60 percent must be affordable to low and moderate income households. This 60 percent requirement for low and moderate, translates to 9% of the total units developed or substantially rehabilitated in the project area. The CRL requires that 30 percent of all housing developed or substantially rehabilitated by a CDA must be available at affordable housing cost to very low, low and moderate-income households. Of those units, 50 percent must be affordable to very low-income households. The 50 percent very low income requirement translates to 15 percent of the total units developed or rehabilitated by the agency (50 percent of 30 percent equals 15 percent). This 30% requirement applies only to units developed directly by the CDA. As the CDA has not developed or substantially rehabilitated any units, there are no projects subject to the 30 percent inclusionary requirement.

The City adopted Ordinance 94-10 in May of 2004 which requires that 15% of all new housing to be available to affordable households to encourage the provision of new affordable housing in order to meet the housing needs of citizens of Winters. Because this requirement has been onerous on smaller developments and has in effect prevented the implementation of General Plan and Master Plan policies encouraging smaller in-fill development, the City is currently researching a possible amendment to Ordinance 94-10 which would allow for an exemption to smaller in-fill projects.

The CRL requires agencies to report on historical production and adopt a plan for each project area showing how the agency intends to meet its Housing Production Requirement (the "Housing Production Plan") for the following time periods:

- Historical production from the adoption of the Plan through 2003 (first ten year period)
- Historical production from 2004 through 2013 (second ten year period)
- Annual production over the next five years (2009 – 2013)
- Production over the next ten years (2009 – 2018)
- Production through the life of the Plan (2018 to 2033, the end of the life of the Plan)

The Housing Production Plan must include estimates of the number of new or rehabilitated residential units to be developed within the project area and the number of units for very low income households and low and moderate income households which will be developed in order to meet the requirements of Section 33413.

Additionally, the Housing Production Plan must include estimates of the number of units the agency itself will develop during the time period of the plan, including the number of very low, low and moderate income units. The Housing Production Plan is to be reviewed every five years in conjunction with updating the housing element.

The first part of this section describes the historical housing production within the project area from the adoption of the Plan in 1992 through 2008. The second section discusses future housing production and CDA obligations within the project area. The third section discusses affordable housing production in the project area and the CDA's strategy for meeting its inclusionary obligation.

**1. Historical Housing Production in the Project Area**

While 263 residential units were constructed in the project area during the period from 1992 (after the July 20, 1992 adoption of the project area) through 2008 (based on the issuance of certificates of completion or final inspection approvals in some instances), most of the future construction of residential units will occur outside of the project area. Although the project area is large, it includes only a small amount of the City's undeveloped residential parcels.

Table III-1 shows the historical annual housing production in the project area from July 21, 1992 through July, 2008 of all types of housing (affordable, market rate, new construction and substantial rehabilitation).

**TABLE III-1  
Housing Production Summary  
Historical and Projected**

Year	Total Units Produced <sup>1</sup>		
	New	Substantial Rehabilitation	Total
1992 <sup>2</sup>	0	0	0
1993	8	0	8
1994	2	0	2
1995	12	0	12
1996	17	0	17
1997	3	0	3
1998	15	0	15
1999	50	1	51
2000	35	1	36
2001	39	0	39
2002	82	2	84
2003	80	44	124
2004	35	0	35
2005	1	0	1
2006	3	0	3
2007	42	0	42
2008 (as of July)	1	0	1
<b>Subtotal</b>	<b>425</b>	<b>48</b>	<b>473</b>

Source: Winters Community Development Agency, 2008.

<sup>1</sup> Total units produced are based on a certification of occupancy (or final inspection approval in some instances) for new or substantially rehabilitated units.

<sup>2</sup> For 1992, new and substantial rehabilitation units reported occurred after the July 20 adoption of the project area.

**Table III-2  
Project Area Housing Production and Affordable Housing Obligation  
Historical and Projected<sup>1</sup>**

		Affordable Obligation		Affordable Production (Units developed and projected development)		Reserve Affordable Production <sup>2</sup>	
Year	Total Units Developed	Very Low 6%	Low & Moderate 9%	Very Low	Low & Moderate	Very Low	Low & Moderate
<b>Historical</b>							
1992- 2008	473	29	42	87	103	58	60
<b>Projected</b>							
2009- 2013	97	6	9	6	9		
2014- 2033 <sup>3</sup>	295	17	27	18	27		
<b>Totals</b>							
<b>1992- 2033</b>	<b>865</b>	<b>52</b>	<b>78</b>	<b>111</b>	<b>139</b>		

Source: Winters Community Development Agency, 2008.

## **2. New Construction – Multi-family**

Since 1992, two multi-family affordable apartment developments were constructed in the project area. The mixed-use project entailed the substantial rehabilitation of the Cradwick Building and resulted in the construction of six units on the second floor of the building affordable to low-income households in 1998. In 2007, construction was completed on the Winters II Apartments, which resulted in 34 units affordable to very low-income households, including 7 units reserved for households at 35% of Area Median Income (AMI) and 7 units reserved for households at 40% of AMI.

## **3. New Construction— Single Family**

Since 1992 (after the July 20, 1992 adoption of the project area), 385 single-family homes, 106 of which are affordable, have been completed in the project area.

## **4. Rehabilitation**

Based on analysis of building department records, affordable housing covenants and loan programs since 1992, 48 units in the project area were substantially rehabilitated, four of these units have no long-term affordability restrictions.

In 2003, the City provided financial assistance to Community Housing Opportunity Corporation (CHOC) to aid the non-profit developer and manager of multifamily affordable housing projects, with the

<sup>1</sup> The CRL requires that at least 15% of total units are affordable to very low, low or moderate income households and that at least 40% of the 15% are affordable to very low-income households (equal to 6% of total units).

<sup>2</sup> The reserve includes 21 very low and 19 low units from the Rural California Housing Corporation (now part of Mercy Housing) sweat equity very low-income and low-income home ownership project.

<sup>3</sup> The year 2032 is the time limit for project activities.

rehabilitation of the Winters Apartments. The Winters Apartments is a 44-unit multifamily complex that serves very low- and low-income households in Winters. The City's redevelopment agency also provided a grant toward the purchase of the Winters Apartments as the apartment complex was at risk of converting to a market-rate facility. Affordability restrictions are now in place on the 44 units for a 55-year period.

## **5. Projected Future Housing Production and CDA Obligations**

Based on an analysis of the carrying capacity of sites in the project area, the potential for federal and state funding, and the anticipated timing of development, the CDA has developed a projection for the number of market rate units that are likely to be built in the project area over the next ten years, as well as those that are likely to be built thereafter. Appendix Tables B-2, B-3, and B-4 provide more detailed future housing production numbers over the next five years, the following five years and through the end of the Project. Since most available sites are privately owned, the actual number of new and substantially rehabilitated market rate and affordable housing could be much less.

### **New Units 2009 to 2013**

Between 2009 and 2013, the CDA projects that a total of 260 new or rehabilitated dwelling units will be developed in the project area. During the first five years (2008-2013), the CDA projects that 163 new units will be developed in the project area. During the next five years (2014 through 2018), the CDA estimates that 97 units will be developed in the project area.

### **New Units 2014 to 2033 (End of the Plan)**

Based on the inventory of remaining developable residential land, the CDA estimates that 198 new or substantially rehabilitated dwelling units will be developed within the project area from 2014 until the end of the life of the project in 2033.

## **6. Affordable (Inclusionary) Housing Production**

Historically, the CDA has met its 15 percent affordable housing production (inclusionary) requirements and anticipates being in compliance through the end of the Project. Table III-2 shows the inclusionary obligation incurred by the CDA. Table III-4 shows affordable construction by development in the project area, including those units that meet inclusionary, settlement and replacement obligations.

One hundred-ninety (190) units constructed within the project area from 1992 to July 2008 count toward Inclusionary and 87 are affordable to very low-income households and the remaining 103 are affordable to low and moderate income households.

The CDA is confident that it will meet its affordable obligation over the 10-year compliance period through 2013. However, the actual number of affordable units will be less if private, market-rate units are less than projected.

**Table III-3  
Residential Units Removed  
Historical and Projected**

Historical Year(s)	Units Removed				Year Replaced
	V. Low	Low	Mod.	Total	
1992	0	0	0	0	
1993	0	0	0	0	
1994	0	0	0	0	
1995	0	0	0	0	
1996	0	0	0	0	
1997	0	0	0	0	
1998	0	0	0	0	
1999	0	0	0	0	
2000	0	0	0	0	
2001	0	0	0	0	
2002	0	0	0	0	
2003	0	0	0	0	
2004	0	0	0	0	
2005	0	0	0	0	
2006	0	0	0	0	
2007	0	0	0	0	
2008 (through July)	0	0	0	0	
<b>Subtotal</b>	0	0	0	0	
2003-2008	0	0	0	0	
<b>Projected</b>					
2009-2013	0	0	0	0	
<b>Subtotal</b>	0	0	0	0	
<b>Total</b>	0	0	0	0	

Source: Winters Community Development Agency and Winters Building Department Records, 2008.

**D. Replacement Housing Obligation**

When residential units housing very low, low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project, the CDA must replace those units with new or newly rehabilitated very low, low and moderate-income units. This Replacement Housing Requirement applies to project areas established by the redevelopment plans adopted on or after January 1, 1976. (For more detail on the Replacement Housing Requirement, please refer to Appendix B). The CDA has two choices as to how to arrange for replacement of the units removed. The CDA can elect to replace units on a unit per unit basis, or the CDA can replace units removed on a bedroom per bedroom basis. For example, if the CDA removes three 2-bedroom units, those units can be replaced by two 3-bedroom units.

Table III-3 shows the total historical and projected number of dwelling units removed from the project area. To date, the CDA has not removed or assisted developments that have removed any very low, low and moderate income dwelling units.

**TABLE III-4  
Historical Project Area Affordable Housing Construction  
1992 - 2008**

Development Name	Total Affordable Units	New Construction	Rehab	Very Low	Low	Moderate	Inclusionary	Replacement
<b>Cradwick<sup>1</sup></b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>0</b>
<b>RCHC<sup>2</sup></b>	<b>76</b>	<b>76</b>	<b>0</b>	<b>38</b>	<b>38</b>	<b>0</b>	<b>76</b>	<b>0</b>
<b>Winters I<sup>3</sup></b>	<b>44</b>	<b>0</b>	<b>44</b>	<b>9</b>	<b>34</b>	<b>1</b>	<b>44</b>	<b>0</b>
<b>Winters II<sup>4</sup></b>	<b>34</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>0</b>
<b>Cottages at Carter Ranch<sup>5</sup></b>	<b>30</b>	<b>30</b>	<b>0</b>	<b>6</b>	<b>13</b>	<b>11</b>	<b>30</b>	<b>0</b>
<b>TOTAL 1992 - 2002</b>	<b>190</b>	<b>146</b>	<b>44</b>	<b>87</b>	<b>91</b>	<b>12</b>	<b>190</b>	<b>0</b>

Winters Community Development Agency, 2008.

**E. HOUSING SET-ASIDE FUND**

The CRL requires the CDA to set aside, in a separate low and moderate income housing fund (the "housing fund"), at least 20% of all tax increment revenue generated from the project area for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing. Table III-5 presents an estimate of the resources anticipated to be available to the CDA's housing set-aside fund.

The CDA has made deposits into the Housing Set-Aside Fund in an amount not less than 20 percent of the gross tax increment revenue allocated to the Agency during the previous planning period. On June 30, 2007, the CDA's Housing Set-Aside Fund did not have an excess surplus for FY 2007/2008. The unencumbered balance in the Housing Set-Aside Fund at the end of FY 2007/2008 is estimated at \$-0- See Table III-5.

<sup>1</sup> Six residential units affordable to low-income households were constructed on the second floor of the Cradwick Building in 1998.

<sup>2</sup> The Rural California Housing Corporation (which is now part of Mercy Housing) constructed 76 sweat equity single-family homes during the 1998 - 2001 time period. Half of the homes (38) are affordable to very low-income households and the remaining half (38) is affordable to low-income households.

<sup>3</sup> The Community Housing Opportunity Corporation (CHOC) acquired and rehabilitated an at-risk multifamily project, the Winters Apartments. Nine (20%) of the 44 units are affordable to very low-income households, and the remaining 34 units affordable to low income households (exclusion for the manager's apartment - 1 unit).

<sup>4</sup> CHOC completed the construction of the 34-unit Winters II Apartments multifamily project late 2007. All 34 units are affordable to very low-income households, with 7 units restricted to 35% of Area Median Income (AMI), 7 units restricted to 40% AMI, and the remaining 20 units restricted to 50% of AMI.

<sup>5</sup> Assisted by the City of Winters, DUC Housing Partners Inc. constructed 30 single family dwellings for sale with affordability restrictions with 6 units restricted to very low-income households, 13 units restricted to low-income households and 11 units restricted to moderate-income households.

**Table III-5  
Housing Set Aside Fund Excess Surplus**

Fiscal Year	Previous FY Ending Balance	Prev 4 YR Deposit Total	Excess Surplus
2000/2001	<b>\$373,039</b>	<b>\$294,581</b>	<b>-0-</b>
2001/2002	<b>491,943</b>	<b>344,782</b>	<b>-0-</b>
2002/2003	<b>600,137</b>	<b>427,976</b>	<b>-0-</b>
2003/2004	<b>458,517</b>	<b>600,636</b>	<b>-0-</b>
2004/2005	<b>670,473</b>	<b>798,666</b>	<b>-0-</b>
2005/2006	<b>443,952</b>	<b>1,046,060</b>	<b>-0-</b>
2006/2007	<b>459,104</b>	<b>1,321,963</b>	<b>-0-</b>
2007/2008	<b>759,671</b>	<b>1,441,834</b>	<b>-0-</b>

State law requires that funds be committed within three years of becoming "excess surplus", which is defined as an unencumbered balance that exceeds the greater of \$1,000,000 or the total of the previous four years' 20 percent deposits to the Fund. The law allows an agency to offset the "excess surplus" with the previous year's expenditures and encumbrances.

**Table III-6  
Estimated Housing Resources  
FY 2007/08-1012/13**

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Housing Set Aside Deposit	\$370,668	\$ 413,739	\$ 434,426	\$ 456,147	\$ 510,955	\$ 536,502
Proceeds From 2004 Tax Increment Bond Issuance	\$1,340,270	\$1,340,270	\$-0-	\$-0-	\$	\$-0-
Proceeds From 2007 Tax Increment Bond Issuance	\$1,486,546	\$1,486,546				
<b>Total Resources</b>	<b>\$3,197,484</b>	<b>\$3,240,555</b>	<b>\$ 434,426</b>	<b>\$ 456,147</b>	<b>\$ 510,955</b>	<b>\$ 536,502</b>

Prepared by the Winters Community Development Agency 2008.

**Table III-7  
Estimated Financial Summary of Housing Funds  
FY 2009-2013**

	Projected Housing Set Aside	Projected Debt Service	Projected Admin Costs	Net Available
08-09	\$ 413,739	\$ 285,525	\$ 133,931	\$ (5,717)
09-10	434,426	283,475	143,641	7,310
10-11	456,147	281,288	154,055	20,804
11-12	510,955	283,894	157,906	69,155
12-13	536,502	281,200	161,854	93,448
<b>Total</b>	<b>\$ 2,351,769</b>	<b>\$ 1,415,382</b>	<b>\$ 751,387</b>	<b>\$ 185,000</b>

The primary funding sources for the CDA's affordable housing activities during the Implementation Plan period will be proceeds from the March 2004 and the June 2007 tax increment bond issuance and the receipt of the annual affordable housing set-aside tax increment payments.

The CRL also requires that the CDA use housing set-aside funds to assist housing units reserved for households or persons earning less than 120% of area median income, which is very low, low and moderate and targeted to specific income groups based on the fair share of regional housing needs as determined by the Sacramento Area Council of Governments and reported in the City's *Draft* Housing Element. At least 44% of units assisted with housing fund moneys must be for very low income households and at least 29% for low income households. The remaining 27% of units assisted by means of the housing fund may be affordable to very low, low or moderate income categories. (Refer to Appendix B for more detail on Winters' housing fund requirement)

**Status and estimated future level of deposits in the housing fund are described below.**

### **1. History and Status**

The CDA first deposited moneys into its affordable housing set-aside fund in 1993. In Fiscal Year 2007-2008, the CDA made a deposit of \$370,667 to the housing set-aside fund; the set-aside fund had a balance of \$672,748 at the end of Fiscal Year 2007-2008 (June 30, 2008). Affordable housing units constructed in the project area since the inception of the project and through 2008 are detailed in Table III-4.

### **2. Deposits During Next Five Years**

In preparing this Implementation Plan, the CDA has updated its estimate of future tax increment revenue that will be generated from the project area, and the 20 percent portion of such tax increment revenue that will be deposited in the housing fund. The estimates of tax increment bond proceeds to be deposited in the housing fund during the Implementation Plan period are shown in the Table III-5.

The total five-year (2009-2013) deposit of tax increment bond proceeds into the housing fund is estimated to be approximately \$2,153,114. The CDA will expend its available funds in the next five years leaving a zero balance in the housing set-aside fund by the end of 2013.

The CDA will seek to combine its housing fund revenue with other funding sources devoted to the provision of affordable housing to maximize the number of affordable units that can be developed or rehabilitated with the limited amount of available housing funds. These other funding sources include CDBG funds and HOME Investment Partnership funds from the U.S. Department of Housing and Urban Development, CalHFA and Department of Housing and Community Development (HCD) program funds at the state level and low income housing tax credit equity funds.

#### **2a. Targeting of the Housing Set-Aside Fund**

##### **a. Housing Set-Aside Fund Targeting**

Under the CRL, Housing Set-Aside Fund money must be targeted to specific income levels. Agencies are specifically required to expend their Housing Set-Aside Funds to assist very low, low and moderate-income households, generally defined as: Very Low Income, incomes at or below 50 percent of area median income, adjusted for family size; Low Income, incomes between 51 percent and 80 percent of area median income, adjusted for family size; Moderate Income, incomes between 81 percent and 120 percent of area median income, adjusted for family size. The income limits that apply in Winters for 2008 are summarized in Table III-8.

**Table III-8  
City of Winters/Yolo County  
2008 Income Limits**

<b>Household Size</b> (Number of Persons in Household)	1	2	3	4	5	6	7	8
<b>Very Low-Income</b> 50% of AMI	\$24,850	\$28,400	\$31,950	\$35,500	\$38,350	\$41,200	\$44,000	\$46,850
<b>Low-Income</b> 80% of AMI	\$39,750	\$45,450	\$51,100	\$56,800	\$61,350	\$65,900	\$70,450	\$75,000
<b>Median Income</b> 100% of AMI	\$49,700	\$56,800	\$63,900	\$71,000	\$76,700	\$82,400	\$88,000	\$93,700
<b>Moderate- Income</b> 120% of AMI	\$59,600	\$68,200	\$76,700	\$85,200	\$92,000	\$98,800	\$105,600	\$112,500

Agencies are required to expend the monies in the Housing Set-Aside Fund to assist very low and lower income households. Expenditures must be made in at least the proportion as the total number of housing units needed in the community for those two income categories that are not being provided by other governmental programs.

For example, if the Housing Element of a community's General Plan identifies a need for 200 units of housing for very low income households, 200 units for low income households, and 200 units for moderate income households, and no other governmental programs are providing units for very low and lower income households, at least one-third of the Agency's expenditures from the Housing Set-Aside Fund must be used for very low income units and at least one-third must be used for low income units.

The remaining one-third of assisted units may be for very low, lower or moderate income households. If another government program provides very low or lower income units, then the redevelopment agency's very low or lower income obligation would be reduced accordingly. The "targeted assistance" requirement must be met every 10 years.

Winters Housing Element sets out the affordable housing need for the City as identified by the Sacramento Council of Governments (SACOG) in its regional "fair share" allocation. The City has begun updating the Housing Element, which is expected to be completed by March 1, 2009. Additional affordable housing programs and sites will be identified as part of the Housing Element update. The 5-year Implementation Plan can be amended to incorporate the updated Housing Element. The City, SACOG, and the State of California are working on new Regional Housing Needs Allocations for 2007-2014. The table immediately following shows the current draft "fair share" allocation and the targeting objective currently applicable to the Agency. This table also sets forth the number of housing units that have been developed in the City since the 2001-2006 Housing Element. The City has until June 30, 2013 to meet its remaining current requirements.

**Table III-9  
Affordable Housing Need (Regional Fair Share by Income Category)**

Income Level	Current Need	Units Built
Very Low Income	96	34
Low Income	64	0
Moderate Income	68	0
Subtotal	228	0
Above Moderate	175	0
Total	403	34

As required by the CRL, the CDA plans to target its 20% Housing Set-Aside Fund to benefit specific income groups based on its fair share of regional housing needs as determined by SACOG. Consequently, over the life of the Plan, at least 20 percent of the 20% Housing Set-Aside Fund money must be expended on very low income households, and at least 43% for low income households to supply its regional fair share of housing as determined by SACOG. The remaining units assisted by means of the 20% Housing Set-Aside Fund may be affordable to any of the three income categories.

CRL Section 33334.4 specifies that the goals for compliance with this section must be taken from the 2000 United States Census Data regarding the percentage of the population over 65 years of age. Approximately 7% of the population is over the age of 65. See Table III-10. The CDA cannot spend more than 7% of funds from the 20% fund on age-restricted affordable housing units.

**Table III-10  
Proportion of Senior Population**

Age	%
0-64 Years of Age	93.0 %
65 Years and over	7.0 %
Total	100.0 %

**3. Proposed Housing Activities & Projected Expenditures**

The CDA priority over the next 10 years is to stimulate the rehabilitation of existing single family and affordable multi-family units. Projected sales prices for new market rate housing, should meet moderate income housing needs without subsidies. The CDA can also continue to provide matching funds to obtain federal and state grants for the rehabilitation of existing housing. A portion of annual deposits to the housing set-aside fund will be used to retire debt on bond proceeds for affordable housing projects.

The CDA will allocate available housing set-aside funds to continue to assist affordable housing programs in the next five years.

In summary, annual deposits to the housing fund for the next five years will be used for the following purposes:

- Assist existing affordable housing programs
- Pay the CDA's share of other affordable housing where funds are available
- Match funds for grants for Housing Rehabilitation (HOME, CDBG and CalHFA's HELP Program)

- Administer housing activities
- Retire debt on bond proceeds

## **F. Projection for Annual Unit Production in the Project Area**

The CDA estimates the following housing production:

- In 2010 the CDA anticipates the Orchard Village Apartments will be completed. This project will result in the construction of 74 rental units 100% restricted to very low-and low-income households;
- In 2011, the CDA anticipates the completion of the Monticello project, a mixed use downtown infill project with 10 luxury residential units;

The following projects are in varying stages of entitlement and could conceivably be developed during the five-year term of this Plan:

- Creekside Estates - 40 single-family residential development, required to provide 4 affordable units and pay an in-lieu fee for 2 units at \$100,000 per unit;
- Hudson-Ogando – 72 single-family residential units, required to provide 11 affordable units;
- Mary Rose Gardens – 26 Single-family homes and one duplex unit, required to provide 4 affordable units;
- Cottages at Carter Ranch, Phase 2 – 6 Single-family residential units, all are proposed to be affordable;
- Casitas at Winters, a 5 unit project, affordable units not yet determined;
- Winters Village West, 10 single family units, required to provide 2 affordable units;
- Anderson Place – 28 mostly attached single-family residences, required to provide 4 affordable units.

## **G. GOALS, POLICIES AND PROGRAMS**

Table III-11 summarizes the housing goals and policies that relate to meeting the housing production and set aside requirements. The table outlines specific housing policies in the Winters *Draft* Housing Element (scheduled for adoption in 2008) that affect housing activities in the project area.

### **1. Housing Goals**

The CDA is committed to assisting the City to achieve its goals, policies and programs presented in the City's *Draft* Housing Element scheduled for adoption in 2008. The City has six goals with respect to housing:

**Goal A:** To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.

**Goal B:** To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.

**Goal C:** To encourage energy efficiency in both new and existing housing.

**Goal D:** To ensure the provision of adequate services to support existing and future residential development.

**Goal E:** To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, marital status, national origin or color.

**Goal F:** Conserve existing affordable housing.

The Community Development Agency will continue to support its housing activities to achieve these goals. Over the next ten years, the CDA intends to facilitate housing rehabilitation activities that will

assist the City in achieving Goals B, C and E. As described earlier, the CDA is proposing to help stimulate other new housing units in the project area. These new housing production activities will particularly assist in achieving Goals A, C, and D. The CDA insists on promoting housing opportunities for all persons in its programs, meeting Goal E.

**2. Housing Programs**

The housing programs undertaken in the project area by CDA and non-CDA developers will address all of the goals and policies set forth in the housing element.

**Table III-11**  
**Affordable Housing Policies**  
**Housing Implementation Plan**  
**Housing Element Policies Affecting the CDA<sup>1</sup>**

<b>Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.</b>	
<b>Key</b>	<b>Policy</b>
P.19	The City shall continue to promote the development of a broad mix of housing types.
P.19	The City shall maintain an adequate supply of residential land in appropriate land use designations and zoning categories to accommodate Winters' fair share of projected regional growth and have as a goal a residential vacancy rate of at least 5 percent.
P.19	The City shall implement its 15-percent inclusionary housing ordinance for all new housing developments.
P.19	The City shall encourage development in the upper one-quarter of the density range in the Medium High Density Residential designation and require it in the upper one-quarter of the density range in the High Density Residential designation.
P.19	While promoting the provision of housing for all economic segments of the community, the City shall seek to ensure the highest quality in all new residential development.
P.19	To address the needs of low-income large families, the City shall promote the development of multi-family rental units with three or more bedrooms.
P.19	The City shall pursue available and appropriate State and federal funding assistance to achieve the new construction objectives of the Housing Element.
P.19	The Affordable Housing Steering Committee shall review all residential development proposals involving 50 housing units or more and encourage the applicant to include a higher percentage of affordable units than the minimum inclusionary requirement.
P.19	The City shall expedite processing and approval of residential projects that conform to General Plan policies and City regulatory requirements.
P.19	The City shall ensure that its policies, regulations, and procedures do not add unnecessary cost to housing production.
P.19	The City shall continue to provide for the development of secondary residential units, as required by State law, while protecting the single-family character of neighborhoods.
P.19	In accordance with the provisions of State law, the City shall grant density bonuses of at least 25 percent and at least one other specified incentive for qualifying projects to promote the inclusion of lower income and senior citizen housing.
P.20	Residential units that are required to sell or rent at below-market-rates (such as inclusionary or density bonus units) within a housing development that includes market-rate units, the affordable units shall be interspersed within the development and, to the extent reasonable, shall be visually indistinguishable from the market-rate units.
P.20	The City shall allow the installation of mobilehomes and factory-built housing on permanent foundations consistent with the requirements of State law and in accordance with the City's residential design standards.
P.20	The City shall continue to work with the Yolo County Housing Authority in the administration of affordable housing programs.
P.20	The City shall provide incentives to developers to construct ownership housing affordable to low- and moderate-income households.
P.20	The City shall provide incentives for the development of second-story residential uses over commercial and office uses in the Central Business
P.20	The City shall require that 10 percent of the lots in residential subdivisions of 20 or more lots be marketed to local builders or owner-builders.
P.20	The City shall provide incentives to non-profit housing developers to construct housing affordable to very low-, low-, and moderate-income households.

<sup>1</sup> These policies reference the City of Winters General Plan *Draft* Housing Element Update Policy Document that is expected to be adopted in 2008.

<b>Goal B: To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.</b>	
<b>Key</b>	<b>Policy</b>
P.21	The City shall encourage private reinvestment in older residential neighborhoods and private housing rehabilitation.
P.21	The City shall pursue available and appropriate State and federal funding to meet the rehabilitation objectives of the Housing Element.
P.21	The City shall support the revitalization of older neighborhoods by keeping streets and other municipal infrastructure in good repair.
P.21	The City shall promote the continued upkeep of existing mobilehome parks.
P.21	The City shall require abatement of unsafe structures, giving property owners ample opportunities to correct deficiencies.
P.21	The City shall promote the preservation of architecturally and historically significant residential structures.
P.21	The City shall require rental property owners to provide relocation assistance to tenants displaced by code violations not caused by the tenants.

<b>Goal C: To encourage energy efficiency in both new and existing housing.</b>	
P.21	The City shall require the use of energy conservation features in the design of all new residential structures.
P.21	The City shall promote incorporation of energy conservation and weatherization features in existing homes.

<b>Goal D: To ensure the provision of adequate services to support existing and future residential development.</b>	
<b>Key</b>	<b>Policy</b>
P.22	The City shall pursue appropriate State and federal funds, and use Redevelopment funds, for upgrading infrastructure and other public improvements in very low- and low-income neighborhoods.
P.22	The City shall require that new residential development pay for the cost of infrastructure and public services needed for that development.
P. 22	The City shall plan for necessary public facilities and services (including school facilities) in collaboration with other responsible local agencies, so that these facilities and services are available at the time of demand from new residential development.

<b>Goal E: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, martial status, national origin or color.</b>	
<b>Key</b>	<b>Policy</b>
P.22	The City shall provide incentives to developers to address special housing needs of low-income households including the physically and mentally disabled, large families, farm workers, the elderly, and female-headed households.
P.22	The City shall make information on the enforcement activities of the State Department of Fair Employment and Housing available to the public.
P.22	The City shall work with Yolo County and surrounding jurisdictions to address the needs of the homeless on a regional basis.
P.22	The City shall cooperate with community-based organizations that provide services or information regarding the availability of services to the homeless.

<b>Goal F: Conserve existing affordable housing.</b>	
<b>Key</b>	<b>Policy</b>
P.22	The City shall support the continued use of Section 8 housing vouchers for Winters' residents.
P.22	The City shall seek to maintain the affordability of existing subsidized multi-family rental housing.

Source: Winters Community Development Agency, 2008.

**APPENDIX A**

**TABLE 1-A  
WATER IMPROVEMENTS<sup>1</sup>**

Description	Location	Quantity
<b>Install Water Mains</b>	Fourth Street	1600' of 12"
	Russell Street <sup>2</sup>	1700' of 8"
	Third Street	850' of 8"
	Main Street	5600' of 14"
	Grant Avenue (east of Dutton)	800' of 12"
	Railroad Avenue (north of Grant)	850' of 12"
	McArthur Avenue <sup>3</sup>	1200' of 8"
	Washington Avenue <sup>4</sup>	1050' of 8"
	Edwards Street	3800' of 12"
	Abbey Street	2600' of 8"
	Well #2 to East Street	12"
	Lincoln Street	450' of 8"
	Jefferson Street	550' of 8"
	Jackson Street	650' of 8"

<sup>1</sup> The June 1992 Community Development Project Area Plan proposed the water system activities listed in Table 1-A with the CDA generally paying ten-percent of the total costs (of contracting, engineering, legal, and administrative) for the water main work.

<sup>2</sup> A portion of the Russell Street water main work was completed in 2001 when an 8" main line was installed from the far westerly end of Russell to Emery Street. The remaining portion will be completed during the fall of 2008.

<sup>3</sup> McArthur and Jackson Street water main work was completed in 2007 when an 8" main line was installed in all of Jackson and in McArthur from Taylor to Jackson.

<sup>4</sup> A portion of East Edwards Street from Railroad Avenue to East Street will be completed during the fall of 2008.

**TABLE 2-A<sup>1</sup>**  
**WASTEWATER IMPROVEMENTS**

Description	Location	Quantity
<b>Install Sewer Mains</b>	Grant Avenue (Railroad to East)	24" (100% funding)
	East Street	30"
	Taylor Street	10" (100% funding)
	Washington Avenue	8"
	Washington Avenue	10"
	First Street	8"
	First Street	10"
	First Street	12"
	Railroad Avenue (Anderson Avenue to Moody Slough Road)	8"
	Railroad Avenue	24"
	Railroad Avenue (Anderson to Grant)	12"
	Baker Street	8"
	East Baker Street	8"
	Edwards Street	8"
	Abbey Street	8"
	Alley (Between Abbey & Main)	8"
	Alley (Between Main & Russell)	8"

<sup>1</sup> The June 1992 Community Development Project Area Plan proposed the wastewater system activities listed in Table 2-A with the CDA generally paying 25-percent of the total costs (of contracting, engineering, legal, and administrative) for the sewer main work. In many instances, the work detailed in Table 2-A is not reflected in the Future Wastewater Collection System proposed as part of the 1992 Sewer System Master Plan.

**TABLE 3-A  
ROAD IMPROVEMENTS<sup>1</sup>**

Description	Location	Quantity
<b>Widen, Acquire ROW, and Striping &amp; Landscaping</b>	Grant Avenue (Dry Creek to West of Timber Crest Rd)	N/A (100% funding)
<b>Signalize Intersection</b>	Grant/East Main Street	N/A (100% funding)
	Grant/Railroad Avenue <sup>2</sup>	
<b>Rebuild (Reconstruct)</b>	Railroad (south of Grant)	1300' (100% funding)
<b>Acquire ROW</b>	Railroad (south of Grant)	1300' (100% funding)
<b>Rebuild (Reconstruct)</b>	Railroad (Grant to Anderson Avenue)	800' (partial funding)
	Railroad (Anderson to NASP)	4000' (partial funding)
	Putah Creek Bridge including pedestrian walk	N/A (10% funding)
<b>Construct</b>	New Putah Creek Bridge	N/A (10% funding)
<b>Rebuild (Reconstruct)</b>	Mermod Place (south of Anderson)	N/A (100% funding)
<b>Extend Road</b>	Elliot Street (East Abbey Street to Grant)	3000' (10% funding)
	Jackson Street <sup>3</sup>	681'
<b>Other</b>	Assist Grant/Railroad Assessment District <sup>4</sup>	N/A (partial funding)
<b>Abbey Street Improvements</b>	Abbey Street between RR and Elliot Streets – Parking Imprvmnt	N/A (100% funding)
<b>Streetscape Improvements</b>	Railroad (Grant to Russell)	N/A (100% funding)
	Main Street (First to East)	N/A (100% funding)
<b>Utility Under-grounding</b>	Location(s) not designated <sup>5</sup>	N/A (25% funding)

<sup>1</sup> The June 1992 Community Development Project Area Plan proposed the road improvements listed in Table 3-A except for the reconstruct work on Jackson Street and McArthur Avenue.

<sup>2</sup> Grant/Railroad signal was completed in 2006

<sup>3</sup> Jackson and McArthur Street were reconstructed in 2007

<sup>4</sup> The Grant/Railroad Assessment District has not been established.

<sup>5</sup> The overhead utility lines (street lighting) on Main Street between Second and Railroad was under-grounded in 2002.

## **APPENDIX B OVERVIEW OF REDEVELOPMENT HOUSING REQUIREMENTS**

Community Redevelopment Law (the "CRL") requires redevelopment agencies to assist in the provision of affordable housing as part of their overall redevelopment programs. The discussion below presents the major general statutory requirements governing the Winters Community Development CDA's participation in the production of affordable housing.

### **Major Statutory Provisions of the CRL for Affordable Housing**

The major statutory affordable housing requirements imposed on redevelopment agencies by the CRL may be categorized generally as:

- **Housing Fund Requirement.** Redevelopment agencies are required to expend specified percentages of tax increment revenue for provision of affordable housing.
- **Housing Production Requirement.** Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost.
- **Replacement Housing Requirement.** Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.

#### **1. Housing Fund Requirement**

The CRL requires the CDA to set aside in a separate segregated low and moderate income housing fund (the "housing fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing (CRL Section 33334.2). Under the CRL, the preservation of affordable housing includes preserving low and moderate income housing units which previously have received assistance from federal, state or local government and are currently threatened with conversion to market rate.

The CRL authorizes a broad range of uses for the housing fund, including but not limited to: acquisition of land or buildings; construction of buildings, onsite improvements or offsite improvements; rehabilitation of buildings; paying a portion of the principal and interest on bonds issued to finance affordable housing; the maintenance of the community's supply of mobile homes; and provision of subsidies for financing housing affordability (CRL §33334.2 and §33334.3).

Under CRL, housing fund moneys must be targeted to specific income levels. Agencies are specifically required to expend their housing funds to assist very low, low and moderate income households, generally defined as:

- Very Low Income: Incomes at or below 50% of area median income, adjusted for family size
- Low Income: Incomes between 51% and 80% of area median income, adjusted for family size
- Moderate Income: Incomes between 81% and 120% of area median income, adjusted for family size

The assistance must be provided in at least the same proportion that the total number of housing units needed in the community for the very low and low income categories which are not being provided by other governmental programs bears to the total number of units needed in the community for very low, low and moderate income households. The targeted assistance requirement is applicable over the duration of the redevelopment plan. (H&S Code §33334.4)

Housing assisted with housing fund moneys must be "available at an affordable housing cost". (CRL §33334.3) For housing assisted by housing funds after January 1, 1991, the following affordable housing cost definitions apply:

**TABLE 1-B  
AFFORDABLE HOUSING COST<sup>1</sup>**

Housing receiving assistance after January 1, 1991

<u>Income Level</u>	<u>Rental Housing</u>	<u>Ownership Housing</u>
Very Low Income	30% of 50%	30% of 50%
Lower Income	30% of 60%	30% of 70%
Moderate Income	30% of 110%	35% of 110% but no less than 28% of actual income

For housing assisted by housing funds prior to January 1, 1991, affordable housing cost is defined as rent or cost for rental or ownership housing that does not exceed 25% of gross income of the upper income limit for the target income category.

The CRL also requires that recorded affordability controls be placed on any new or substantially rehabilitated housing assisted with housing fund moneys. In the case of rental housing, controls must be placed on the assisted housing units requiring them to remain affordable for the longest feasible time but no less than 15 years (H&S Code §33334.3[f][1]). For owner-occupied housing, the units must remain affordable for the longest feasible time, but not less than ten years (H&S Code §33334.3[f][2]). According to statutory definition, the "longest feasible time" requirement includes, but is not limited to, a period of unlimited duration (H&S Code §33334.3[g]). If the units meet an inclusionary or replacement requirement the restriction must be for the life of the CDA.

New or substantially rehabilitated owner-occupied units, however, may be sold without the affordability restrictions if the CDA has a program such as equity sharing or deferred loans, which ensures that the CDA will receive a share of sales proceeds to protect its investment. Those funds must be returned to the CDA's housing fund. Finally, if a CDA utilizes its housing fund to preserve assisted units, the units are required to remain affordable for the longest feasible time and, in any event, beyond the date the subsidies or use restrictions could be terminated and the assisted units converted to market rate rental (H&S Code §33334.3[h]).

The 2008 *Draft* Housing Element Background Report for the City of Winters sets out the affordable housing need as identified by the Sacramento Council of Governments in its regional "fair share" allocation. The Table immediately following shows that "fair share" allocation and the targeting objective currently applicable to the CDA.

**TABLE 2-B  
Affordable Housing Need (Regional Fair Share)  
Identified in 2008 Winters *Draft* Housing Element By Income Category**

	<b>Units Needed</b>	<b>Required</b>
<b>Income Category</b>	<b>(Fair Share)</b>	<b>Proportion</b>
Very Low Income	188	44%
Low Income	125	29%
Moderate Income	<u>118</u>	<u>27%</u>
Total	431 <sup>2</sup>	100%

Source: Winters Community Development Agency, 2003.

<sup>1</sup> The first percentage means the percent of income that can be spent on housing costs. Housing costs for rental housing include rent, utilities, separately charged fees or service charges, possessory interest, taxes or other fees or charges assessed for use of land and facilities. Housing costs for ownership housing include mortgage principal and interest, utilities, property taxes, property and fire insurance, homeowner association dues and space rent, if land is rented. The second percentage means the percent of area median income.

<sup>2</sup> This is a citywide number.

**TABLE 3-B  
Units Constructed to Date with Housing Funds  
& Proportion by Income Category**

<u>Income Category</u>	<u>Units Produced</u>	<u>Actual Percent</u>
Very Low Income	0	0%
Low Income	0	0%
Moderate Income	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>

Source: Winters Community Development Agency, 2008.

**2. Housing Production Requirement**

**A. INCLUSIONARY REQUIREMENT**

Project areas created by redevelopment plans adopted on or after January 1, 1976 and territory newly added to project areas by amendments adopted on or after January 1, 1976 must meet an affordable housing production or inclusionary obligation (the "Housing Production Requirement"). The Housing Production Requirement begins on the date of adoption of a new or amended redevelopment plan.

The CRL requires that 30 percent of all housing developed or substantially rehabilitated by a CDA must be available at affordable housing cost to low and moderate income households (CRL §33413[b][1]). Of those units, 50 percent must be affordable to very low income households. The 50 percent very low income requirement translates to 15 percent of the total units developed or rehabilitated by the CDA (50% of 30% equals 15%). This requirement applies only to units developed directly by the CDA and does not apply to units developed by housing developers pursuant to agreements with a CDA.

When housing is developed or substantially rehabilitated in a project area by public or private entities other than the CDA, including entities receiving CDA assistance, 15 percent of the total number of units must be affordable to low and moderate income households (CRL §33413[b][2]). Of those units, 40 percent must be affordable to very low income households. The 40 percent very low income requirement translates to 6 percent of the units developed and substantially rehabilitated in the project area (40% of 15% equals 6%).

The definition of substantial rehabilitation triggering the Housing Production Requirement is rehabilitation which involves either three or more multi-family rental units, or, one or two rental or owner-occupied single family units which have received CDA assistance and which constitute at least 25 percent of the after-rehabilitation value of the dwelling, inclusive of land value.

Units produced under the CRL's inclusionary provisions must remain affordable to the target households for the longest feasible time, but not less than the period of time the land use controls on the redevelopment plan remain in effect.

The CRL currently permits an agency to count units that are made available at affordable housing cost outside a project area toward the agency's Housing Production Requirements, on a two-for-one basis; that means that two affordable units created outside a project area can be counted the same towards the Housing Production Requirement as one unit created inside the project area.

In addition, the CRL also currently permits an agency to fulfill a portion of the Housing Production Requirement through the use of existing multi-family housing. An agency may meet up to 50 percent of its Production Requirement by acquiring or causing the imposition of long-term price restrictions on existing multi-family units that are either unavailable at affordable housing cost to low and very low income households or that are affordable to these households but that the agency finds cannot reasonably be expected to remain affordable (CRL §33413[b][2][B]). At least 50 percent of these units

must be made available at an affordable housing cost to very low income households and not more than 50 percent of the total units may be counted towards the Housing Production Requirement.

The affordability covenants on these units must be recorded and remain in effect for the longest feasible time, but in no event for less than 55 years for rental units and 45 years for owner-occupied units.

## **B. Production Plan**

The CRL requires agencies to adopt a plan for each project area over each successive ten-year period of the redevelopment program showing how the agency intends to meet its affordable Housing Production Requirement (the "Housing Production Plan") (H&S Code §33413[b][4]). This production plan can be part of the agency's Five Year Implementation Plan. The Housing Production Plan must be consistent with, and may (but need not) be included in the community's housing element, and is to be reviewed and updated as necessary at least every five years in conjunction with the housing element cycle. The CRL also specifies that the Housing Production Plan will be a part of the Implementation Plan.

The Housing Production Plan in general must include the following:

1. Estimates of the number of new, substantially rehabilitated or price-restricted units to be developed or purchased within the project area, both over the life of the redevelopment plan and during the next ten years;
2. Estimates of the number of units of very low, low and moderate income housing required to be developed within the project area to meet the agency's project area housing production obligation, both over the life of the redevelopment plan and during the next ten years;
3. The number of units of very low, low, and moderate income housing that have previously been developed within the project area and meet the agency's project area housing production obligation; and
4. Estimates of the total number of agency-developed units during the next five years and the number of units for very low, low, and moderate income households which will be developed to meet the percentage requirements for affordable agency-developed housing.

If the housing production requirements have not been met at the end of the ten-year period, the agency must meet its production goals on an annual basis until the requirements for the applicable ten-year planning period are met.

## **3. Replacement Housing Requirement**

When residential units housing low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project which is subject to a written agreement with the agency or where financial assistance has been provided by the agency, the agency must replace those units with new or newly rehabilitated low and moderate income units (H&S Code §33413[a]). The units subject to the Replacement Housing Requirement must be replaced within four years after they are destroyed or removed from the market. The agency may replace destroyed or removed units with a fewer number of replacement units if the total number of bedrooms in the replacement units equal or exceed the number of bedrooms in the destroyed or removed units. Also, the replacement units must be affordable in the same income level of households as the destroyed or removed units.

The CRL requires that, at least thirty days prior to acquiring property or adopting a disposition and development or owner participation agreement that will lead to the destruction or removal of low and moderate income housing units, an agency must adopt by resolution a replacement housing plan (H&S Code §33413.5). A draft of the replacement housing plan must be made available for public review.

The replacement housing plan must include: (a) the general location of the replacement housing; (b) an adequate means of financing the replacement housing; (c) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that

such approval has been obtained; (d) the number of replacement housing units which will house persons and families of low or moderate income; and the timetable for meeting the plan's objectives.

Currently, the Replacement Housing Requirement applies to project areas established by redevelopment plans (or areas added by amendments) adopted on or after January 1, 1976 and merged project areas regardless of the date of establishment of the individual project areas subsequently merged. Replacement units may be located anywhere within the territorial jurisdiction of the agency (H&S Code §33413[a]). An agency may construct replacement housing itself or cause that housing to be developed through agreements with housing developers.

The basic income and affordability standards for replacement housing are the same as those described for use of housing fund moneys. The units must be available at affordable housing cost to households of low and moderate income. In addition, for dwelling units destroyed or removed after September 1, 1989, the CRL requires that 75% of the replacement units be available at an affordable housing cost to the same income level of households (very low, low or moderate income) as the households displaced from the units removed or destroyed (H&S Code §33413[a]).

For example, if 100 units were destroyed and 50 were very low income units, 30 were lower income units, and 20 were moderate income units, then, of the 100 replacement units, at least 38 (75% of 50) must be affordable to very low income households, at least 23 (75% of 30) to lower income households, and at least 15 (75% of 20) to moderate income households. The remaining 24 replacement units need only be affordable to households with incomes not exceeding 120% of area median income.

Replacement housing must remain affordable the longest feasible time, but not less than the period of time that the land use controls of the redevelopment plan remain in effect (H&S Code §33413[c]). The affordability controls on such units must be made enforceable by recorded covenants or restrictions.

**Appendix Table 4-B  
Production from Major New Developments  
Projection 2008-2013**

II. DEVELOPMENT <sup>1</sup>	Total Units <sup>2</sup>	Affordable Obligation <sup>3</sup>	
		Very Low (6%)	Low & Moderate (9%)
--	--	--	--
<b>TOTAL</b>	--	--	--

Source: Winters Community Development Agency, 2008.

<sup>1</sup> As of February 2003, the City has not received any applications for residential projects of more than 15 units located in the project area.

<sup>2</sup> Total new and substantially rehabilitated units in project area (both affordable and market rate).

<sup>3</sup> The overall affordable housing requirement is 15% of total units: for very low income housing is 6% of total units and low and moderate is 9%. This obligation will be met by the mandatory inclusionary ordinance.

## **APPENDIX C SETTLEMENT TERMS**

In 1994, the Winters Community Development Agency and the City of Winters entered into a settlement agreement to resolve a lawsuit filed in connection with the City's Housing Element. The principal terms of the settlement agreement include the following:

1. The City was required to adopt an inclusionary housing ordinance requiring that at least 15 percent of all new housing units will be affordable to very low-, low- or moderate-income households, with six percent of new housing units being affordable to very low-income households, and nine percent of new housing units being affordable to low- and moderate-income households in proportion to the unmet affordable housing needs for each as identified in the current Housing Element in effect during each four year period.
2. The City is required to ensure that affordable rental and ownership units for very low- and low-income households shall remain affordable for a period of not less than 55 years.
3. The City shall deposit 20-percent of the gross Community Development Agency tax increment allocated to the CDA pursuant to Health & Safety Code § 33670 into the CDA's Low and Moderate Income Housing Fund as required by Health and Safety Code § 33334.2. The "20-percent set aside" from the gross tax increment shall be calculated before the "pass through" of funds to Yolo County and other entities.
4. The City shall provide Legal Services of Northern California annual written reports on its progress towards meeting the 15-percent requirement, in the form of expanded Annual Reports, as currently required by the Community Redevelopment Law at Health & Safety Code § § 33080.1 and 33080.4.



**SUCCESSOR AGENCY TO THE WINTERS COMMUNITY DEVELOPMENT AGENCY  
STAFF REPORT**

**TO:** Honorable Chair and Board Members  
**DATE:** July 2, 2013  
**THROUGH:** John W. Donlevy, Jr., City Manager  
**FROM:** Dan Maguire, Economic Development and Housing Manager  
Mary Jo Rodolfa, Management Analyst  
**SUBJECT:** City/Cross Development Purchase and Sale Agreement

---

**RECOMMENDATIONS:**

Staff recommends that the Successor Agency 1) Approve the transfer of Real Property commonly referred to as the Grant Avenue Commercial Property (APN #'s 003-370-028, 003-370-029, and 003-370-030) from the Successor Agency to the City of Winters, and 2) approve the sale of a portion of the property from the City to Cross Development

**BACKGROUND:**

In May 2009, the Winters CDA ("Redevelopment Agency") purchased the Grant Avenue lot on the south side of Grant Avenue between East Street and Morgan Street formerly known as Granite Bay Commercial. The CDA subsequently authorized the issuance of an RFP for potential developers to offer proposals for development of the site. Although the CDA did enter into an Exclusive Negotiation Agreement ("ENA") with the Yackzan Group, that ENA did not result in any development on the property.

In March 2011, the City Council adopted Resolution 2011-15 approving a Purchase and Sale Agreement with the Winters CDA with respect to the property. The Resolution laid out the findings for the transfer of this property in consideration of the debt owed to the City by the Winters CDA. On May 13, 2013, the California State Controller issued a final ruling that the property transfer was an unallowable transfer and based on Health & Safety Code 34167.5, ordered the City of Winters to reverse the transfer of that and other real property assets.

Prior to that ruling, at the October 2, 2013 City Council meeting, the City Council authorized the City Manager to execute a Purchase and Sale Agreement ("Agreement")

with Cross Development for commercial development on the property, consistent with the original intent of the acquisition. The Agreement allowed for up to 180 days for Cross to complete their due diligence review, with the close of escrow to be completed by May 24, 2013. City Council subsequently approved the First Amendment to the Purchase and Sale Agreement, extending the agreement by an additional 90 days.

The Successor Agency has received a Finding of Completion from the Department of Finance and will be submitting its Property Management Plan to the Oversight Board for approval.

In order to complete the Purchase and Sale Agreement with Cross Development, 1) the Successor Agency, Oversight Board, and the Department of Finance must approve the Successor Agency's Property Management Plan, and 2) the Successor Agency, Oversight Board, and the Department of Finance must approve the individual Purchase and Sale Agreement.

**FISCAL IMPACTS:**

The City's costs associated with selling the properties are to-be-determined; however, at the proposed sales price, the City stands to realize \$266,587.20 from the transaction; however, the proceeds from the sale will likely need to be distributed among the taxing agencies.

**ATTACHMENTS:**

Purchase and Sale Agreement with Cross Development  
First Amendment to the Real Estate Purchase Contract  
Resolution SA 2013-02

**REAL PROPERTY PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property – Dollar General)**

**by and between the**

**CITY OF WINTERS,  
a municipal corporation**

**and**

**CROSS DEVELOPMENT, LLC**

[Dated as of 11/26, 2012, for reference purposes only]

**REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS**

**(Portion of Grant Avenue Commercial Property – Dollar General)**

This REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (Portion of Grant Avenue Commercial Property) (“Agreement”) is dated as of November 26, 2012, for reference purposes only, and is entered into by and between the CITY OF WINTERS, a municipal corporation (“Seller”), and CROSS DEVELOPMENT, LLC, a Texas limited liability company (“Buyer”). Seller and Buyer enter into this Agreement with reference to the following recitals of fact (each, a “Recital”):

**RECITALS**

A. The Community Development Agency of the City of Winters (“Agency”) owned that certain real property constituting approximately 4.522 acres of real property located on East Grant Avenue between Morgan Street and East Street (APNs 003-370-028, -029, 030) (the “Property”). The City acquired the Property from the Agency pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instruction dated as of March 15, 2011, at a purchase price equal to the appraised value of the Property, in order to continue the planned redevelopment of the Redevelopment Project Area.

B. Buyer is a reputable and highly successful commercial real estate development company, specializing in commercial retail properties. Buyer desires to acquire the eastern-most portion of the Property, as more particularly described below (the “Site”), for development of a commercial building to accommodate a Dollar General Store.

C. Seller and Buyer desire to enter into this Agreement to provide for Buyer’s acquisition of the Site at its “as is” fair market value of the fee simple estate.

**AGREEMENT**

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS OF SELLER AND BUYER SET FORTH IN THIS AGREEMENT AND OTHER GOOD AND VALUABLE CONSIDERATION, SELLER AND BUYER AGREE, AS FOLLOWS:

**TERMS AND CONDITIONS**

**1. DEFINITIONS**

1.1 **Definitions.** The following words, terms and phrases are used in this Agreement with the following meanings, unless the particular context or usage of a word, term or phrase requires another interpretation:

1.1.1 **Agreement.** This Real Property Purchase and Sale Agreement and Joint Escrow Instructions (Portion of Grant Avenue Commercial Property) by and between Seller and Buyer, including all of the attached exhibits.

1.1.2 **Approval.** Any approval, consent, certificate, ruling, authorization or amendment to any of the foregoing, as shall be necessary or appropriate under any Law to complete the purchase and sale of the Site.

1.1.3 **Business Day.** Any weekday on which the Seller is open to conduct regular governmental functions.

1.1.4 **Buyer.** Cross Development LLC, a Texas limited liability company, and any assignee of or successor to the rights, powers or responsibilities of Cross Development LLC under this Agreement.

1.1.5 **Buyer Title Policy.** A standard CLTA owner's policy of title insurance issued by the Title Company, with coverage in the amount of the Purchase Price, showing title to the Site vested in Buyer, subject to Permitted Exceptions.

1.1.6 **CEQA.** The California Environmental Quality Act, Public Resources Code Section 21000, *et seq.* and implementing regulations contained in Title 14, Chapter 3, Section 15000, *et seq.* of the California Code of Regulations.

1.1.7 **CEQA Documents.** Any exemption determination, any Negative Declaration (mitigated or otherwise) or any Environmental Impact Report (including any addendum or amendment to, or subsequent or supplemental Environmental Impact Report) required or permitted by any Government Agency, pursuant to CEQA, to issue any discretionary Approval required to approve this Agreement.

1.1.8 **City.** The City of Winters, a California municipal corporation.

1.1.9 **City Manager.** The City Manager of Seller or his or her designee or successor in function.

1.1.10 **Claim.** Any claim, loss, cost, damage, expense, liability, lien, action, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, fine or penalty of any kind (including consultant and expert fees and expenses and investigation costs of whatever kind or nature, and, if an Indemnitor improperly fails to provide a defense for an Indemnitee, then Legal Costs of the Indemnitee) and any judgment.

1.1.11 **Close of Escrow.** The first date on which the Escrow Agent has filed the Seller Deed with the County for recording in the official records of the County.

1.1.12 **County.** The County of Yolo, California.

1.1.13 **Default.** An Escrow Default, a Monetary Default or a Non-Monetary Default.

1.1.14 **Deposit.** Ten Thousand Dollars and No Cents (\$10,000.00).

**1.1.15 Due Diligence Completion Notice.** A written notice from Buyer delivered to both Seller and Escrow Agent, prior to the end of the Due Diligence Period, indicating Buyer's unconditional acceptance of the condition of the Site or indicating Buyer's rejection of the condition of the Site and refusal to accept a conveyance of title to the Site, describing in reasonable detail the actions that Buyer reasonably believes are indicated to allow Buyer to unconditionally accept the condition of the Site.

**1.1.16 Due Diligence Investigations.** Buyer's due diligence investigations of the Site to determine the suitability of the Site, including investigation of the environmental and geotechnical suitability of the Site, as deemed appropriate in the discretion of Buyer, all at the sole cost and expense of Buyer.

**1.1.17 Due Diligence Period.** The time period of one hundred fifty (150) continuous days commencing on the day immediately following the Escrow Opening Date; provided such time period may be extended by an additional thirty (30) days at the option of Buyer, upon Buyer's delivery of written notice to Seller regarding such extension prior to expiration of the initial Due Diligence Period.

**1.1.18 Environmental Claim.** Any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements or expenses, including Legal Costs and fees and costs of environmental consultants and other experts, and all foreseeable and unforeseeable damages or costs of any kind or of any nature whatsoever, directly or indirectly, relating to or arising from any actual or alleged violation of any Environmental Law or Hazardous Substance Discharge.

**1.1.19 Environmental Laws.** All Federal, State, local (including City) laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any government authority, now in effect or enacted after the Effective Date, regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use or pertaining to occupational health or industrial hygiene or occupational or environmental conditions on, under or about the Site, as now or may at any later time be in effect, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 USC Section 9601 *et seq.*]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USC Section 6901 *et seq.*]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USC Section 1251 *et seq.*]; the Toxic Substances Control Act ("TSCA") [15 USC Section 2601 *et seq.*]; the Hazardous Materials Transportation Act ("HMTA") [49 USC Section 1801 *et seq.*]; the Insecticide, Fungicide, Rodenticide Act [7 USC Section 6901 *et seq.*]; the Clean Air Act [42 USC Section 7401 *et seq.*]; the Safe Drinking Water Act [42 USC Section 300f *et seq.*]; the Solid Waste Disposal Act [42 USC Section 6901 *et seq.*]; the Surface Mining Control and Reclamation Act [30 USC Section 101 *et seq.*]; the Emergency Planning and Community Right to Know Act [42 USC Section 11001 *et seq.*]; the Occupational Safety and Health Act [29 USC Section 655 and 657]; the California Underground Storage of Hazardous Substances Act [California Health & Safety Code Section 25288 *et seq.*]; the California Hazardous Substances Account Act [California Health & Safety Code Section 25300 *et seq.*]; the California Safe Drinking Water and Toxic Enforcement Act [California Health & Safety Code Section 24249.5 *et seq.*]; or the Porter-Cologne Water

Quality Act [California Water Code Section 13000 *et seq.*]; together with any regulations promulgated under the authorities referenced in this Section 1.1.25.

1.1.20 **Escrow.** An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the sale of the Site from Seller to Buyer pursuant to this Agreement.

1.1.21 **Escrow Agent.** Placer Title Company, Davis, CA, or such other Person mutually agreed upon in writing by both Seller and Buyer.

1.1.22 **Escrow Closing Date.** The date that is not later than thirty (30) days following Buyer's receipt of a building permit for construction of the Project on the Site (or evidence that City is ready to issue a building permit for development of the Project on the Site upon final payment of all fees required for issuance of such building permit), or such other date mutually agreed upon in writing between the Parties for the Close of Escrow, but in any event not later than MAY 24, 2013.

1.1.23 **Escrow Closing Statement.** A statement prepared by the Escrow Agent indicating, among other things, the Escrow Agent's estimate of all funds to be deposited or received by Seller or Buyer, respectively, and all charges to be paid by Seller or Buyer, respectively, through the Escrow.

1.1.24 **Escrow Default.** The unexcused failure to submit any document or funds to the Escrow Agent as reasonably necessary to close the Escrow, pursuant to the terms and conditions of this Agreement.

1.1.25 **Escrow Opening Date.** The first date on which a copy of this Agreement, signed by both Seller and Buyer, is deposited with the Escrow Agent, as provided in Section 4.1.

1.1.26 **Event of Default.** The occurrence of any one or more of the following:

(a) **Monetary Default.** A Monetary Default that continues for fifteen (15) calendar days after Notice to the Party in Default, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such amount or the bond, surety or insurance not provided;

(b) **Escrow Closing Default.** An Escrow Default that continues for seven (7) calendar days after Notice to the Party in Default, specifying in reasonable detail the document or funds not submitted;

(c) **Non-Monetary Default.** Any Non-Monetary Default that is not cured within fifteen (15) days after Notice to the Party in Default describing the Non-Monetary Default in reasonable detail. In the case of such a Non-Monetary Default that cannot with reasonable diligence be cured within fifteen (15) days after the effective date of such Notice, an Event of Default shall occur, if the Party in Default does not do all of the following: (a) within fifteen (15) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party in Default to take all reasonable steps to cure such Non-Monetary Default;

(b) duly commence such cure within such fifteen (15) day period; and (c) diligently prosecute such cure to completion within a reasonable time under the circumstances.

**1.1.27 FIRPTA Affidavit.** A certification that Seller is not a "foreign person" within the meaning of such term under Section 1445 of the United States Internal Revenue Code.

**1.1.28 Form 593.** A California Franchise Tax Board Form 593-C.

**1.1.29 Government Agency.** Any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever of any governmental unit (Federal, State, County, district, municipal, City or otherwise) whether now or later in existence.

**1.1.30 Hazardous Substance.** Any flammable substance, explosive, radioactive material, asbestos, asbestos-containing material, polychlorinated biphenyl, chemical known to cause cancer or reproductive toxicity, pollutant, contaminant, hazardous waste, medical waste, toxic substance or related material, petroleum, petroleum product and any "hazardous" or "toxic" material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (a) defined as a "hazardous substance" under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (b) designated as "hazardous substances" pursuant to 33 U.S.C. § 1321; (c) defined as a "hazardous waste" under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, *et seq.*, as amended; (d) defined as a "hazardous substance" or "hazardous waste" under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601, *et seq.*, or any so-called "superfund" or "superlien" law; (e) defined as a "pollutant" or "contaminant" under 42 U.S.C. § 9601(33); (f) defined as "hazardous waste" under 40 C.F.R. Part 260; (g) defined as a "hazardous chemical" under 29 C.F.R. Part 1910; (h) any matter within the definition of "hazardous substance" set forth in 15 U.S.C. § 1262; (i) any matter, waste or substance regulated under the Toxic Substances Control Act ("TSCA") [15 U.S.C. Sections 2601, *et seq.*]; (j) any matter, waste or substance regulated under the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, *et seq.*; (k) those substances listed in the United States Department of Transportation (DOT) Table [49 C.F.R. 172.101]; (l) any matter, waste or substances designated by the EPA, or any successor authority, as a hazardous substance [40 C.F.R. Part 302]; (m) defined as "hazardous waste" in Section 25117 of the California Health and Safety Code; (n) defined as a "hazardous substance" in Section 25316 of the California Health and Safety Code; (o) subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source; or (p) that is or becomes regulated or classified as hazardous or toxic under Law or in the regulations adopted pursuant to Law.

**1.1.31 Hazardous Substance Discharge.** Any deposit, discharge, generation, release or spill of a Hazardous Substance that occurs at, on, under, into or from the Site, or during transportation of any Hazardous Substance to or from the Site, whether or not caused by a Party.

1.1.32 **Indemnify.** Where this Agreement states that any Indemnitor shall “indemnify” any Indemnitee from, against, or for a particular Claim, that the Indemnitor shall indemnify the Indemnitee and defend and hold the Indemnitee harmless from and against such Claim (alleged or otherwise). “Indemnified” shall have the correlative meaning.

1.1.33 **Indemnitee.** Any Person entitled to be Indemnified under the terms of this Agreement.

1.1.34 **Indemnitor.** A Party that agrees to Indemnify any other Person under the terms of this Agreement.

1.1.35 **Law.** Every law, ordinance, requirement, order, proclamation, directive, rule or regulation of any Government Agency applicable to the Site, in any way, including relating to any development, construction, use, maintenance, taxation, operation, occupancy of or environmental conditions affecting the Site or otherwise relating to this Agreement or any Party’s rights, obligations or remedies under this Agreement, or any Transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance or exemption.

1.1.36 **Legal Costs.** In reference to any Person, all reasonable costs and expenses such Person incurs in any legal proceeding (or other matter for which such Person is entitled to be reimbursed for its Legal Costs), including reasonable attorneys’ fees, court costs and expenses and consultant and expert witness fees and expenses.

1.1.37 **Monetary Default.** Any failure by either Party to pay or deposit, when and as this Agreement requires, any amount of money, bond, surety or evidence of any insurance coverage required to be provided under this Agreement, whether to or with a Party or a Third Person.

1.1.38 **Non-Monetary Default.** The occurrence of any of the following, except to the extent constituting a Monetary Default or an Escrow Default: (a) any failure of a Party to perform any of such Party’s obligations under this Agreement; (b) any failure of a Party to comply with any material restriction or prohibition in this Agreement; or (c) any other event or circumstance that, with passage of time or giving of Notice, or both, would constitute a breach of this Agreement by a Party.

1.1.39 **Notice.** Any consent, demand, designation, election, notice, or request relating to this Agreement, including any Notice of Default. All Notices must be in writing.

1.1.40 **Notice of Default.** Any Notice claiming or giving Notice of a Default.

1.1.41 **Notify.** To give a Notice.

1.1.42 **Parties.** Collectively, Seller and Buyer.

1.1.43 **Party.** Individually, either Seller or Buyer, as applicable.

**1.1.44 Permitted Exception.** All of the following: (a) all items shown in the Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy that are approved by Buyer pursuant to Section 3.3; (b) any lien for non-delinquent property taxes or assessments; (c) any Laws applicable to the Site; (d) this Agreement; (e) any existing improvements on the Site, if any; (f) any Approval; (g) any other document or encumbrance expressly required or allowed to be recorded against the Site pursuant to the terms of this Agreement; and (h) all covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and other matters of record or that would be disclosed by an accurate inspection or survey of the Site.

**1.1.45 Person.** Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization or other entity of any kind.

**1.1.46 Preliminary Report.** A preliminary report issued by the Title Company in contemplation of the issuance of the Buyer Title Policy, accompanied by the best available copies of all documents listed in the preliminary report as exceptions to coverage under the proposed Buyer Title Policy.

**1.1.47 Prohibited Encumbrance.** Any security instrument, mechanic's lien, easement, property interest or other encumbrance recorded or asserted against the Site that is not a Permitted Exception.

**1.1.48 Project.** The Project shall include development of a commercial/retail building on the Site, in conformance with all Approvals, which shall include, among other things, construction at the sole cost of the Buyer of all street, curb, gutter, sidewalk and other public improvements along Grant Avenue and any public utility or other easements that may be required by the City, all in conformance with the Grant Avenue Design Guidelines.

**1.1.49 Purchase Price.** An amount equal to Six Dollars (\$6.00) per square foot of land area included within the Site.

**1.1.50 Seller.** The City of Winters, a California municipal corporation, and any assignee of or successor to the rights, powers or responsibilities of the Seller.

**1.1.51 Seller Deed.** A grant deed conveying Seller's interest in the Site from Seller to Buyer, at the Close of Escrow, substantially in the form of **Exhibit B** attached to this Agreement.

**1.1.52 Seller Parties.** Collectively, the Seller, the Seller's governing body, and the Seller's elected officials, employees, agents and attorneys.

**1.1.53 Site.** That portion of the Property, generally shown on the Map of the Site attached hereto as **Exhibit A**, to be conveyed by the Seller to Buyer. The final size and configuration of the Site shall be determined by the Seller and Buyer, following the Lot Line Adjustment provided for in Section 3.1, prior to conveyance of the Site to the Buyer.

**1.1.54 Third Person.** Any Person that is not a Party, an affiliate of a Party or an elected official, officer, director, manager, shareholder, member, principal, partner, employee or agent of a Party.

**1.1.55 Title Company.** Placer Title Company or such other Person mutually agreed upon in writing by both Seller and Buyer.

**1.1.56 Title Notice.** A written notice from Buyer to Seller indicating Buyer's acceptance of the state of the title to the Site, as described in the Preliminary Report for the proposed Buyer Title Policy, or Buyer's disapproval or conditional approval of specific matters shown in Schedule B of such Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy for the Site, describing in suitable detail the actions that Buyer reasonably believes are indicated to obtain Buyer's unconditional approval of the state of the title to the Site.

**1.1.57 Title Notice Response.** The written response of Seller to the Title Notice, in which Seller either elects to: (a) cause the removal from the Preliminary Report of any matters disapproved or conditionally approved in the Title Notice; (b) obtain title or other insurance or endorsement in a form reasonably satisfactory to Buyer insuring against any matters disapproved or conditionally approved in the Title Notice; or (c) not take either action described in clause "(a)" or "(b)" of this Section 1.1.57.

**1.1.58 Title Notice Waiver.** A written notice from Buyer to Seller waiving Buyer's previous disapproval or conditional approval in the Title Notice of specific matters shown in the Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy.

**1.1.59 Unavoidable Delay.** A delay in either Party performing any obligation under this Agreement arising from or on account of any cause whatsoever beyond the Party's reasonable control, including strikes, labor troubles or other union activities, casualty, war, acts of terrorism, riots, litigation, governmental action or inaction, regional natural disasters or inability to obtain required materials. Unavoidable Delay shall not include delay caused by a Party's financial condition or insolvency.

**2. EFFECTIVE DATE.** This Agreement shall become effective on the first date on which all of the following have occurred: ("**Effective Date**"): (a) Seller has received three (3) counterpart originals of this Agreement signed by the authorized representative(s) of Buyer; and (b) this Agreement has been approved and executed by Seller's governing body.

### **3. PURCHASE AND SALE OF SITE**

**3.1 Lot Line Adjustment.** Buyer desires to purchase a portion of the Property consisting of approximately 44,431 square feet of land area, located on the eastern-most boundary of the Property, extending generally from Grant Avenue to Baker Street, as generally shown on Exhibit A. Following the Effective Date of this Agreement, the City, at its sole cost, shall use good faith efforts to prepare such documents and take such actions as are necessary to obtain Approvals for a lot line adjustment or lot split ("**Lot Line Adjustment**") to create a legal parcel suitable to the Buyer, constituting the Site. Upon obtaining final Approvals for and recordation of such Lot Line Adjustment, a formal legal description of the Site acceptable to both

Parties shall be attached to the Seller Deed (**Exhibit B**) and used for purposes of conveyance of the Site to Buyer. Further, the size and actual Purchase Price for the Site shall be established based on the actual square footage of the Site following such Lot Line Adjustment.

3.2 **Escrow.** Following such Lot Line Adjustment, Seller shall sell and convey fee title to the Site to Buyer and Buyer shall purchase and acquire fee title to the Site from Seller, subject to the Permitted Exceptions and the terms and conditions of this Agreement. For the purposes of exchanging funds and documents to complete the sale of the Site from Seller to Buyer and the purchase of the Site by Buyer from Seller, pursuant to the terms and conditions of this Agreement, Seller and Buyer agree to open the Escrow with the Escrow Agent. The provisions of Section 4 are the joint escrow instructions of the Parties to the Escrow Agent for conducting the Escrow.

3.3 **Consideration.** Buyer shall purchase the Site from Seller for the Purchase Price to be determined based on the final configuration and size of the Site following the Lot Line Adjustment, subject to the terms and conditions of this Agreement. Buyer shall deposit the Purchase Price into the Escrow, as follows:

3.3.1 **Deposit.** Within three (3) days after the Effective Date of this Agreement, Buyer shall deposit the Deposit into the Escrow. If requested by buyer, the Deposit shall be placed in an interest-bearing account, and all fees associated with such interest-bearing account shall be the responsibility of the Buyer. Any interest earned on the Deposit shall become part of the Deposit. Prior to the expiration of the Due Diligence Period, the Deposit shall be refundable to the Buyer in the event of the failure of a Buyer's condition to Close of Escrow, a termination of this Agreement not due to Buyer's default, or as otherwise expressly provided in this Agreement. Following expiration of the Due Diligence Period, the Deposit shall be non-refundable unless this Agreement is thereafter terminated due to a Seller default. If this Agreement has not been earlier terminated, the Deposit shall be held in Escrow until the Close of Escrow and shall be applied to the Purchase Price.

3.3.2 **At Close of Escrow.** At least two (2) business days preceding the Escrow Closing Date, Buyer shall deposit into the Escrow the amount of the Purchase Price, less the amount of the Deposit then held by the Escrow Agent.

3.4 **Buyer's Approval of Title to Site.**

3.4.1 **Title Notice.** Within ten (10) days after the Escrow Opening Date, Seller shall request the Preliminary Report from the Title Company and that the Title Company deliver a copy of the Preliminary Report to Buyer. Within ten (10) days following Buyer's receipt of the Preliminary Report, Buyer shall send the Title Notice to both Seller and Escrow Agent.

3.4.2 **Failure to Deliver Title Notice.** If Buyer fails to send the Title Notice to both Seller and Escrow Agent within the time period provided in Section 3.4.1, Buyer will be deemed to disapprove the status of title to the Site and refuse to accept conveyance of the Site and either Buyer or Seller shall have the right to cancel the Escrow and terminate this Agreement by Notice, in their respective sole and absolute discretion.

**3.4.3 Title Notice Response.** Within five (5) days following Seller's receipt of the Title Notice (if any), Seller shall send the Title Notice Response to both Buyer and Escrow Agent. If the Title Notice does not disapprove or conditionally approve any matter in the Preliminary Report for the proposed Buyer Title Policy or Buyer fails to deliver the Title Notice, Seller shall not be required to send the Title Notice Response. If Seller does not send the Title Notice Response, if necessary, within the time period provided in this Section 3.4.3, Seller shall be deemed to elect not to take any action in reference to the Title Notice. If Seller elects in the Title Notice Response to take any action in reference to the Title Notice, Seller shall complete such action, prior to the Escrow Closing Date or as otherwise specified in the Title Notice Response.

**3.4.4 Title Notice Waiver.** If Seller elects or is deemed to have elected not to address one or more matters set forth in the Title Notice to Buyer's reasonable satisfaction, then within five (5) days after the earlier of: (a) Buyer's receipt of Seller's Title Notice Response; or (b) the last date for Seller to deliver its Title Notice Response pursuant to Section 3.4.3, Buyer shall either: (i) refuse to accept the title to and conveyance of the Site, or (ii) waive Buyer's disapproval or conditional approval of all such matters set forth in the Title Notice by sending the Title Notice Waiver to both Seller and Escrow Agent. Failure by Buyer to timely send the Title Notice Waiver, where the Title Notice Response or Seller's failure to deliver the Title Notice Response results in Seller's election not to address one or more matters set forth in the Title Notice to Buyer's reasonable satisfaction, will be deemed Buyer's continued refusal to accept the title to and conveyance of the Site, in which case either Buyer or Seller shall have the right to cancel the Escrow and terminate this Agreement by Notice, in their respective sole and absolute discretion.

**3.4.5 Disapproval of Encumbrances Securing Seller Obligations.** Notwithstanding any other provision of this Agreement, Buyer disapproves any and all encumbrances against the Site securing monetary (other than non-delinquent property taxes and assessments) obligations of Seller.

**3.4.6 No Termination Liability.** Any termination of this Agreement or cancellation of the Escrow pursuant to this Section 3.4.6 shall be without liability to the other Party or any other Person. Termination shall be accomplished by delivery of a Notice of termination to both the other Party and the Escrow Agent. Following issuance of a Notice of termination of this Agreement pursuant to a right provided under this Agreement, the Parties and the Escrow Agent shall proceed pursuant to Section 4.12. Once a Notice of termination is given pursuant to this Section 3.4.6, delivery of a Title Notice or Title Notice Waiver shall have no force or effect and this Agreement shall terminate in accordance with the Notice of termination.

### **3.5 Due Diligence Investigations.**

**3.5.1 Time and Expense.** Buyer shall complete all Due Diligence Investigations within the Due Diligence Period and shall conduct all Due Diligence Investigations at Buyer's sole cost and expense.

**3.5.2 Right to Enter.** Seller hereby grants a license to Buyer and Buyer's consultants, contractors and agents to enter the Property for the sole purpose of conducting the

Due Diligence Investigations at Buyer's sole cost and expense, subject to all of the terms and conditions of this Agreement. The license given in this Section 3.5 to enter the Property to conduct Due Diligence Investigations shall terminate regarding Buyer on the earlier of: (i) termination of this Agreement; or (ii) the Close of Escrow. Any Due Diligence Investigations by Buyer shall not unreasonably disrupt any existing use or occupancy of the Site. Buyer's exercise of any license provided pursuant to this Section 3.5 after expiration of the Due Diligence Period shall not extend the Due Diligence Period.

**3.5.3 Limitations.** Buyer shall not conduct any intrusive or destructive testing of any portion of the Property, other than low volume soil samples, without Seller's prior written consent. Buyer shall pay all of Buyer's vendors, inspectors, surveyors, consultants or agents engaged in any inspection or testing of the Property, such that no mechanics liens or similar liens for work performed are imposed upon the Property by any such Persons. Following the conduct of any Due Diligence Investigations on the Property, Buyer shall restore the Property to substantially the Property's condition prior to the conduct of such Due Diligence Investigations. Buyer shall Indemnify Seller against any and all costs or damages arising from or relating to Buyer's Due Diligence Investigations regarding the Property. Buyer shall provide Seller with evidence of liability insurance reasonably acceptable to Seller and naming Seller as an additional insured under such policy of insurance by endorsement prior to the commencement of any Due Diligence Investigations on the Property.

**3.5.4 Due Diligence Completion Notice.** Buyer shall deliver a Due Diligence Completion Notice to both Seller and Escrow Agent prior to the end of the Due Diligence Period. If Buyer does not unconditionally accept the condition of the Site by delivery of its Due Diligence Completion Notice indicating such acceptance, prior to the end of the Due Diligence Period, Buyer shall be deemed to have rejected the condition of the Site and refused to accept conveyance of title to the Site. If the condition of the Site is rejected or deemed rejected by Buyer, then either Seller or Buyer shall have the right to cancel the Escrow and terminate this Agreement, in their respective sole and absolute discretion, without liability to the other Party or any other Person, by delivery of a Notice of termination to the other Party and Escrow Agent, in which case the Parties and Escrow Agent shall proceed pursuant to Section 4.12.

**3.6 "AS-IS" Acquisition.** The Close of Escrow shall evidence Buyer's unconditional and irrevocable acceptance of the Site in the Site's AS IS, WHERE IS, SUBJECT TO ALL FAULTS CONDITION, AS OF THE CLOSE OF ESCROW, WITHOUT WARRANTY as to character, quality, performance, condition, title, physical condition, soil conditions, the presence or absence of fill, shoring or bluff stability or support, subsurface or lateral support, zoning, land use restrictions, the availability or location of utilities or services, the location of any public infrastructure on or off of the Site (active, inactive or abandoned), the suitability of the Site or the existence or absence of Hazardous Substances affecting the Site and with full knowledge of the physical condition of the Site, the nature of Seller's interest in and use of the Site, all laws applicable to the Site and any and all conditions, covenants, restrictions, encumbrances and all matters of record relating to the Site. The Close of Escrow shall further constitute Buyer's representation and warranty to Seller that: (a) Buyer has had ample opportunity to inspect and evaluate the Site and the feasibility of the uses and activities Buyer is entitled to conduct on the Site; (b) Buyer is relying entirely on Buyer's experience, expertise and Buyer's own inspection of the Site in the Site's current state in proceeding with acquisition of the Site; (c) Buyer accepts

the Site in the Site's present condition; (d) to the extent that Buyer's own expertise with respect to any matter regarding the Site is insufficient to enable Buyer to reach an informed conclusion regarding such matter, Buyer has engaged the services of Persons qualified to advise Buyer with respect to such matters; (e) Buyer has received assurances acceptable to Buyer by means independent of Seller or Seller's agents of the truth of all facts material to Buyer's acquisition of the Site pursuant to this Agreement; and (f) the Site is being acquired by Buyer as a result of Buyer's own knowledge, inspection and investigation of the Site and not as a result of any representation made by Seller or Seller's agents relating to the condition of the Site, unless such statement or representation is expressly and specifically set forth in this Agreement. Seller hereby expressly and specifically disclaims any express or implied warranties regarding the Site.

3.7 **Reservations.** The approval of this Agreement by the Seller shall not be binding on the City Council of the City or any other commission, committee, board or body of the City regarding any other Approvals required by such bodies. No action by the Seller with reference to this Agreement or any related documents shall be deemed to constitute issuance or waiver of any required Approvals regarding the Site or Buyer.

#### 4. **JOINT ESCROW INSTRUCTIONS**

4.1 **Opening of Escrow; Escrow Instructions.** The purchase and sale of the Site shall take place through the Escrow to be conducted by Escrow Agent. Escrow shall be deemed opened when a fully signed copy of this Agreement has been delivered to Escrow Agent. Escrow Agent shall confirm the Escrow Opening Date in writing to each of the Parties, with a copy of the Escrow Agent Consent signed by the authorized representative(s) of the Escrow Agent.

4.2 **Escrow Instructions.** This Section 4 constitutes the joint escrow instructions of the Parties to Escrow Agent for conduct of the Escrow for the purchase and sale of the Site, as contemplated by this Agreement. Buyer and Seller shall sign such further escrow instructions consistent with the provisions of this Agreement as may be reasonably requested by Escrow Agent. In the event of any conflict between the provisions of this Agreement and any further escrow instructions requested by Escrow Agent, the provisions of this Agreement shall control.

4.3 **Escrow Agent.** Seller and Buyer authorize Escrow Agent to:

4.3.1 **Charges.** Pay and charge Seller and Buyer for their respective shares of the applicable fees, taxes, charges and costs payable by either Seller or Buyer regarding the Escrow;

4.3.2 **Settlement/Closing Statements.** Release each Party's Escrow Closing Statement to the other Party;

4.3.3 **Document Recording.** File any documents delivered for recording through the Escrow with the office of the Recorder of the County for recordation in the official records of the County, pursuant to the joint instructions of the Parties; and

**4.3.4 Counterpart Documents.** Utilize documents signed by Seller or Buyer in counterparts, including attaching separate signature pages to one version of the same document.

**4.4 Buyer's Conditions Precedent to Close of Escrow.** Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Buyer, Buyer's obligation to purchase the Site from Seller on or before the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Buyer) of each of the following conditions precedent on or before the Escrow Closing Date:

**4.4.1 Title Policy.** Title Company has agreed to issue the Buyer Title Policy to Buyer upon payment of Title Company's premium for such policy;

**4.4.2 CEQA Documents.** Adoption, approval or certification of the CEQA Documents by each applicable Government Agency;

**4.4.3 Seller Escrow Deposits.** Seller deposits all of the items into Escrow required by Section 4.7;

**4.4.4 Settlement/Closing Statement.** Buyer approves Buyer's Escrow Closing Statement; and

**4.4.5 Seller Pre-Closing Obligations.** Seller performs all of Seller's material obligations required to be performed by Seller pursuant to this Agreement prior to the Close of Escrow.

**4.5 Seller's Conditions Precedent to Close of Escrow.** Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Seller, Seller's obligation to sell the Site to Buyer on the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Seller) of each of the following conditions precedent on or before the Escrow Closing Date:

**4.5.1 Lot Line Adjustment.** Seller obtains all Approvals for a Lot Line Adjustment to create a legal parcel constituting the Site, in accordance with Section 3.1;

**4.5.2 Title.** Buyer accepts the state of the title of the Site, in accordance with Section 3.4;

**4.5.3 Due Diligence.** Buyer timely delivers its Due Diligence Completion Notice to both Seller and Escrow Agent stating Buyer's unconditional acceptance of the condition of the Site, in accordance with Section 3.5;

**4.5.4 CEQA Documents.** Adoption, approval or certification of the CEQA Documents by each applicable Government Agency;

**4.5.5 Building Permit, Approvals.** Buyer obtains, at its sole cost, all Approvals, including through the City's normal plan check, review and development approval process, as necessary for issuance of a final building permit by the City, subject only to final

payment of all fees required for issuance of such building permit, for development of the Project on the Site;

**4.5.6 Buyer Escrow Deposits.** Buyer deposits all of the items into Escrow required by Section 4.6;

**4.5.7 Settlement/Closing Statement.** Seller approves the Seller's Escrow Closing Statement;

**4.5.8 Title Policy.** Title Company has agreed to issue the Buyer Title Policy to Buyer upon payment of Title Company's premium for such policy;

**4.5.9 Consistency Finding.** The Planning Commission of the City has determined that the disposition of the Site to the Buyer pursuant to this Agreement is consistent with the City's General Plan, in accordance with Government Code Section 65402; and

**4.5.10 Buyer Pre-Closing Obligations.** Buyer performs all of Buyer's material obligations required to be performed by Buyer pursuant to this Agreement prior to the Close of Escrow.

**4.6 Buyer's Escrow Deposits.** Buyer shall deposit the following items into Escrow and, concurrently, provide a copy of each document submitted into Escrow to Seller, at least one (1) Business Day prior to the Escrow Closing Date:

**4.6.1 Closing Funds.** All amounts required to be deposited into Escrow by Buyer under the terms of this Agreement to close the Escrow;

**4.6.2 Certificate of Seller Deed Acceptance.** The Certificate of Acceptance attached to the Seller Deed signed by Buyer in recordable form;

**4.6.3 Escrow Closing Statement.** The Buyer's Escrow Closing Statement signed by the authorized representative(s) of Buyer;

**4.6.4 Other Reasonable Items.** Any other documents or funds required to be delivered by Buyer under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not previously been delivered by Buyer.

**4.7 Seller's Escrow Deposits.** Seller shall deposit the following documents into Escrow and, concurrently, provide a copy of each document deposited into Escrow to Buyer, at least one (1) Business Day prior to the Escrow Closing Date:

**4.7.1 Seller Deed.** The Seller Deed signed by the authorized representative(s) of Seller in recordable form;

**4.7.2 Escrow Closing Statement.** The Seller's Escrow Closing Statement signed by the authorized representative(s) of Seller;

**4.7.3 FIRPTA Affidavit.** A FIRPTA affidavit signed by the authorized representative(s) of Seller, in the form provided by the Escrow Agent;

**4.7.4 Form 593.** A Form 593 signed by the authorized representative(s) of Seller; and

**4.7.5 Other Reasonable Items.** Any other documents or funds required to be delivered by Seller under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not been previously delivered by Seller.

**4.8 Closing Procedure.** When each of Buyer's Escrow deposits, as set forth in Section 4.6, and each of Seller's Escrow deposits, as set forth in Section 4.7, are deposited into Escrow, Escrow Agent shall request confirmation in writing from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow, as set forth in Sections 4.4 or 4.5, respectively, are satisfied or waived. Upon Escrow Agent's receipt of written confirmation from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow are satisfied or waived, Escrow Agent shall close the Escrow by doing all of the following:

**4.8.1 Recording and Distribution of Documents.** Escrow Agent shall cause the Seller Deed to be filed with the Recorder of the County for recording in the official records of the County regarding the Site. At Close of Escrow, Escrow Agent shall deliver conformed copies of the Seller Deed filed for recording in the official records of the County through the Escrow to Seller, Buyer and any other Person designated in the written joint escrow instructions of the Parties to receive an original or conformed copy of such document. Each conformed copy of a document filed for recording by Escrow Agent pursuant to this Agreement shall show all recording information;

**4.8.2 Funds.** Distribute all funds held by Escrow Agent pursuant to the Escrow Closing Statements approved in writing by Seller and Buyer;

**4.8.3 FIRPTA Affidavit.** File the FIRPTA Affidavit with the United States Internal Revenue Service;

**4.8.4 Form 593.** File the Form 593 with the California Franchise Tax Board; and

**4.8.5 Title Policy.** Obtain from the Title Company and deliver to Buyer, with a copy to the Seller, the Buyer Title Policy issued by the Title Company.

**4.9 Close of Escrow.** The Close of Escrow shall occur on or before the Escrow Closing Date. The Parties may mutually agree to change the Escrow Closing Date by joint written instruction to Escrow Agent. The City Manager, acting on behalf of the Seller, is authorized to agree to one or more extensions of the Escrow Closing Date on behalf of Seller up to a maximum time period extension of two (2) months in the aggregate, in the City Manager's sole and absolute discretion. If for any reason (other than a Default or Event of Default by such Party) the Close of Escrow has not occurred on or before the Escrow Closing Date, then any

Party not then in Default under this Agreement may cancel the Escrow and terminate this Agreement, without liability to the other Party or any other Person for such cancellation and termination, by delivering Notice of termination to both the other Party and Escrow Agent. Following any such Notice of termination of this Agreement and cancellation of the Escrow, the Parties and Escrow Agent shall proceed pursuant to Section 4.12. Without limiting the right of either Party to cancel the Escrow and terminate this Agreement, pursuant to this Section 4.9, if the Escrow does not close on or before the Escrow Closing Date and neither Party has exercised its contractual right to cancel the Escrow and terminate this Agreement under this Section 4.9 before the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement, then the Escrow shall close as soon as reasonably possible following the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement.

**4.10 Escrow Costs.** Escrow Agent shall notify Buyer and Seller of the costs to be borne by each of them at the Close of Escrow by delivering an Escrow Closing Statement to both Seller and Buyer at least four (4) Business Days prior to the Escrow Closing Date. Seller shall pay one-half (1/2) of the Escrow Agent charges for the conduct of the Escrow, all documentary transfer taxes regarding the conveyance of the Site through the Escrow and the full amount of the premium charged by the Title Company for a standard CLTA owner's title insurance policy towards the cost of the premium for the Buyer Title Policy, exclusive of any endorsements or other supplements to the coverage of the Buyer Title Policy that may be requested by Buyer. Buyer shall pay one-half (1/2) of the Escrow Agent charges for the conduct of the Escrow, the amount of the premium for the Buyer Title Policy exceeding the amount paid by Seller toward the cost of the Buyer Title Policy, the premium costs of any and all endorsements to the Buyer Title Policy requested by Buyer, all recording fees and the full amount of any and all other charges, fees and taxes levied by each and every Government Agency relative to the conveyance of the Site through the Escrow.

**4.11 Escrow Cancellation Charges.** If the Escrow fails to close due to Seller's Default under this Agreement, Seller shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively. If the Escrow fails to close due to Buyer's Default under this Agreement, Buyer shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively. If the Escrow fails to close for any reason other than the Default of either Buyer or Seller, Buyer and Seller shall each pay one-half (1/2) of any ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively.

**4.12 Escrow Cancellation.** If this Agreement is terminated pursuant to a contractual right granted to a Party in this Agreement to terminate this Agreement (other than due to an Event of Default by the other Party), the Parties shall do all of the following:

**4.12.1 Cancellation Instructions.** The Parties shall, within three (3) Business Days following Escrow Agent's written request, sign any reasonable Escrow cancellation instructions requested by Escrow Agent;

**4.12.2 Return of Funds and Documents.** Within ten (10) Business Days following receipt by the Parties of a settlement statement of Escrow and title order cancellation charges from Escrow Agent (if any) or within twenty (20) days following Notice of termination, whichever is earlier: (a) Buyer or Escrow Agent shall return to Seller all documents previously delivered by Seller to Buyer or Escrow Agent, respectively, regarding the Site or the Escrow; (b) Seller or Escrow Agent shall return to Buyer all documents previously delivered by Buyer to Seller or Escrow Agent, respectively, regarding the Site or the Escrow; (c) Escrow Agent shall, unless otherwise expressly provided in this Agreement, return to Buyer all funds deposited in Escrow, less Buyer's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.11; and (d) Escrow Agent shall, unless otherwise expressly provided in this Agreement, return to Seller all funds deposited in Escrow, less Seller's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.11.

**4.13 Report to IRS.** After the Close of Escrow and prior to the last date on which such report is required to be filed with the Internal Revenue Service under applicable Federal law, if such report is required pursuant to Internal Revenue Code Section 6045(e), Escrow Agent shall report the gross proceeds of the purchase and sale of the Site to the Internal Revenue Service on Form 1099-B, W-9 or such other form(s) as may be specified by the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e). Concurrently with the filing of such reporting form with the Internal Revenue Service, Escrow Agent shall deliver a copy of the filed form to both Seller and Buyer.

**4.14 Condemnation.** If any material portion of the Site, or any interest in any portion of the Site, is taken by condemnation prior to Close of Escrow by any condemning authority other than Seller, including, without limitation, the filing of any notice of intended condemnation or proceedings in the nature of eminent domain, commenced by any governmental authority, other than Seller, Seller shall immediately give Buyer notice of such occurrence, and Buyer shall have the option, exercisable within ten (10) business days after receipt of such notice from Seller, to either: (i) terminate this Agreement; or (ii) continue with this Agreement in accordance with its terms, in which event Seller shall assign to Buyer any right of Seller to receive any condemnation award attributable to the Site.

## **5. REMEDIES AND INDEMNITY**

**5.1 Legal Actions.** Either Party may institute legal action, at law or in equity, to enforce or interpret the rights or obligations of the Parties under this Agreement or recover damages.

**5.2 Rights and Remedies are Cumulative.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties set forth in this Agreement are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by such Party, at the same or different times, of any other rights or remedies for the same Default or the same rights or remedies for any other Default by the other Party.

### 5.3 Indemnification.

**5.3.1 Seller Indemnity Obligations.** Seller shall Indemnify Buyer against any Claim to the extent such Claim arises from any wrongful intentional act or negligence of the Seller Parties related to this Agreement, but only to the extent that Seller may be held liable under applicable law for such wrongful intentional act or negligence and exclusive of any violation of law (including the State Constitution) relating to Seller's approval, entry into or performance of this Agreement. Nothing in this Agreement is intended nor shall be interpreted to waive any limitation on Seller's liability, any exemption from liability in favor of Seller, any claim presentment requirement for bringing an action regarding any liability of Seller or any limitations period applicable to liability of Seller, all as set forth in Government Code Section 800 *et seq.*, Section 900 *et seq.*, or in any other law, or require Seller to Indemnify any Person beyond such limitations on Seller's liability.

**5.3.2 Buyer Indemnity Obligations.** Buyer shall Indemnify the Seller Parties against any Claim related to this Agreement to the extent such Claim arises from: (a) any act, omission or negligence of the Buyer; (b) any agreements that Buyer (or anyone claiming by or through Buyer) makes with a Third Person regarding the Site; (c) any workers compensation claim or determination relating to any employee of Buyer or its contractors; or (d) any Environmental Claim attributable to any action or omission by Buyer.

**5.3.3 Independent of Insurance Obligations.** Buyer's indemnification obligations under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying Buyer's insurance or other obligations under this Agreement. Buyer's obligation to Indemnify the Seller Parties under this Agreement is independent of Buyer's insurance and other obligations under this Agreement. Buyer's compliance with Buyer's insurance obligations and other obligations under this Agreement shall not in any way restrict, limit or modify Buyer's indemnification obligations under this Agreement and are independent of Buyer's indemnification and other obligations under this Agreement.

**5.3.4 Survival of Indemnification and Defense Obligations.** The indemnity and defense obligations of the Parties under this Agreement shall survive the expiration or earlier termination of this Agreement, until any and all actual or prospective Claims regarding any matter subject to an indemnity obligation under this Agreement are fully, finally, absolutely and completely barred by applicable statutes of limitations.

**5.3.5 Indemnification Procedures.** Wherever this Agreement requires any Indemnitor to Indemnify any Indemnitee:

(a) *Prompt Notice.* The Indemnitee shall promptly Notify the Indemnitor of any Claim.

(b) *Selection of Counsel.* The Indemnitor shall select counsel reasonably acceptable to the Indemnitee. Counsel to Indemnitor's insurance carrier that is providing coverage for a Claim shall be deemed reasonably satisfactory, except in the event of a potential or actual conflict of interest for such counsel regarding such representation or such counsel is reasonably determined by Indemnitee to be incompetent regarding such

representation. Even though the Indemnitor shall defend the Claim, Indemnitee may, at Indemnitee's option and Indemnitee's own expense (except where Indemnitor provides a defense to Indemnitee under a reservation of rights, a conflict of interest between Indemnitor and Indemnitee exists that requires them to be represented by separate legal counsel or Indemnitor's legal counsel is reasonably determined by Indemnitee to be incompetent regarding such representation, in any such case, Indemnitor shall pay the Legal Costs of Indemnitee's separate legal counsel), engage separate counsel to advise Indemnitee regarding the Claim and Indemnitee's defense. The Indemnitee's separate counsel may attend all proceedings and meetings. The Indemnitor's counsel shall actively consult with the Indemnitee's separate counsel.

(c) *Cooperation.* The Indemnitee shall reasonably cooperate with the Indemnitor's defense of the Indemnitee.

(d) *Settlement.* The Indemnitor may only settle a Claim with the consent of the Indemnitee. Any settlement shall procure a complete release of the Indemnitee from the subject Claims, shall not require the Indemnitee to make any payment to the claimant and shall provide that neither the Indemnitee, nor the Indemnitor on behalf of the Indemnitee, admits any liability.

## 6. GENERAL PROVISIONS

6.1 Incorporation of Recitals. The Recitals of fact set forth preceding this Agreement are true and correct and are incorporated into this Agreement in their entirety by this reference.

### 6.2 Notices, Demands and Communications Between the Parties.

6.2.1 **Delivery.** Any and all Notices submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper, if in writing and sent by messenger for immediate personal delivery, nationally recognized overnight (one Business Day) delivery service (i.e., United Parcel Service, Federal Express, etc.) or by registered or certified United States mail, postage prepaid, return receipt requested, to the address of the recipient Party, as designated in Section 6.2.2. Notices may be sent in the same manner to such other addresses as either Party may from time to time designate by Notice in accordance with this Section 6.2. Notice shall be deemed received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that the Notice is sent by messenger for immediate personal delivery, one Business Day after delivery to a nationally recognized overnight delivery service or three (3) calendar days after the Notice is placed in the United States mail in accordance with this Section 6.2. Any attorney representing a Party may give any Notice on behalf of such Party.

6.2.2 **Addresses.** The Notice addresses for the Parties, as of the Effective Date, are as follows:

To Buyer: Cross Development, LLC  
5601 Granite Parkway, Suite 260  
Plano, TX 75024  
Attn: Steve Rumsey

To Seller: City of Winters  
318 First Street  
Winters, CA 95694  
Attn: City Manager

6.3 Relationship of Parties. The Parties each intend and agree that Seller and Buyer are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture or similar business arrangement, relationship or association between them.

6.4 Warranty Against Payment of Consideration for Agreement. Buyer represents and warrants to Seller that: (a) Buyer has not employed or retained any Person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Buyer and Third Persons to whom fees are paid for professional services related to the documentation of this Agreement; and (b) no gratuities, in the form of entertainment, gifts or otherwise have been or will be given by Buyer or any of Buyer's agents, employees or representatives to any elected or appointed official or employee of the Seller in an attempt to secure this Agreement or favorable terms or conditions for this Agreement. Breach of the representations or warranties of this Section 6.4 shall entitle Seller to terminate this Agreement and cancel the Escrow (if open) upon seven (7) days Notice to Buyer and, if the Escrow is open, to Escrow Agent. Upon any such termination of this Agreement, Buyer shall immediately refund any payments made to or on behalf of Buyer by Seller pursuant to this Agreement or otherwise related to the Site, any Approval or any CEQA Document, prior to the date of such termination.

6.5 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Agreement measured in years shall be to consecutive calendar years. Any reference to Business Days in this Agreement shall mean consecutive Business Days.

6.6 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Agreement. The Parties have both participated substantially in the negotiation, drafting and revision of this Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Agreement. The words "include" and "including" in this Agreement shall be construed to be followed by the words: "without limitation." Each collective noun in this Agreement shall be

interpreted as if followed by the words "(or any part of it)," except where the context clearly requires otherwise. Every reference to any document, including this Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word "or" in this Agreement includes the word "and." Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

**6.7 Governing Law.** The procedural and substantive laws of the State of California shall govern the interpretation and enforcement of this Agreement, without application of conflicts or choice of laws principles or statutes. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in the County of Yolo, State of California. All legal actions arising from this Agreement shall be filed in the Superior Court of the State in and for the County or in the United States District Court with jurisdiction in the County.

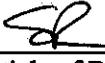
**6.8 Unavoidable Delay; Extension of Time of Performance.**

**6.8.1 Notice.** Subject to any specific provisions of this Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Agreement shall not be deemed or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an Unavoidable Delay shall Notify the other Party: (a) within three (3) days after such Party knows of any such Unavoidable Delay; and (b) within three (3) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise commercially reasonable efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

**6.8.2 Assumption of Economic Risks.** EACH PARTY EXPRESSLY AGREES THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, OF EITHER PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMAND OR CHANGES IN THE ECONOMIC ASSUMPTIONS OF EITHER PARTY THAT MAY HAVE PROVIDED A BASIS FOR ENTERING INTO THIS AGREEMENT SHALL NOT OPERATE TO EXCUSE OR DELAY THE PERFORMANCE OF EACH AND EVERY ONE OF EACH PARTY'S OBLIGATIONS AND COVENANTS ARISING UNDER THIS AGREEMENT. ANYTHING IN THIS AGREEMENT TO THE CONTRARY NOTWITHSTANDING, THE PARTIES EXPRESSLY ASSUME THE RISK OF UNFORESEEABLE CHANGES IN ECONOMIC CIRCUMSTANCES OR MARKET DEMAND OR CONDITIONS AND WAIVE, TO THE GREATEST EXTENT ALLOWED BY LAW, ANY DEFENSE, CLAIM, OR CAUSE OF ACTION BASED IN WHOLE OR IN PART ON ECONOMIC NECESSITY, IMPRACTICABILITY, CHANGED ECONOMIC CIRCUMSTANCES, FRUSTRATION OF PURPOSE, OR SIMILAR THEORIES. THE PARTIES AGREE THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, EITHER OF THE PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMANDS, SHALL NOT OPERATE TO EXCUSE OR DELAY THE STRICT OBSERVANCE OF EACH AND EVERY ONE OF THE

OBLIGATIONS, COVENANTS, CONDITIONS AND REQUIREMENTS OF THIS AGREEMENT. THE PARTIES EXPRESSLY ASSUME THE RISK OF SUCH ADVERSE ECONOMIC OR MARKET CHANGES, WHETHER OR NOT FORESEEABLE AS OF THE EFFECTIVE DATE.

  
\_\_\_\_\_  
Initials of Authorized  
Seller Representative(s)

  
\_\_\_\_\_  
Initials of Buyer

6.9 Tax Consequences. Buyer acknowledges and agrees that Buyer shall bear any and all responsibility, liability, costs or expenses connected in any way with any tax consequences experienced by Buyer related to this Agreement.

6.10 Real Estate Commissions.

6.10.1 Seller Warranty. Seller: (a) represents and warrants that Seller did not engage or deal with any broker or finder in connection with this Agreement, and no Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Seller; and (b) shall Indemnify Buyer against any breach of the representation and warranty set forth in clause "(a)" of this Section 6.10.1.

6.10.2 Buyer Warranty. Buyer: (a) has entered into a separate agreement with Jason Read of CBRE, as broker with respect to the acquisition by Buyer of the Site, and Buyer shall be solely responsible for payment of all fees and costs owed to Mr. Read and/or CBRE with respect to such agreement; (b) represents and warrants that, except for Mr. Read and CBRE, Buyer did not engage or deal with any other broker or finder in connection with this Agreement, and no other Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Buyer; and (c) shall Indemnify Seller against any breach of the representation and warranty set forth in clause "(b)" of this Section 6.10.2.

6.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any Person other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any Third Person to any Party or give any Third Person any right of subrogation or action over or against any Party.

6.12 Buyer Assumption of Risks of Legal Challenges. Buyer assumes the risk of delays or damages that may result to Buyer from each and every Third Person legal action related to Seller's approval of this Agreement or any associated Approvals, even in the event that an error, omission or abuse of discretion by Seller is determined to have occurred. If a Third Person files a legal action regarding Seller's approval of this Agreement or any associated Approval (exclusive of legal actions alleging violation of Government Code Section 1090 by officials of Seller), Buyer shall have the option to either: (1) cancel the Escrow and terminate this Agreement, in which case the Parties and the Escrow Agent shall proceed in accordance with Section 4.12; or (2) Indemnify Seller against such Third Person legal action, including all Legal Costs, monetary awards, sanctions and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action; provided, however, that option

“(1)” under this Section 6.12 shall only be available to Buyer prior to the Close of Escrow. Should Buyer fail to Notify Seller of Buyer’s election pursuant to this Section 6.12 at least fifteen (15) days before response to the legal action is required by Seller, prior to the Close of Escrow, Buyer shall be deemed to have elected to cancel the Escrow and terminate this Agreement pursuant to this Section 6.12 and, following the Close of Escrow, Buyer shall be deemed to have elected to Indemnify Seller against such Third Person legal action pursuant to this Section 6.12, all without further Notice to or action by either Party. Seller shall reasonably cooperate with Buyer in defense of Seller in any legal action subject to this Section 6.12, subject to Buyer completely performing Buyer’s indemnity obligations for such legal action. Should Buyer elect or be deemed to elect to Indemnify Seller regarding a legal action subject to this Section 6.12, but fail to or stop providing such indemnification of Seller, then Seller shall have the right to terminate this Agreement or cancel the Escrow (or both) by Notice to Buyer and, if the Escrow is open, to the Escrow Agent. Nothing contained in this Section 6.12 is intended to be nor shall be deemed or construed to be an express or implied admission that Seller may be liable to Buyer or any other Person for damages or other relief regarding any alleged or established failure of Seller to comply with any law. Any legal action that is subject to this Section 6.12 (including any appeal periods and the pendency of any appeals) shall constitute an Unavoidable Delay and the time periods for performance by either Party under this Agreement may be extended pursuant to the provisions of this Agreement regarding Unavoidable Delay.

6.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.

6.14 Time Declared to be of the Essence. As to the performance of any obligation under this Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

6.15 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned in this Agreement or incidental to this Agreement, and supersedes all prior or contemporaneous negotiations or previous agreements between the Parties, whether written or oral, with respect to all or any portion of the Site.

6.16 Waivers and Amendments. All waivers of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of the Party making the waiver. All amendments to this Agreement must be in writing and signed by the authorized representative(s) of both Seller and Buyer.

6.17 No Implied Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

6.18 City Manager Implementation. Seller shall implement this Agreement through the City Manager, acting on behalf of the Seller. The City Manager or his/her designee is hereby authorized by Seller to enter into agreements and sign documents referenced in this Agreement

or reasonably required to implement this Agreement on behalf of Seller, issue approvals, interpretations or waivers and enter into certain amendments to this Agreement on behalf of Seller, to the extent that any such action(s) does/do not increase the monetary obligations of Seller. All other actions shall require the consideration and approval of the Seller's governing body, unless expressly provided otherwise by action of the Seller's governing body. Nothing in this Section 6.18 shall restrict the submission to the Seller's governing body of any matter within the City Manager's authority under this Section 6.18, in the City Manager's sole and absolute discretion, to obtain the Seller's governing body's express and specific authorization on such matter. The specific intent of this Section 6.18 is to authorize certain actions on behalf of Seller by the City Manager, but not to require that such actions be taken by the City Manager including, without limitation, any extension(s) granted pursuant to Section 4.9, without consideration by the Seller's governing body.

6.19 Survival of Agreement. All of the provisions of this Agreement shall be applicable to any dispute between the Parties arising from this Agreement, whether prior to or following expiration or termination of this Agreement, until any such dispute is finally and completely resolved between the Parties, either by written settlement, entry of a non-appealable judgment or expiration of all applicable statutory limitations periods and all terms and conditions of this Agreement relating to dispute resolution, indemnity or limitations on damages or remedies shall survive any expiration or termination of this Agreement.

6.20 Counterparts. This Agreement shall be signed in three (3) triplicate originals, each of which is deemed to be an original. This Agreement includes twenty-six (26) pages and two (2) exhibits (each exhibit is incorporated into this Agreement by reference) that constitute the entire understanding and Agreement of the Parties regarding the subject matter of this Agreement.

6.21 Facsimile or Electronic Signatures. Signatures delivered by facsimile or electronic mail shall be binding as originals upon the Party so signing and delivering; provided, however, that original signature(s) of each Party shall be required for each document to be recorded.

*[Signatures on following page]*

**SIGNATURE PAGE  
TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

IN WITNESS WHEREOF, the Parties have signed and entered into this Agreement by and through the signatures of their respective authorized representative(s) as follow:

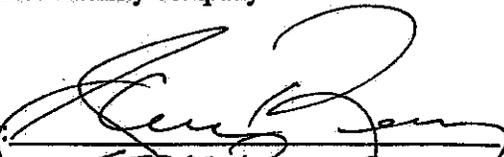
**SELLER:**

**BUYER:**

CITY OF WINTERS, a California municipal corporation

CROSS DEVELOPMENT, LLC, a Texas limited liability company

By:   
\_\_\_\_\_  
John W. Donlevy, Jr.  
City Manager

By:   
\_\_\_\_\_  
Name: STEVE RUMSEY  
Its: PRESIDENT

**ESCROW AGENT CONSENT**

**PLACER TITLE COMPANY** accepts that certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions (Portion of Grant Avenue Commercial Property) dated \_\_\_\_\_, 2012, by and between the City of Winters, a California municipal corporation, and Cross Development, LLC, a Texas limited liability company, and agrees to act as "Escrow Agent" pursuant to such agreement and agrees to be bound by all provisions of such agreement applicable to it as the Escrow Agent.

**ESCROW AGENT:**

**PLACER TITLE COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

**EXHIBIT A  
TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

**Map of the Site**



**EXHIBIT B  
TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

**Seller Deed**

**[Attached behind this cover page]**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

SPACE ABOVE FOR RECORDER'S USE ONLY  
EXEMPT FROM RECORDING FEES - GOVT. CODE § 27383

APN: \_\_\_\_\_

**GRANT DEED**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**CITY OF WINTERS**, a California municipal corporation ("**Transferor**"), does hereby grant to **CROSS DEVELOPMENT, LLC**, a Texas limited liability company ("**Transferee**"), all right, title and interest of Transferor in that certain real property in the City of Winters, County of Yolo, State of California, specifically described in Exhibit "1" attached to this Grant Deed ("**Site**") and made a part of this Grant Deed by this reference.

Transferee covenants and agrees for itself, its successors, its assigns and every successor-in-interest to all or any portion of the Site, that there shall be no discrimination against or segregation of any person, or group of persons, on account of gender, sexual orientation, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site nor shall Transferee, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of purchasers, tenants, lessees, sub-tenants, sub-lessees or vendees of the Site. The covenant shall be a covenant running with the land and binding on successive owners of all or any portion of the Site, in perpetuity

The covenants contained herein shall run with the land and shall inure to the benefit of and be binding upon the Transferor and Transferee and their respective assigns, heirs and voluntary and involuntary successors in interest.

Dated: \_\_\_\_\_

**CITY OF WINTERS**, a California municipal corporation

By: \_\_\_\_\_

John W. Donlevy, Jr.  
City Manager

**EXHIBIT "1"  
TO  
GRANT DEED**

**Site Legal Description**

**That certain property situated in the City of Winters, County of Yolo, State of California described as follows:**

**CERTIFICATE OF ACCEPTANCE OF GRANT DEED**

This is to certify that the interest in real property conveyed by the foregoing Grant Deed from the CITY OF WINTERS, a California municipal corporation, to CROSS DEVELOPMENT LLC, a Texas limited liability company, is hereby accepted by the undersigned officer on behalf of Grantee, through his signature below, and Grantee consents to recordation thereof by its duly authorized officer.

CROSS DEVELOPMENT, LLC,  
a Texas limited liability company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

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

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

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

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

FIRST AMENDMENT  
TO  
REAL ESTATE PURCHASE CONTRACT

April 19, 2013 (the "EffectiveDate")

THIS FIRST AMENDMENT TO REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Amendment") is entered into by and between CITY OF WINTERS, A MUNICIPAL CORPORATION ("Seller"), as seller, and CROSS DEVELOPMENT, LLC, a Texas limited liability company ("Buyer"), as Buyer.

**Recitals**

A. Buyer and Seller entered into that certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions (the "Contract") whereby Buyer agreed to purchase from Seller, and Seller agreed to sell to Buyer, that certain real property located in Winters, California, on Grant Avenue, Yolo County APN: 003-370-028, -029, -030.

B. Buyer and Seller have agreed to amend the Contract as set forth below.

NOW, THEREFORE, inconsideration of the mutual covenants and agreements contained herein, and for other valuable consideration, the receipt and adequacy of which hereby are acknowledged, the undersigned parties hereby agree as follows:

**Agreements**

1. **Defined Terms.** All capitalized terms not defined herein shall have the meanings ascribed to them in the Purchase Agreement.

2. **Inspection Period.** The Inspection Period is hereby extended to run through July 24, 2013.

3. **Closing.** The Closing Date shall be on or before August 24, 2013.

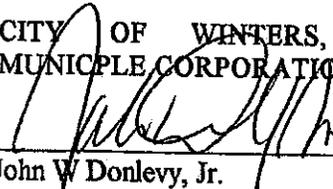
4. **Effect of this Amendment.** Except as expressly modified in this Amendment, the Purchase Agreement shall continue in full force and effect.

5. **Counterpart; Facsimile/Scanned Signature.** Facsimile or scanned signatures appearing here on shall be deemed an original and this document may be executed simultaneously on two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Seller and Buyer execute this Amendment to be effective as of the Effective Date.

**SELLER:**

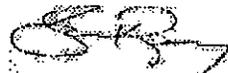
CITY OF WINTERS, A CALIFORNIA  
MUNICIPAL CORPORATION

  
\_\_\_\_\_  
John W. Donlevy, Jr.  
City Manager

**BUYER:**

CROSS DEVELOPMENT, LLC,  
A Texas limited liability company

By:

  
Steve Rumsey, Managing Member

**RESOLUTION No. SA-2013-02**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED  
WINTERS COMMUNITY DEVELOPMENT AGENCY APPROVING THE  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND  
JOINT ESCROW INSTRUCTIONS BY AND BETWEEN THE  
CITY OF WINTERS AND CROSS DEVELOPMENT, LLC**

**WHEREAS**, pursuant to the Community Development Law (the “CRL”) (Health and Safety Code Sections 33000 et seq.), the City Council of the City of Winters (“City”) created the Winters Community Development Agency (“Redevelopment Agency”); and

**WHEREAS**, in May 2009, the Winters CDA (“Redevelopment Agency”) purchased the Grant Avenue lot on the south side of Grant Avenue between East Street and Morgan Street formerly known as Granite Bay Commercial (APNs: 003-370-028, 029 and 030). The CDA subsequently authorized the issuance of an RFP for potential developers to offer proposals for development of the site. Although the CDA did enter into an Exclusive Negotiation Agreement (“ENA”) with the Yackzan Group, that ENA did not result in any development on the property; and

**WHEREAS**, in March 2011, the City Council adopted Resolution 2011-15 approving a Purchase and Sale Agreement with the Winters CDA with respect to the property. The Resolution laid out the findings for the transfer of this property in consideration of the debt owed to the City by the Winters CDA; and

**WHEREAS**, as part of the Fiscal Year 2011-2012 State budget bill, the California state legislature enacted, and the Governor signed, Assembly Bill X1 26 (“AB 26”), which added Parts 1.8 and 1.85 to the CRL, and which laws caused the dissolution and winding down of all redevelopment agencies in California (the “Dissolution Act”); and

**WHEREAS**, on December 29, 2011, in the petition California Redevelopment Association v. Matosantos, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

**WHEREAS**, by Resolution considered and approved by the City Council in 2012, the City elected to become and serve as the successor agency to the Redevelopment Agency (the “Successor Agency”), with the responsibility to wind down the affairs of the Redevelopment Agency and dispose of its assets under the direction of an oversight board (the “Oversight Board”); and

**WHEREAS**, as of February 1, 2012, the Redevelopment Agency dissolved and the Successor Agency became operational; and

**WHEREAS**, AB 26 was amended by the State Legislature in June, 2012, pursuant to Assembly Bill 1484 (“AB 1484”) to provide new requirements and clarification of prior requirements to wind down the affairs of the dissolved Redevelopment Agency; and

**WHEREAS**, the Successor Agency has authority to sell assets of the former Redevelopment Agency pursuant to the requirements of AB 26 and AB 1484; and

**WHEREAS**, at the October 2, 2013 City Council meeting, the City Council authorized the City Manager to execute a Purchase and Sale Agreement with Cross Development for commercial development on a portion of the property, consistent with the original intent of the acquisition. The Agreement allowed for up to 180 days for Cross to complete their due diligence review, with the close of escrow to be completed by May 24, 2013. City Council subsequently approved the First Amendment to the Purchase and Sale Agreement, extending the agreement by an additional 90 days; and

**WHEREAS**, On May 13, 2013, the California State Controller issued a final ruling that the property transfer of March 2011 was an unallowable transfer, and based on Health and Safety Code 34167.5, ordered the City of Winters to reverse the transfer of that property and other real property assets; and

**WHEREAS**, Health and Safety Code Section 34191.5(b) requires the Successor Agency to submit the Property Management Plan to the Successor Agency's oversight board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion pursuant to Health and Safety Code Section 34179.7; and

**WHEREAS**, the Successor Agency has received a Finding of Completion from the Department of Finance and will be submitting its Property Management Plan to the Oversight Board for approval; and

**WHEREAS**, in order to complete the Purchase and Sale Agreement with Cross Development LLC, 1) the Successor Agency, Oversight Board, and Department of Finance must approve the Successor Agency's Property Management Plan, and 2) the Successor Agency, Oversight Board, and Department of Finance must approve the individual Purchase and Sale Agreement; and

**WHEREAS**, the Successor Agency has adopted Resolution SA-2013-01 approving the Property Management Plan; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FORMER WINTERS COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. CEQA Compliance.** The Successor Agency to the dissolved Winters Community Development Agency determines that the proposed Purchase and Sale Contract qualifies as a governmental funding mechanism pursuant to 14 CCR section 15378 which does not involve a commitment to any specific project which may result in a potentially significant environmental impact. As such the Purchase and Sale Agreement does not qualify as a project for purposes of the California Environmental Quality Act. The City Clerk is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Yolo, California, within five (5) days following the date of adoption of this Resolution.

**Section 3. Approval of Purchase and Sale Agreement.** The Successor Agency hereby approves the Real Property Purchase And Sale Agreement and Joint Escrow Instructions by and between the City of Winters and Cross Development LLC, in substantially the form currently on file with the City Clerk.

**Section 4. Authorization to Take Action.** The Successor Agency to the dissolved Winters Community Development Agency hereby authorizes and directs the City Manager to take all actions and do all things required by or necessary and proper to perform and carry out the proposed Purchase and Sale Agreement, at fair market value, and to execute and deliver all certifications agreements and other documents necessary or required under the Purchase and Sale Agreement. Furthermore, the City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding including submitting the Purchase and Sale Agreement to the Successor Agency's oversight board for approval.

**Section 5. Certification.** The City Clerk shall certify to the adoption of this Resolution.

**Section 6. Effectiveness.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Successor Agency to the dissolved Winters Community Development Agency on the 2nd day of July, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

---

W. Keith Fridae, Agency Chair

---

Nanci G. Mills, Agency Secretary



**SUCCESSOR AGENCY TO THE WINTERS COMMUNITY DEVELOPMENT AGENCY  
STAFF REPORT**

**TO:** Honorable Chair and Board Members  
**DATE:** July 2, 2013  
**THROUGH:** John W. Donlevy, Jr., City Manager  
**FROM:** Dan Maguire, Economic Development and Housing Manager  
Mary Jo Rodolfa, Management Analyst  
**SUBJECT:** Yolo Federal Credit Union Purchase and Sale Agreement

---

**RECOMMENDATIONS:**

Staff recommends that the Successor Agency: 1) Approve the transfer of Real Property commonly referred to as the Grant Avenue Commercial Property (APN #'s 003-370-028, 003-370-029 from the Successor Agency to the City of Winters, and 2) approve the sale of a portion of the property from the City to Yolo Federal Credit Union.

**BACKGROUND:**

In May 2009, the Winters CDA ("Redevelopment Agency") purchased the Grant Avenue lot on the south side of Grant Avenue between East Street and Morgan Street formerly known as Granite Bay Commercial. The CDA subsequently authorized the issuance of an RFP for potential developers to offer proposals for development of the site. Although the CDA did enter into an Exclusive Negotiation Agreement ("ENA") with the Yackzan Group, that ENA did not result in any development on the property.

In March 2011, the City Council adopted Resolution 2011-15 approving a Purchase and Sale Agreement with the Winters CDA with respect to the property. The Resolution laid out the findings for the transfer of this property in consideration of the debt owed to the City by the Winters CDA. On May 13, 2013, the California State Controller issued a final ruling that the property transfer was an unallowable transfer, and based on Health and Safety Code 34167.5, ordered the City of Winters to reverse the transfer of that property and other real property assets.

Prior to that ruling, at the October 16, 2012 City Council meeting, the City Council authorized the City Manager to execute a Purchase and Sale Agreement ("Agreement")

with YFCU for commercial development on the property, consistent with the original intent of the acquisition. The Agreement allowed for up to 150 days from the opening of escrow (1/16/2013) for YFCU to complete their due diligence review, and 180 days for the close of escrow, with the purchase to be completed by July 14, 2013. Subsequently, the City Council approved a request for the Agreement to be extended by an additional 90 days.

The Successor Agency has received a Finding of Completion from the Department of Finance and will be submitting its Property Management Plan to the Oversight Board for approval.

In order to complete the Purchase and Sale Agreement with Yolo Federal Credit Union, 1) the Successor Agency, Oversight Board, and Department of Finance must approve the Successor Agency's Property Management Plan, and 2) the Successor Agency, Oversight Board, and Department of Finance must approve the individual Purchase and Sale Agreement.

**FISCAL IMPACTS:**

The City's costs associated with selling the properties are to-be-determined; however, at the proposed sales price, the City stands to realize approximately \$264,000.00 from the transaction; however, the proceeds will likely need to be distributed among the taxing entities.

**ATTACHMENTS:**

Purchase and Sale Agreement with Yolo Federal Credit Union  
First Addendum to Real Property & Sale Agreement  
Resolution SA 2013-03

**REAL PROPERTY PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

**by and between the**

**CITY OF WINTERS,  
a municipal corporation**

**and**

**YOLO FEDERAL CREDIT UNION**

[Dated as of 1/16/13, ~~2012~~, for reference purposes only]

82573.00022\7537164.2

 **ENTERED**

**REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

This REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (Portion of Grant Avenue Commercial Property) ("Agreement") is dated as of 1/16/2013, 2012, for reference purposes only, and is entered into by and between the CITY OF WINTERS, a municipal corporation ("Seller"), and YOLO FEDERAL CREDIT UNION, a not-for-profit financial cooperative ("Buyer"). Seller and Buyer enter into this Agreement with reference to the following recitals of fact (each, a "Recital"):

**RECITALS**

A. The Community Development Agency of the City of Winters ("Agency") owned that certain real property constituting approximately 4.522 acres of real property located on East Grant Avenue between Morgan Street and East Street (APNs 003-370-028, -029, 030) (the "Property"). The City acquired the Property from the Agency pursuant to that certain Purchase and Sale Agreement and Joint Escrow Instruction dated as of March 15, 2011, at a purchase price equal to the appraised value of the Property, in order to continue the planned redevelopment of the Redevelopment Project Area.

B. Buyer desires to expand and open a new branch office within the City, and has been in negotiations with the City to acquire the western-most portion of the Property, as more particularly described below (the "Site"), for development of a commercial building to accommodate such new branch office.

C. Seller and Buyer desire to enter into this Agreement to provide for Buyer's acquisition of the Site at its "as is" fair market value of the fee simple estate.

**AGREEMENT**

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND COVENANTS OF SELLER AND BUYER SET FORTH IN THIS AGREEMENT AND OTHER GOOD AND VALUABLE CONSIDERATION, SELLER AND BUYER AGREE, AS FOLLOWS:

**TERMS AND CONDITIONS**

**1. DEFINITIONS**

1.1 **Definitions.** The following words, terms and phrases are used in this Agreement with the following meanings, unless the particular context or usage of a word, term or phrase requires another interpretation:

1.1.1 **Agreement.** This Real Property Purchase and Sale Agreement and Joint Escrow Instructions (Portion of Grant Avenue Commercial Property) by and between Seller and Buyer, including all of the attached exhibits.

**1.1.2 Approval.** Any approval, consent, certificate, ruling, authorization or amendment to any of the foregoing, as shall be necessary or appropriate under any Law to complete the purchase and sale of the Site.

**1.1.3 Business Day.** Any weekday on which the Seller is open to conduct regular governmental functions.

**1.1.4 Buyer.** Yolo Federal Credit Union, a not-for-profit financial cooperative, and any assignee of or successor to the rights, powers or responsibilities of Yolo Federal Credit Union under this Agreement.

**1.1.5 Buyer Title Policy.** A standard CLTA owner's policy of title insurance issued by the Title Company, with coverage in the amount of the Purchase Price, showing title to the Site vested in Buyer, subject to Permitted Exceptions.

**1.1.6 CEQA.** The California Environmental Quality Act, Public Resources Code Section 21000, *et seq.* and implementing regulations contained in Title 14, Chapter 3, Section 15000, *et seq.* of the California Code of Regulations.

**1.1.7 CEQA Documents.** Any exemption determination, any Negative Declaration (mitigated or otherwise) or any Environmental Impact Report (including any addendum or amendment to, or subsequent or supplemental Environmental Impact Report) required or permitted by any Government Agency, pursuant to CEQA, to issue any discretionary Approval required to approve this Agreement.

**1.1.8 City.** The City of Winters, a California municipal corporation.

**1.1.9 City Manager.** The City Manager of Seller or his or her designee or successor in function.

**1.1.10 Claim.** Any claim, loss, cost, damage, expense, liability, lien, action, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, fine or penalty of any kind (including consultant and expert fees and expenses and investigation costs of whatever kind or nature, and, if an Indemnitor improperly fails to provide a defense for an Indemnitee, then Legal Costs of the Indemnitee) and any judgment.

**1.1.11 Close of Escrow.** The first date on which the Escrow Agent has filed the Seller Deed with the County for recording in the official records of the County.

**1.1.12 County.** The County of Yolo, California.

**1.1.13 Default.** An Escrow Default, a Monetary Default or a Non-Monetary Default.

**1.1.14 Deposit.** Ten Thousand Dollars and No Cents (\$10,000.00).

**1.1.15 Due Diligence Completion Notice.** A written notice from Buyer delivered to both Seller and Escrow Agent, prior to the end of the Due Diligence Period, indicating Buyer's unconditional acceptance of the condition of the Site or indicating Buyer's rejection of the condition of the Site and refusal to accept a conveyance of title to the Site.

**1.1.16 Due Diligence Investigations.** Buyer's due diligence investigations of the Site to determine the suitability of the Site, including investigation of the environmental and geotechnical suitability of the Site, as deemed appropriate in the discretion of Buyer, all at the sole cost and expense of Buyer.

**1.1.17 Due Diligence Period.** The time period of one hundred fifty (150) continuous days commencing on the day immediately following the Escrow Opening Date.

**1.1.18 Environmental Claim.** Any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements or expenses, including Legal Costs and fees and costs of environmental consultants and other experts, and all foreseeable and unforeseeable damages or costs of any kind or of any nature whatsoever, directly or indirectly, relating to or arising from any actual or alleged violation of any Environmental Law or Hazardous Substance Discharge.

**1.1.19 Environmental Laws.** All Federal, State, local (including City) laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any government authority, now in effect or enacted after the Effective Date, regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use or pertaining to occupational health or industrial hygiene or occupational or environmental conditions on, under or about the Site, as now or may at any later time be in effect, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 USC Section 9601 *et seq.*]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USC Section 6901 *et seq.*]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USC Section 1251 *et seq.*]; the Toxic Substances Control Act ("TSCA") [15 USC Section 2601 *et seq.*]; the Hazardous Materials Transportation Act ("HMTA") [49 USC Section 1801 *et seq.*]; the Insecticide, Fungicide, Rodenticide Act [7 USC Section 6901 *et seq.*]; the Clean Air Act [42 USC Section 7401 *et seq.*]; the Safe Drinking Water Act [42 USC Section 300f *et seq.*]; the Solid Waste Disposal Act [42 USC Section 6901 *et seq.*]; the Surface Mining Control and Reclamation Act [30 USC Section 101 *et seq.*]; the Emergency Planning and Community Right to Know Act [42 USC Section 11001 *et seq.*]; the Occupational Safety and Health Act [29 USC Section 655 and 657]; the California Underground Storage of Hazardous Substances Act [California Health & Safety Code Section 25288 *et seq.*]; the California Hazardous Substances Account Act [California Health & Safety Code Section 25300 *et seq.*]; the California Safe Drinking Water and Toxic Enforcement Act [California Health & Safety Code Section 24249.5 *et seq.*]; or the Porter-Cologne Water Quality Act [California Water Code Section 13000 *et seq.*]; together with any regulations promulgated under the authorities referenced in this Section 1.1.25.

1.1.20 **Escrow.** An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the sale of the Site from Seller to Buyer pursuant to this Agreement.

1.1.21 **Escrow Agent.** Placer Title Company, Davis, CA, or such other Person mutually agreed upon in writing by both Seller and Buyer.

1.1.22 **Escrow Closing Date.** The date that is not later than one hundred eighty (180) calendar days following the Escrow Opening Date; or such other date mutually agreed upon in writing between the Parties for the Close of Escrow.

1.1.23 **Escrow Closing Statement.** A statement prepared by the Escrow Agent indicating, among other things, the Escrow Agent's estimate of all funds to be deposited or received by Seller or Buyer, respectively, and all charges to be paid by Seller or Buyer, respectively, through the Escrow.

1.1.24 **Escrow Default.** The unexcused failure to submit any document or funds to the Escrow Agent as reasonably necessary to close the Escrow, pursuant to the terms and conditions of this Agreement.

1.1.25 **Escrow Opening Date.** The first date on which a copy of this Agreement, signed by both Seller and Buyer, is deposited with the Escrow Agent, as provided in Section 4.1.

1.1.26 **Event of Default.** The occurrence of any one or more of the following:

(a) **Monetary Default.** A Monetary Default that continues for fifteen (15) calendar days after Notice to the Party in Default, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such amount or the bond, surety or insurance not provided;

(b) **Escrow Closing Default.** An Escrow Default that continues for seven (7) calendar days after Notice to the Party in Default, specifying in reasonable detail the document or funds not submitted;

(c) **Non-Monetary Default.** Any Non-Monetary Default that is not cured within fifteen (15) days after Notice to the Party in Default describing the Non-Monetary Default in reasonable detail. In the case of such a Non-Monetary Default that cannot with reasonable diligence be cured within fifteen (15) days after the effective date of such Notice, an Event of Default shall occur, if the Party in Default does not do all of the following: (a) within fifteen (15) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party in Default to take all reasonable steps to cure such Non-Monetary Default; (b) duly commence such cure within such fifteen (15) day period; and (c) diligently prosecute such cure to completion within a reasonable time under the circumstances.

1.1.27 **FIRPTA Affidavit.** A certification that Seller is not a "foreign person" within the meaning of such term under Section 1445 of the United States Internal Revenue Code.

**1.1.28 Form 593. A California Franchise Tax Board Form 593-C.**

**1.1.29 Government Agency.** Any and all courts, boards, agencies, commissions, offices, or authorities of any nature whatsoever of any governmental unit (Federal, State, County, district, municipal, City or otherwise) whether now or later in existence.

**1.1.30 Hazardous Substance.** Any flammable substance, explosive, radioactive material, asbestos, asbestos-containing material, polychlorinated biphenyl, chemical known to cause cancer or reproductive toxicity, pollutant, contaminant, hazardous waste, medical waste, toxic substance or related material, petroleum, petroleum product and any "hazardous" or "toxic" material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (a) defined as a "hazardous substance" under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (b) designated as "hazardous substances" pursuant to 33 U.S.C. § 1321; (c) defined as a "hazardous waste" under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, *et seq.*, as amended; (d) defined as a "hazardous substance" or "hazardous waste" under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601, *et seq.*, or any so-called "superfund" or "superlien" law; (e) defined as a "pollutant" or "contaminant" under 42 U.S.C. § 9601(33); (f) defined as "hazardous waste" under 40 C.F.R. Part 260; (g) defined as a "hazardous chemical" under 29 C.F.R. Part 1910; (h) any matter within the definition of "hazardous substance" set forth in 15 U.S.C. § 1262; (i) any matter, waste or substance regulated under the Toxic Substances Control Act ("TSCA") [15 U.S.C. Sections 2601, *et seq.*]; (j) any matter, waste or substance regulated under the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, *et seq.*; (k) those substances listed in the United States Department of Transportation (DOT)Table [49 C.F.R. 172.101]; (l) any matter, waste or substances designated by the EPA, or any successor authority, as a hazardous substance [40 C.F.R. Part 302]; (m) defined as "hazardous waste" in Section 25117 of the California Health and Safety Code; (n) defined as a "hazardous substance" in Section 25316 of the California Health and Safety Code; (o) subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source; or (p) that is or becomes regulated or classified as hazardous or toxic under Law or in the regulations adopted pursuant to Law.

**1.1.31 Hazardous Substance Discharge.** Any deposit, discharge, generation, release or spill of a Hazardous Substance that occurs at, on, under, into or from the Site, or during transportation of any Hazardous Substance to or from the Site, whether or not caused by a Party.

**1.1.32 Indemnify.** Where this Agreement states that any Indemnitor shall "indemnify" any Indemnitee from, against, or for a particular Claim, that the Indemnitor shall indemnify the Indemnitee and defend and hold the Indemnitee harmless from and against such Claim (alleged or otherwise). "Indemnified" shall have the correlative meaning.

**1.1.33 Indemnitee.** Any Person entitled to be Indemnified under the terms of this Agreement.

**1.1.34 Indemnitor.** A Party that agrees to Indemnify any other Person under the terms of this Agreement.

**1.1.35 Law.** Every law, ordinance, requirement, order, proclamation, directive, rule or regulation of any Government Agency applicable to the Site, in any way, including relating to any development, construction, use, maintenance, taxation, operation, occupancy of or environmental conditions affecting the Site or otherwise relating to this Agreement or any Party's rights, obligations or remedies under this Agreement, or any Transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance or exemption.

**1.1.36 Legal Costs.** In reference to any Person, all reasonable costs and expenses such Person incurs in any legal proceeding (or other matter for which such Person is entitled to be reimbursed for its Legal Costs), including reasonable attorneys' fees, court costs and expenses and consultant and expert witness fees and expenses.

**1.1.37 Monetary Default.** Any failure by either Party to pay or deposit, when and as this Agreement requires, any amount of money, bond, surety or evidence of any insurance coverage required to be provided under this Agreement, whether to or with a Party or a Third Person.

**1.1.38 Non-Monetary Default.** The occurrence of any of the following, except to the extent constituting a Monetary Default or an Escrow Default: (a) any failure of a Party to perform any of such Party's obligations under this Agreement; (b) any failure of a Party to comply with any material restriction or prohibition in this Agreement; or (c) any other event or circumstance that, with passage of time or giving of Notice, or both, would constitute a breach of this Agreement by a Party.

**1.1.39 Notice.** Any consent, demand, designation, election, notice, or request relating to this Agreement, including any Notice of Default. All Notices must be in writing.

**1.1.40 Notice of Default.** Any Notice claiming or giving Notice of a Default.

**1.1.41 Notify.** To give a Notice.

**1.1.42 Parties.** Collectively, Seller and Buyer.

**1.1.43 Party.** Individually, either Seller or Buyer, as applicable.

**1.1.44 Permitted Exception.** All of the following: (a) all items shown in the Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy that are approved by Buyer pursuant to Section 3.3; (b) any lien for non-delinquent property taxes or assessments; (c) any Laws applicable to the Site; (d) this Agreement; (e) any existing improvements on the Site, if any; (f) any Approval; (g) any other document or encumbrance

expressly required or allowed to be recorded against the Site pursuant to the terms of this Agreement; and (h) all covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and other matters of record or that would be disclosed by an accurate inspection or survey of the Site.

**1.1.45 Person.** Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization or other entity of any kind.

**1.1.46 Preliminary Report.** A preliminary report issued by the Title Company in contemplation of the issuance of the Buyer Title Policy, accompanied by the best available copies of all documents listed in the preliminary report as exceptions to coverage under the proposed Buyer Title Policy.

**1.1.47 Prohibited Encumbrance.** Any security instrument, mechanic's lien, easement, property interest or other encumbrance recorded or asserted against the Site that is not a Permitted Exception.

**1.1.48 Project.** The Project shall include development of a commercial/retail building on the Site, in accordance with all Approvals, which shall include, among other things, construction at the sole cost of the Buyer of all street, curb, gutter, sidewalk and other public improvements along Grant Avenue and any public utility or other easements that may be required by the City, all in conformance with the Grant Avenue Design Guidelines.

**1.1.49 Purchase Price.** An amount equal to Six Dollars (\$6.00) per square foot of land area included within the Site, which is the purchase price offered in the Yolo Federal Credit Union Non-Binding Letter of Intent dated October 5, 2012.

**1.1.50 Seller.** The City of Winters, a California municipal corporation, and any assignee of or successor to the rights, powers or responsibilities of the Seller.

**1.1.51 Seller Deed.** A grant deed conveying Seller's interest in the Site from Seller to Buyer, at the Close of Escrow, substantially in the form of Exhibit B attached to this Agreement.

**1.1.52 Seller Parties.** Collectively, the Seller, the Seller's governing body, and the Seller's elected officials, employees, agents and attorneys.

**1.1.53 Site.** That portion of the Property, generally shown on the Map of the Site attached hereto as Exhibit A, to be conveyed by the Seller to Buyer. The final size and configuration of the Site shall be determined by the Seller and Buyer, following the Lot Line Adjustment provided for in Section 3.1, prior to conveyance of the Site to the Buyer.

**1.1.54 Third Person.** Any Person that is not a Party, an affiliate of a Party or an elected official, officer, director, manager, shareholder, member, principal, partner, employee or agent of a Party.

**1.1.55 Title Company.** Placer Title Company, or such other Person mutually agreed upon in writing by both Seller and Buyer.

**1.1.56 Title Notice.** A written notice from Buyer to Seller indicating Buyer's acceptance of the state of the title to the Site, as described in the Preliminary Report for the proposed Buyer Title Policy, or Buyer's disapproval or conditional approval of specific matters shown in Schedule B of such Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy for the Site, describing in suitable detail the actions that Buyer reasonably believes are indicated to obtain Buyer's unconditional approval of the state of the title to the Site.

**1.1.57 Title Notice Response.** The written response of Seller to the Title Notice, in which Seller either elects to: (a) cause the removal from the Preliminary Report of any matters disapproved or conditionally approved in the Title Notice; (b) obtain title or other insurance or endorsement in a form reasonably satisfactory to Buyer insuring against any matters disapproved or conditionally approved in the Title Notice; or (c) not take either action described in clause "(a)" or "(b)" of this Section 1.1.57.

**1.1.58 Title Notice Waiver.** A written notice from Buyer to Seller waiving Buyer's previous disapproval or conditional approval in the Title Notice of specific matters shown in the Preliminary Report as exceptions to coverage under the proposed Buyer Title Policy.

**1.1.59 Unavoidable Delay.** A delay in either Party performing any obligation under this Agreement arising from or on account of any cause whatsoever beyond the Party's reasonable control, including strikes, labor troubles or other union activities, casualty, war, acts of terrorism, riots, litigation, governmental action or inaction, regional natural disasters or inability to obtain required materials. Unavoidable Delay shall not include delay caused by a Party's financial condition or insolvency.

**2. EFFECTIVE DATE.** This Agreement shall become effective on the first date on which all of the following have occurred: ("Effective Date"): (a) Seller has received three (3) counterpart originals of this Agreement signed by the authorized representative(s) of Buyer; and (b) this Agreement has been approved and executed by Seller's governing body.

### **3. PURCHASE AND SALE OF SITE**

**3.1 Covenants, Representations and Warranties.** Seller's Representations, Warranties and Covenants. Seller hereby represents and warrants to Buyer as of the date of Seller's execution of this Agreement (which representations and warranties shall be deemed remade by Seller as of the Close of Escrow) the following, and such representations, warranties and covenants shall survive the Close of Escrow for a period of six (6) months:

- i. To the best of Seller's knowledge, there are no Hazardous Materials in, on, about, under or affecting the Property. For purposes of this Agreement, the term "Hazardous Materials" shall mean any toxic or hazardous materials or any other substance which constitutes, or is regulated as, a hazardous, extremely hazardous, toxic, extremely toxic or similarly dangerous material, substance or waste under the Comprehensive Environmental Response, Compensation and Liability Act of

1980, as amended, 42 U.S.C.A. §§ 9601 et. seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C.A. §§ 6901 et seq., or the California Health and Safety Cod, Division 20;

- ii. to the best of Seller's knowledge there are no suits, proceedings, or actions, including without limitation any condemnation proceedings, pending or threatened against the Property or which would have a material effect on Seller's ownership of the Property; and
- iii. except as disclosed in the Due Diligence Materials, Seller does not have actual knowledge of any condition of or relating to the Property, including conditions of adjacent or proximate properties and governmental actions which would materially impact Buyer's proposed development of the Property as a branch of Yolo Federal Credit Union.

**3.2 Lot Line Adjustment.** Buyer desires to purchase a portion of the Property consisting of approximately 29,192 square feet of land area, located on the north-westernmost portion of the Property, as generally shown on Exhibit A. Following the Effective Date of this Agreement, the City, at its sole cost, shall use good faith efforts to prepare such documents and take such actions as are necessary to obtain approvals for a lot line adjustment or lot split ("Lot Line Adjustment") to create a legal parcel suitable to the Buyer, constituting the Site. Upon obtaining final approvals for and recordation of such Lot Line Adjustment, a formal legal description of the Site acceptable to both Parties shall be attached to the Seller Deed (Exhibit B) and used for purposes of conveyance of the Site to Buyer. Further, the size and actual Purchase Price for the Site shall be established based on the actual square footage of the Site following such Lot Line Adjustment.

**3.3 Escrow.** Following such Lot Line Adjustment, Seller shall sell and convey fee title to the Site to Buyer and Buyer shall purchase and acquire fee title to the Site from Seller, subject to the Permitted Exceptions and the terms and conditions of this Agreement. For the purposes of exchanging funds and documents to complete the sale of the Site from Seller to Buyer and the purchase of the Site by Buyer from Seller, pursuant to the terms and conditions of this Agreement, Seller and Buyer agree to open the Escrow with the Escrow Agent. The provisions of Section 4 are the joint escrow instructions of the Parties to the Escrow Agent for conducting the Escrow.

**3.4 Consideration.** Buyer shall purchase the Site from Seller for the Purchase Price to be determined based on the final configuration and size of the Site following the Lot Line Adjustment, subject to the terms and conditions of this Agreement. Buyer shall deposit the Purchase Price into the Escrow, as follows:

**3.4.1 Deposit.** Within three (3) days after the Effective Date of this Agreement, Buyer shall deposit the Deposit into the Escrow. If requested by buyer, the Deposit shall be placed in an interest-bearing account, and all fees associated with such interest-bearing account shall be the responsibility of the Buyer. Any interest earned on the Deposit shall become part of the Deposit. Prior to the expiration of the Due Diligence Period, the Deposit shall be refundable to the Buyer in the event of the failure of a Buyer's condition to Close of

Escrow, a termination of this Agreement not due to Buyer's default, or as otherwise expressly provided in this Agreement. Following expiration of the Due Diligence Period, the Deposit shall be non-refundable unless this Agreement is thereafter terminated due to a Seller default. If this Agreement has not been earlier terminated, the Deposit shall be held in Escrow until the Close of Escrow and shall be applied to the Purchase Price.

**3.4.2 At Close of Escrow.** At least two (2) business days preceding the Escrow Closing Date, Buyer shall deposit into the Escrow the amount of the Purchase Price, less the amount of the Deposit then held by the Escrow Agent.

**3.5 Buyer's Approval of Title to Site.**

**3.5.1 Title Notice.** Within ten (10) days after the Escrow Opening Date, Seller shall request the Preliminary Report from the Title Company and that the Title Company deliver a copy of the Preliminary Report to Buyer. Within ten (10) days following Buyer's receipt of the Preliminary Report, Buyer shall send the Title Notice to both Seller and Escrow Agent.

**3.5.2 Failure to Deliver Title Notice.** If Buyer fails to send the Title Notice to both Seller and Escrow Agent within the time period provided in Section 3.4.1, Buyer will be deemed to disapprove the status of title to the Site and refuse to accept conveyance of the Site and either Buyer or Seller shall have the right to cancel the Escrow and terminate this Agreement by Notice, in their respective sole and absolute discretion.

**3.5.3 Title Notice Response.** Within five (5) days following Seller's receipt of the Title Notice (if any), Seller shall send the Title Notice Response to both Buyer and Escrow Agent. If the Title Notice does not disapprove or conditionally approve any matter in the Preliminary Report for the proposed Buyer Title Policy or Buyer fails to deliver the Title Notice, Seller shall not be required to send the Title Notice Response. If Seller does not send the Title Notice Response, if necessary, within the time period provided in this Section 3.4.3, Seller shall be deemed to elect not to take any action in reference to the Title Notice. If Seller elects in the Title Notice Response to take any action in reference to the Title Notice, Seller shall complete such action, prior to the Escrow Closing Date or as otherwise specified in the Title Notice Response.

**3.5.4 Title Notice Waiver.** If Seller elects or is deemed to have elected not to address one or more matters set forth in the Title Notice to Buyer's reasonable satisfaction, then within five (5) days after the earlier of: (a) Buyer's receipt of Seller's Title Notice Response; or (b) the last date for Seller to deliver its Title Notice Response pursuant to Section 3.4.3, Buyer shall either: (i) refuse to accept the title to and conveyance of the Site, or (ii) waive Buyer's disapproval or conditional approval of all such matters set forth in the Title Notice by sending the Title Notice Waiver to both Seller and Escrow Agent. Failure by Buyer to timely send the Title Notice Waiver, where the Title Notice Response or Seller's failure to deliver the Title Notice Response results in Seller's election not to address one or more matters set forth in the Title Notice to Buyer's reasonable satisfaction, will be deemed Buyer's continued refusal to accept the title to and conveyance of the Site, in which case either Buyer or Seller shall have the

right to cancel the Escrow and terminate this Agreement by Notice, in their respective sole and absolute discretion.

**3.5.5 Disapproval of Encumbrances Securing Seller Obligations.** Notwithstanding any other provision of this Agreement, Buyer disapproves any and all encumbrances against the Site securing monetary (other than non-delinquent property taxes and assessments) obligations of Seller.

**3.5.6 No Termination Liability.** Any termination of this Agreement or cancellation of the Escrow pursuant to this Section 3.4.6 shall be without liability to the other Party or any other Person. Termination shall be accomplished by delivery of a Notice of termination to both the other Party and the Escrow Agent. Following issuance of a Notice of termination of this Agreement pursuant to a right provided under this Agreement, the Parties and the Escrow Agent shall proceed pursuant to Section 4.12. Once a Notice of termination is given pursuant to this Section 3.4.6, delivery of a Title Notice or Title Notice Waiver shall have no force or effect and this Agreement shall terminate in accordance with the Notice of termination. Notwithstanding anything to the contrary contained in this section, Buyer reserves all legal rights, including but not limited to the right to pursue an action for Specific Performance in the event of the Seller's termination of this Agreement.

### **3.6 Due Diligence Investigations.**

**3.6.1 Time and Expense.** Buyer shall complete all Due Diligence Investigations within the Due Diligence Period and shall conduct all Due Diligence Investigations at Buyer's sole cost and expense.

**3.6.2 Right to Enter.** Seller hereby grants a license to Buyer and Buyer's consultants, contractors and agents to enter the Property for the sole purpose of conducting the Due Diligence Investigations at Buyer's sole cost and expense, subject to all of the terms and conditions of this Agreement. The license given in this Section 3.5 to enter the Property to conduct Due Diligence Investigations shall terminate regarding Buyer on the earlier of: (i) termination of this Agreement; or (ii) the Close of Escrow. Any Due Diligence Investigations by Buyer shall not unreasonably disrupt any existing use or occupancy of the Site. Buyer's exercise of any license provided pursuant to this Section 3.5 after expiration of the Due Diligence Period shall not extend the Due Diligence Period.

**3.6.3 Limitations.** Buyer shall not conduct any intrusive or destructive testing of any portion of the Property, other than low volume soil samples, without Seller's prior written consent. Buyer shall pay all of Buyer's vendors, inspectors, surveyors, consultants or agents engaged in any inspection or testing of the Property, such that no mechanics liens or similar liens for work performed are imposed upon the Property by any such Persons. Following the conduct of any Due Diligence Investigations on the Property, Buyer shall restore the Property to substantially the Property's condition prior to the conduct of such Due Diligence Investigations. Buyer shall Indemnify Seller against any and all costs or damages arising from or relating to Buyer's Due Diligence Investigations regarding the Property. Buyer shall provide Seller with evidence of liability insurance reasonably acceptable to Seller and naming Seller as an additional

insured under such policy of insurance by endorsement prior to the commencement of any Due Diligence Investigations on the Property.

**3.6.4 Due Diligence Completion Notice.** Buyer shall deliver a Due Diligence Completion Notice to both Seller and Escrow Agent prior to the end of the Due Diligence Period. If Buyer does not unconditionally accept the condition of the Site by delivery of its Due Diligence Completion Notice indicating such acceptance, prior to the end of the Due Diligence Period, Buyer shall be deemed to have rejected the condition of the Site and refused to accept conveyance of title to the Site. If the condition of the Site is rejected or deemed rejected by Buyer, then either Seller or Buyer shall have the right to cancel the Escrow and terminate this Agreement, in their respective sole and absolute discretion, without liability to the other Party or any other Person, by delivery of a Notice of termination to the other Party and Escrow Agent, in which case the Parties and Escrow Agent shall proceed pursuant to Section 4.12.

**3.6.5 Due Diligence Deliveries by Seller.** Seller has made or shall make available to Buyer for Buyer's review and copying (at Buyer's sole expense), within ten (10) business days after the Escrow Opening Date, the following documents (and any other documents reasonably requested by Buyer), if such documents are within the possession of Seller. Other documents reasonably available to Seller will be provided at Seller's cost ("Due Diligence Materials"):

(i) any surveys respecting the property;

(ii) legible copies of bills issued for the most recent tax year for all real estate taxes; provided, Seller shall be under no obligation to make additional copies of any such documents for Buyer's use (NOT APPLICABLE SINCE THE CITY OWNS THE LAND AND LAND IS THUS EXEMPT FROM PROPERTY TAXES);

(iii) all reports, studies, drawings, or analyses relating to the Property, including without limitation, geotechnical, environmental, architecture, surveys, or engineering studies reports;

(iv) all notes, memoranda, and written communications relating to the development of the Property

**3.7 "AS-IS" Acquisition.** The Close of Escrow shall evidence Buyer's unconditional and irrevocable acceptance of the Site in the Site's AS IS, WHERE IS, SUBJECT TO ALL FAULTS CONDITION, AS OF THE CLOSE OF ESCROW, WITHOUT WARRANTY as to character, quality, performance, condition, title, physical condition, soil conditions, the presence or absence of fill, shoring or bluff stability or support, subsurface or lateral support, zoning, land use restrictions, the availability or location of utilities or services, the location of any public infrastructure on or off of the Site (active, inactive or abandoned), the suitability of the Site or the existence or absence of Hazardous Substances affecting the Site and with full knowledge of the physical condition of the Site, the nature of Seller's interest in and use of the Site, all laws applicable to the Site and any and all conditions, covenants, restrictions, encumbrances and all matters of record relating to the Site. The Close of Escrow shall further constitute Buyer's

representation and warranty to Seller that: (a) Buyer has had ample opportunity to inspect and evaluate the Site and the feasibility of the uses and activities Buyer is entitled to conduct on the Site; (b) Buyer is relying entirely on Buyer's experience, expertise and Buyer's own inspection of the Site in the Site's current state in proceeding with acquisition of the Site; (c) Buyer accepts the Site in the Site's present condition; (d) to the extent that Buyer's own expertise with respect to any matter regarding the Site is insufficient to enable Buyer to reach an informed conclusion regarding such matter, Buyer has engaged the services of Persons qualified to advise Buyer with respect to such matters; (e) Buyer has received assurances acceptable to Buyer by means independent of Seller or Seller's agents of the truth of all facts material to Buyer's acquisition of the Site pursuant to this Agreement; and (f) the Site is being acquired by Buyer as a result of Buyer's own knowledge, inspection and investigation of the Site and not as a result of any representation made by Seller or Seller's agents relating to the condition of the Site, unless such statement or representation is expressly and specifically set forth in this Agreement. Seller hereby expressly and specifically disclaims any express or implied warranties regarding the Site.

**3.8 Reservations.** The approval of this Agreement by the Seller shall not be binding on the City Council of the City or any other commission, committee, board or body of the City regarding any other Approvals required by such bodies. No action by the Seller with reference to this Agreement or any related documents shall be deemed to constitute issuance or waiver of any required Approvals regarding the Site or Buyer.

#### **4. JOINT ESCROW INSTRUCTIONS**

**4.1 Opening of Escrow: Escrow Instructions.** The purchase and sale of the Site shall take place through the Escrow to be conducted by Escrow Agent. Escrow shall be deemed opened when a fully signed copy of this Agreement has been delivered to Escrow Agent. Escrow Agent shall confirm the Escrow Opening Date in writing to each of the Parties, with a copy of the Escrow Agent Consent signed by the authorized representative(s) of the Escrow Agent.

**4.2 Escrow Instructions.** This Section 4 constitutes the joint escrow instructions of the Parties to Escrow Agent for conduct of the Escrow for the purchase and sale of the Site, as contemplated by this Agreement. Buyer and Seller shall sign such further escrow instructions consistent with the provisions of this Agreement as may be reasonably requested by Escrow Agent. In the event of any conflict between the provisions of this Agreement and any further escrow instructions requested by Escrow Agent, the provisions of this Agreement shall control.

**4.3 Escrow Agent.** Seller and Buyer authorize Escrow Agent to:

**4.3.1 Charges.** Pay and charge Seller and Buyer for their respective shares of the applicable fees, taxes, charges and costs payable by either Seller or Buyer regarding the Escrow;

**4.3.2 Settlement/Closing Statements.** Release each Party's Escrow Closing Statement to the other Party;

**4.3.3 Document Recording.** File any documents delivered for recording through the Escrow with the office of the Recorder of the County for recordation in the official records of the County, pursuant to the joint instructions of the Parties; and

**4.3.4 Counterpart Documents.** Utilize documents signed by Seller or Buyer in counterparts, including attaching separate signature pages to one version of the same document.

**4.4 Buyer's Conditions Precedent to Close of Escrow.** Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Buyer, Buyer's obligation to purchase the Site from Seller on or before the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Buyer) of each of the following conditions precedent on or before the Escrow Closing Date:

**4.4.1 Title Policy.** Title Company has agreed to issue the Buyer Title Policy to Buyer upon payment of Title Company's premium for such policy;

**4.4.2 CEQA Documents.** Adoption, approval or certification of the CEQA Documents by each applicable Government Agency;

**4.4.3 Buyer's Financing.** Buyer secures financing for the acquisition of the Site and development of the Project on the Site on terms and conditions acceptable to Buyer;

**4.4.4 Seller Escrow Deposits.** Seller deposits all of the items into Escrow required by Section 4.7;

**4.4.5 Settlement/Closing Statement.** Buyer approves Buyer's Escrow Closing Statement;

**4.4.6 Seller Pre-Closing Obligations.** Seller performs all of Seller's material obligations required to be performed by Seller pursuant to this Agreement prior to the Close of Escrow; and

**4.4.7 Due Diligence Period.** Buyer's Due Diligence Period to conduct its inquiry and investigation into the Property shall have expired.

**4.5 Seller's Conditions Precedent to Close of Escrow.** Provided that the failure of any such condition to be satisfied is not due to a Default under this Agreement by Seller, Seller's obligation to sell the Site to Buyer on the Escrow Closing Date shall be conditioned upon the satisfaction or waiver (waivers must be in writing and signed by Seller) of each of the following conditions precedent on or before the Escrow Closing Date:

**4.5.1 Lot Line Adjustment.** Seller obtains approvals for Lot Line Adjustment to create a legal parcel constituting the Site, in accordance with Section 3.1;

**4.5.2 Title.** Buyer accepts the state of the title of the Site, in accordance with Section 3.4;

**4.5.3 Due Diligence.** Buyer timely delivers its Due Diligence Completion Notice to both Seller and Escrow Agent stating Buyer's unconditional acceptance of the condition of the Site, in accordance with Section 3.5;

**4.5.4 CEQA Documents.** Adoption, approval or certification of the CEQA Documents by each applicable Government Agency;

**4.5.5 Building Permit/Approvals.** Buyer obtains, at its sole cost, all Approvals, including through the City's normal plan check, review and development approval process, as necessary for issuance of a final building permit by the City for development of the Project on the Site.

**4.5.6 Buyer Escrow Deposits.** Buyer deposits all of the items into Escrow required by Section 4.6;

**4.5.7 Settlement/Closing Statement.** Seller approves the Seller's Escrow Closing Statement;

**4.5.8 Title Policy.** Title Company has agreed to issue the Buyer Title Policy to Buyer upon payment of Title Company's premium for such policy;

**4.5.9 Consistency Finding.** The Planning Commission of the City has determined that the disposition of the Site to the Buyer pursuant to this Agreement is consistent with the City's General Plan, in accordance with Government Code Section 65402; and

**4.5.10 Buyer Pre-Closing Obligations.** Buyer performs all of Buyer's material obligations required to be performed by Buyer pursuant to this Agreement prior to the Close of Escrow.

**4.6 Buyer's Escrow Deposits.** Buyer shall deposit the following items into Escrow and, concurrently, provide a copy of each document submitted into Escrow to Seller, at least one (1) Business Day prior to the Escrow Closing Date:

**4.6.1 Closing Funds.** All amounts required to be deposited into Escrow by Buyer under the terms of this Agreement to close the Escrow;

**4.6.2 Certificate of Seller Deed Acceptance.** The Certificate of Acceptance attached to the Seller Deed signed by Buyer in recordable form;

**4.6.3 Escrow Closing Statement.** The Buyer's Escrow Closing Statement signed by the authorized representative(s) of Buyer;

**4.6.4 Other Reasonable Items.** Any other documents or funds required to be delivered by Buyer under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not previously been delivered by Buyer.

**4.7 Seller's Escrow Deposits.** Seller shall deposit the following documents into Escrow and, concurrently, provide a copy of each document deposited into Escrow to Buyer, at least one (1) Business Day prior to the Escrow Closing Date:

**4.7.1 Seller Deed.** The Seller Deed signed by the authorized representative(s) of Seller in recordable form;

**4.7.2 Escrow Closing Statement.** The Seller's Escrow Closing Statement signed by the authorized representative(s) of Seller;

**4.7.3 FIRPTA Affidavit.** A FIRPTA affidavit signed by the authorized representative(s) of Seller, in the form provided by the Escrow Agent;

**4.7.4 Form 593.** A Form 593 signed by the authorized representative(s) of Seller; and

**4.7.5 Other Reasonable Items.** Any other documents or funds required to be delivered by Seller under the terms of this Agreement or as otherwise reasonably requested by Escrow Agent or Title Company in order to close the Escrow or comply with applicable Law that have not been previously delivered by Seller.

**4.8 Closing Procedure.** When each of Buyer's Escrow deposits, as set forth in Section 4.6, and each of Seller's Escrow deposits, as set forth in Section 4.7, are deposited into Escrow, Escrow Agent shall request confirmation in writing from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow, as set forth in Sections 4.4 or 4.5, respectively, are satisfied or waived. Upon Escrow Agent's receipt of written confirmation from both Buyer and Seller that each of their respective conditions precedent to the Close of Escrow are satisfied or waived, Escrow Agent shall close the Escrow by doing all of the following:

**4.8.1 Recording and Distribution of Documents.** Escrow Agent shall cause the Seller Deed to be filed with the Recorder of the County for recording in the official records of the County regarding the Site. At Close of Escrow, Escrow Agent shall deliver conformed copies of the Seller Deed filed for recording in the official records of the County through the Escrow to Seller, Buyer and any other Person designated in the written joint escrow instructions of the Parties to receive an original or conformed copy of such document. Each conformed copy of a document filed for recording by Escrow Agent pursuant to this Agreement shall show all recording information;

**4.8.2 Funds.** Distribute all funds held by Escrow Agent pursuant to the Escrow Closing Statements approved in writing by Seller and Buyer;

**4.8.3 FIRPTA Affidavit.** File the FIRPTA Affidavit with the United States Internal Revenue Service;

**4.8.4 Form 593.** File the Form 593 with the California Franchise Tax Board;  
and

**4.8.5 Title Policy.** Obtain from the Title Company and deliver to Buyer, with a copy to the Seller, the Buyer Title Policy issued by the Title Company.

**4.9 Close of Escrow.** The Close of Escrow shall occur on or before the Escrow Closing Date. The Parties may mutually agree to change the Escrow Closing Date by joint written instruction to Escrow Agent. The City Manager, acting on behalf of the Seller, is authorized to agree to one or more extensions of the Escrow Closing Date on behalf of Seller up to a maximum time period extension of two (2) months in the aggregate, in the City Manager's sole and absolute discretion. If for any reason (other than a Default or Event of Default by such Party) the Close of Escrow has not occurred on or before the Escrow Closing Date, then any Party not then in Default under this Agreement may cancel the Escrow and terminate this Agreement, without liability to the other Party or any other Person for such cancellation and termination, by delivering Notice of termination to both the other Party and Escrow Agent. Following any such Notices of termination of this Agreement and cancellation of the Escrow, the Parties and Escrow Agent shall proceed pursuant to Section 4.12. Without limiting the right of either Party to cancel the Escrow and terminate this Agreement, pursuant to this Section 4.9, if the Escrow does not close on or before the Escrow Closing Date and neither Party has exercised its contractual right to cancel the Escrow and terminate this Agreement under this Section 4.9 before the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement, then the Escrow shall close as soon as reasonably possible following the first date on which Escrow Agent Notifies both Parties that Escrow is in a position to close in accordance with the terms and conditions of this Agreement.

**4.10 Escrow Costs.** Escrow Agent shall notify Buyer and Seller of the costs to be borne by each of them at the Close of Escrow by delivering an Escrow Closing Statement to both Seller and Buyer at least four (4) Business Days prior to the Escrow Closing Date. Seller shall pay one-half (1/2) of the Escrow Agent charges for the conduct of the Escrow, all documentary transfer taxes regarding the conveyance of the Site through the Escrow and the full amount of the premium charged by the Title Company for a standard CLTA owner's title insurance policy towards the cost of the premium for the Buyer Title Policy, exclusive of any endorsements or other supplements to the coverage of the Buyer Title Policy that may be requested by Buyer. Buyer shall pay one-half (1/2) of the Escrow Agent charges for the conduct of the Escrow, the amount of the premium for the Buyer Title Policy exceeding the amount paid by Seller toward the cost of the Buyer Title Policy, the premium costs of any and all endorsements to the Buyer Title Policy requested by Buyer, all recording fees and the full amount of any and all other charges, fees and taxes levied by each and every Government Agency relative to the conveyance of the Site through the Escrow.

**4.11 Escrow Cancellation Charges.** If the Escrow fails to close due to Seller's Default under this Agreement, Seller shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively. If the Escrow fails to close due to Buyer's Default under this Agreement, Buyer shall pay all ordinary and reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively. If the Escrow fails to close for any reason other than the Default of either Buyer or Seller, Buyer and Seller shall each pay one-half (1/2) of any ordinary and

reasonable Escrow and title order cancellation charges charged by Escrow Agent or Title Company, respectively.

**4.12 Escrow Cancellation.** If this Agreement is terminated pursuant to a contractual right granted to a Party in this Agreement to terminate this Agreement (other than due to an Event of Default by the other Party), the Parties shall do all of the following:

**4.12.1 Cancellation Instructions.** The Parties shall, within three (3) Business Days following Escrow Agent's written request, sign any reasonable Escrow cancellation instructions requested by Escrow Agent;

**4.12.2 Return of Funds and Documents.** Within ten (10) Business Days following receipt by the Parties of a settlement statement of Escrow and title order cancellation charges from Escrow Agent (if any) or within twenty (20) days following Notice of termination, whichever is earlier: (a) Buyer or Escrow Agent shall return to Seller all documents previously delivered by Seller to Buyer or Escrow Agent, respectively, regarding the Site or the Escrow; (b) Seller or Escrow Agent shall return to Buyer all documents previously delivered by Buyer to Seller or Escrow Agent, respectively, regarding the Site or the Escrow; (c) Escrow Agent shall, unless otherwise expressly provided in this Agreement, return to Buyer all funds deposited in Escrow, less Buyer's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.11; and (d) Escrow Agent shall, unless otherwise expressly provided in this Agreement, return to Seller all funds deposited in Escrow, less Seller's share of customary and reasonable Escrow and title order cancellation charges (if any) in accordance with Section 4.11.

**4.13 Report to IRS.** After the Close of Escrow and prior to the last date on which such report is required to be filed with the Internal Revenue Service under applicable Federal law, if such report is required pursuant to Internal Revenue Code Section 6045(e), Escrow Agent shall report the gross proceeds of the purchase and sale of the Site to the Internal Revenue Service on Form 1099-B, W-9 or such other form(s) as may be specified by the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e). Concurrently with the filing of such reporting form with the Internal Revenue Service, Escrow Agent shall deliver a copy of the filed form to both Seller and Buyer.

**4.14 Condemnation.** If any material portion of the Site, or any interest in any portion of the Site, is taken by condemnation prior to Close of Escrow by any condemning authority other than Seller, including, without limitation, the filing of any notice of intended condemnation or proceedings in the nature of eminent domain, commenced by any governmental authority, other than Seller, Seller shall immediately give Buyer notice of such occurrence, and Buyer shall have the option, exercisable within ten (10) business days after receipt of such notice from Seller, to either: (i) terminate this Agreement; or (ii) continue with this Agreement in accordance with its terms, in which event Seller shall assign to Buyer any right of Seller to receive any condemnation award attributable to the Site.

## **5. REMEDIES AND INDEMNITY**

**5.1 Legal Actions.** Either Party may institute legal action, at law or in equity, to enforce or interpret the rights or obligations of the Parties under this Agreement or recover damages.

**5.2 Rights and Remedies are Cumulative.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties set forth in this Agreement are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by such Party, at the same or different times, of any other rights or remedies for the same Default or the same rights or remedies for any other Default by the other Party.

### **5.3 Indemnification.**

**5.3.1 Seller Indemnity Obligations.** Seller shall Indemnify Buyer against any Claim to the extent such Claim arises from any wrongful intentional act or negligence of the Seller Parties related to this Agreement, but only to the extent that Seller may be held liable under applicable law for such wrongful intentional act or negligence and exclusive of any violation of law (including the State Constitution) relating to Seller's approval, entry into or performance of this Agreement. Nothing in this Agreement is intended nor shall be interpreted to waive any limitation on Seller's liability, any exemption from liability in favor of Seller, any claim presentment requirement for bringing an action regarding any liability of Seller or any limitations period applicable to liability of Seller, all as set forth in Government Code Section 800 *et seq.*, Section 900 *et seq.*, or in any other law, or require Seller to Indemnify any Person beyond such limitations on Seller's liability.

**5.3.2 Buyer Indemnity Obligations.** Buyer shall Indemnify the Seller Parties against any Claim related to this Agreement to the extent such Claim arises from: (a) any act, omission or negligence of the Buyer; (b) any agreements that Buyer (or anyone claiming by or through Buyer) makes with a Third Person regarding the Site; (c) any workers compensation claim or determination relating to any employee of Buyer or its contractors; or (d) any Environmental Claim attributable to any action or omission by Buyer.

**5.3.3 Independent of Insurance Obligations.** Buyer's indemnification obligations under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying Buyer's insurance or other obligations under this Agreement. Buyer's obligation to Indemnify the Seller Parties under this Agreement is independent of Buyer's insurance and other obligations under this Agreement. Buyer's compliance with Buyer's insurance obligations and other obligations under this Agreement shall not in any way restrict, limit or modify Buyer's indemnification obligations under this Agreement and are independent of Buyer's indemnification and other obligations under this Agreement.

**5.3.4 Survival of Indemnification and Defense Obligations.** The indemnity and defense obligations of the Parties under this Agreement shall survive the expiration or earlier termination of this Agreement, until any and all actual or prospective Claims regarding any matter subject to an indemnity obligation under this Agreement are fully, finally, absolutely and completely barred by applicable statutes of limitations.

**5.3.5 Indemnification Procedures.** Wherever this Agreement requires any Indemnitor to Indemnify any Indemnitee:

(a) *Prompt Notice.* The Indemnitee shall promptly Notify the Indemnitor of any Claim.

(b) *Selection of Counsel.* The Indemnitor shall select counsel reasonably acceptable to the Indemnitee. Counsel to Indemnitor's insurance carrier that is providing coverage for a Claim shall be deemed reasonably satisfactory, except in the event of a potential or actual conflict of interest for such counsel regarding such representation or such counsel is reasonably determined by Indemnitee to be incompetent regarding such representation. Even though the Indemnitor shall defend the Claim, Indemnitee may, at Indemnitee's option and Indemnitee's own expense (except where Indemnitor provides a defense to Indemnitee under a reservation of rights, a conflict of interest between Indemnitor and Indemnitee exists that requires them to be represented by separate legal counsel or Indemnitor's legal counsel is reasonably determined by Indemnitee to be incompetent regarding such representation, in any such case, Indemnitor shall pay the Legal Costs of Indemnitee's separate legal counsel), engage separate counsel to advise Indemnitee regarding the Claim and Indemnitee's defense. The Indemnitee's separate counsel may attend all proceedings and meetings. The Indemnitor's counsel shall actively consult with the Indemnitee's separate counsel.

(c) *Cooperation.* The Indemnitee shall reasonably cooperate with the Indemnitor's defense of the Indemnitee.

(d) *Settlement.* The Indemnitor may only settle a Claim with the consent of the Indemnitee. Any settlement shall procure a complete release of the Indemnitee from the subject Claims, shall not require the Indemnitee to make any payment to the claimant and shall provide that neither the Indemnitee, nor the Indemnitor on behalf of the Indemnitee, admits any liability.

## **6. GENERAL PROVISIONS**

6.1 Incorporation of Recitals. The Recitals of fact set forth preceding this Agreement are true and correct and are incorporated into this Agreement in their entirety by this reference.

### **6.2 Notices, Demands and Communications Between the Parties.**

6.2.1 **Delivery.** Any and all Notices submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper, if in writing and sent by messenger for immediate personal delivery, nationally recognized overnight (one Business Day) delivery service (i.e., United Parcel Service, Federal Express, etc.) or by registered or certified United States mail, postage prepaid, return receipt requested, to the address of the recipient Party, as designated in Section 6.2.2. Notices may be sent in the same manner to such other addresses as either Party may from time to time designate by Notice in accordance with this Section 6.2. Notice shall be deemed received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that the Notice is sent by messenger for immediate personal delivery, one Business Day after delivery to

a nationally recognized overnight delivery service or three (3) calendar days after the Notice is placed in the United States mail in accordance with this Section 6.2. Any attorney representing a Party may give any Notice on behalf of such Party.

**6.2.2 Addresses.** The Notice addresses for the Parties, as of the Effective Date, are as follows:

To Buyer: Yolo Federal Credit Union  
P. O. Box 657  
Woodland, CA 95776-0657  
Attention: Clyde Brooker, CEO

To Seller: City of Winters  
318 First Street  
Winters, CA 95694  
Attn: City Manager

**6.3 Relationship of Parties.** The Parties each intend and agree that Seller and Buyer are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture or similar business arrangement, relationship or association between them.

**6.4 Warranty Against Payment of Consideration for Agreement.** Buyer represents and warrants to Seller that: (a) Buyer has not employed or retained any Person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Buyer and Third Persons to whom fees are paid for professional services related to the documentation of this Agreement; and (b) no gratuities, in the form of entertainment, gifts or otherwise have been or will be given by Buyer or any of Buyer's agents, employees or representatives to any elected or appointed official or employee of the Seller in an attempt to secure this Agreement or favorable terms or conditions for this Agreement. Breach of the representations or warranties of this Section 6.4 shall entitle Seller to terminate this Agreement and cancel the Escrow (if open) upon seven (7) days Notice to Buyer and, if the Escrow is open, to Escrow Agent. Upon any such termination of this Agreement, Buyer shall immediately refund any payments made to or on behalf of Buyer by Seller pursuant to this Agreement or otherwise related to the Site, any Approval or any CEQA Document, prior to the date of such termination.

**6.5 Calculation of Time Periods.** Unless otherwise specified, all references to time periods in this Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Agreement measured in years shall be to consecutive calendar years. Any reference to Business Days in this Agreement shall mean consecutive Business Days.

**6.6 Principles of Interpretation.** No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Agreement. The Parties have both participated substantially in the negotiation, drafting and revision of this Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Agreement. The words "include" and "including" in this Agreement shall be construed to be followed by the words: "without limitation." Each collective noun in this Agreement shall be interpreted as if followed by the words "(or any part of it)," except where the context clearly requires otherwise. Every reference to any document, including this Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word "or" in this Agreement includes the word "and." Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

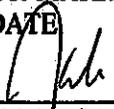
**6.7 Governing Law.** The procedural and substantive laws of the State of California shall govern the interpretation and enforcement of this Agreement, without application of conflicts or choice of laws principles or statutes. The Parties acknowledge and agree that this Agreement is entered into, is to be fully performed in and relates to real property located in the County of Yolo, State of California. All legal actions arising from this Agreement shall be filed in the Superior Court of the State in and for the County or in the United States District Court with jurisdiction in the County.

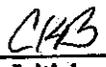
**6.8 Unavoidable Delay; Extension of Time of Performance.**

**6.8.1 Notice.** Subject to any specific provisions of this Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Agreement shall not be deemed or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an Unavoidable Delay shall Notify the other Party: (a) within three (3) days after such Party knows of any such Unavoidable Delay; and (b) within three (3) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise commercially reasonable efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

**6.8.2 Assumption of Economic Risks.** EACH PARTY EXPRESSLY AGREES THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, OF EITHER PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMAND OR CHANGES IN THE ECONOMIC ASSUMPTIONS OF EITHER PARTY THAT MAY HAVE PROVIDED A BASIS FOR ENTERING INTO THIS AGREEMENT SHALL NOT OPERATE TO EXCUSE OR DELAY THE PERFORMANCE OF EACH AND EVERY ONE OF EACH PARTY'S OBLIGATIONS AND COVENANTS ARISING UNDER THIS AGREEMENT. ANYTHING IN THIS AGREEMENT TO THE CONTRARY NOTWITHSTANDING, THE PARTIES EXPRESSLY ASSUME THE RISK OF UNFORESEEABLE CHANGES IN ECONOMIC CIRCUMSTANCES OR MARKET

DEMAND OR CONDITIONS AND WAIVE, TO THE GREATEST EXTENT ALLOWED BY LAW, ANY DEFENSE, CLAIM, OR CAUSE OF ACTION BASED IN WHOLE OR IN PART ON ECONOMIC NECESSITY, IMPRACTICABILITY, CHANGED ECONOMIC CIRCUMSTANCES, FRUSTRATION OF PURPOSE, OR SIMILAR THEORIES. THE PARTIES AGREE THAT ADVERSE CHANGES IN ECONOMIC CONDITIONS, EITHER OF THE PARTY SPECIFICALLY OR THE ECONOMY GENERALLY, OR CHANGES IN MARKET CONDITIONS OR DEMANDS, SHALL NOT OPERATE TO EXCUSE OR DELAY THE STRICT OBSERVANCE OF EACH AND EVERY ONE OF THE OBLIGATIONS, COVENANTS, CONDITIONS AND REQUIREMENTS OF THIS AGREEMENT. THE PARTIES EXPRESSLY ASSUME THE RISK OF SUCH ADVERSE ECONOMIC OR MARKET CHANGES, WHETHER OR NOT FORESEEABLE AS OF THE EFFECTIVE DATE

  
\_\_\_\_\_  
Initials of Authorized  
Seller Representative(s)

  
\_\_\_\_\_  
Initials of Buyer

6.9 Tax Consequences. Buyer acknowledges and agrees that Buyer shall bear any and all responsibility, liability, costs or expenses connected in any way with any tax consequences experienced by Buyer related to this Agreement.

6.10 Real Estate Commissions.

6.10.1 Seller Warranty. Seller: (a) represents and warrants that Seller did not engage or deal with any broker or finder in connection with this Agreement, and no Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Seller; and (b) shall Indemnify Buyer against any breach of the representation and warranty set forth in clause "(a)" of this Section 6.10.1.

6.10.2 Buyer Warranty. Buyer: (a) represents and warrants that Buyer did not engage or deal with any broker or finder in connection with this Agreement, and no Person is entitled to any commission or finder's fee regarding this Agreement on account of any agreement or arrangement made by Buyer; and (b) shall Indemnify Seller against any breach of the representation and warranty set forth in clause "(a)" of this Section 6.10.2.

6.11 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any Person other than the Parties and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any Third Person to any Party or give any Third Person any right of subrogation or action over or against any Party.

6.12 Buyer Assumption of Risks of Legal Challenges. Buyer assumes the risk of delays or damages that may result to Buyer from each and every Third Person legal action related to Seller's approval of this Agreement or any associated Approvals, even in the event that an error, omission or abuse of discretion by Seller is determined to have occurred. If a Third Person files a legal action regarding Seller's approval of this Agreement or any associated Approval (exclusive of legal actions alleging violation of Government Code Section 1090 by

officials of Seller), Buyer shall have the option to either: (1) cancel the Escrow and terminate this Agreement, in which case the Parties and the Escrow Agent shall proceed in accordance with Section 4.12; or (2) Indemnify Seller against such Third Person legal action, including all Legal Costs, monetary awards, sanctions and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action; provided, however, that option "(1)" under this Section 6.12 shall only be available to Buyer prior to the Close of Escrow. Should Buyer fail to Notify Seller of Buyer's election pursuant to this Section 6.12 at least fifteen (15) days before response to the legal action is required by Seller, prior to the Close of Escrow, Buyer shall be deemed to have elected to cancel the Escrow and terminate this Agreement pursuant to this Section 6.12 and, following the Close of Escrow, Buyer shall be deemed to have elected to Indemnify Seller against such Third Person legal action pursuant to this Section 6.12, all without further Notice to or action by either Party. Seller shall reasonably cooperate with Buyer in defense of Seller in any legal action subject to this Section 6.12, subject to Buyer completely performing Buyer's indemnity obligations for such legal action. Should Buyer elect or be deemed to elect to Indemnify Seller regarding a legal action subject to this Section 6.12, but fail to or stop providing such indemnification of Seller, then Seller shall have the right to terminate this Agreement or cancel the Escrow (or both) by Notice to Buyer and, if the Escrow is open, to the Escrow Agent. Nothing contained in this Section 6.12 is intended to be nor shall be deemed or construed to be an express or implied admission that Seller may be liable to Buyer or any other Person for damages or other relief regarding any alleged or established failure of Seller to comply with any law. Any legal action that is subject to this Section 6.12 (including any appeal periods and the pendency of any appeals) shall constitute an Unavoidable Delay and the time periods for performance by either Party under this Agreement may be extended pursuant to the provisions of this Agreement regarding Unavoidable Delay.

6.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors and assigns.

6.14 Time Declared to be of the Essence. As to the performance of any obligation under this Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

6.15 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned in this Agreement or incidental to this Agreement, and supersedes all prior or contemporaneous negotiations or previous agreements between the Parties, whether written or oral, with respect to all or any portion of the Site.

6.16 Waivers and Amendments. All waivers of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of the Party making the waiver. All amendments to this Agreement must be in writing and signed by the authorized representative(s) of both Seller and Buyer.

**6.17 No Implied Waiver.** Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

**6.18 City Manager Implementation.** Seller shall implement this Agreement through the City Manager, acting on behalf of the Seller. The City Manager or his/her designee is hereby authorized by Seller to enter into agreements and sign documents referenced in this Agreement or reasonably required to implement this Agreement on behalf of Seller, issue approvals, interpretations or waivers and enter into certain amendments to this Agreement on behalf of Seller, to the extent that any such action(s) does/do not increase the monetary obligations of Seller. All other actions shall require the consideration and approval of the Seller's governing body, unless expressly provided otherwise by action of the Seller's governing body. Nothing in this Section 6.18 shall restrict the submission to the Seller's governing body of any matter within the City Manager's authority under this Section 6.18, in the City Manager's sole and absolute discretion, to obtain the Seller's governing body's express and specific authorization on such matter. The specific intent of this Section 6.18 is to authorize certain actions on behalf of Seller by the City Manager, but not to require that such actions be taken by the City Manager including, without limitation, any extension(s) granted pursuant to Section 4.9, without consideration by the Seller's governing body.

**6.19 Survival of Agreement.** All of the provisions of this Agreement shall be applicable to any dispute between the Parties arising from this Agreement, whether prior to or following expiration or termination of this Agreement, until any such dispute is finally and completely resolved between the Parties, either by written settlement, entry of a non-appealable judgment or expiration of all applicable statutory limitations periods and all terms and conditions of this Agreement relating to dispute resolution, indemnity or limitations on damages or remedies shall survive any expiration or termination of this Agreement.

**6.20 Counterparts.** This Agreement shall be signed in three (3) triplicate originals, each of which is deemed to be an original. This Agreement includes twenty-six (26) pages and two (2) exhibits (each exhibit is incorporated into this Agreement by reference) that constitute the entire understanding and Agreement of the Parties regarding the subject matter of this Agreement.

**6.21 Facsimile or Electronic Signatures.** Signatures delivered by facsimile or electronic mail shall be binding as originals upon the Party so signing and delivering; provided, however, that original signature(s) of each Party shall be required for each document to be recorded.

***[Signatures on following page]***

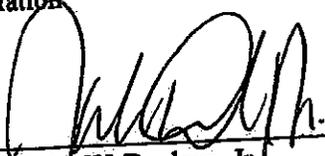
**SIGNATURE PAGE  
TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

IN WITNESS WHEREOF, the Parties have signed and entered into this Agreement by and through the signatures of their respective authorized representative(s) as follow:

**SELLER:**

CITY OF WINTERS, a California municipal corporation

By: \_\_\_\_\_

  
John W. Donlevy, Jr.  
City Manager

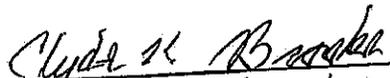
**BUYER:**

YOLO FEDERAL CREDIT UNION, a not-for-profit financial cooperative

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

  
Clyde K. Brooker  
President and CEO

**ESCROW AGENT CONSENT**

**PLACER TITLE COMPANY** accepts that certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions (Portion of Grant Avenue Commercial Property) dated \_\_\_\_\_, 2012, by and between the City of Winters, a California municipal corporation, and Yolo Federal Credit Union, a not-for-profit financial cooperative, and agrees to act as "Escrow Agent" pursuant to such agreement and agrees to be bound by all provisions of such agreement applicable to it as the Escrow Agent.

**ESCROW AGENT:**

**PLACER TITLE COMPANY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

**EXHIBIT A**  
**TO**  
**REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW**  
**INSTRUCTIONS**  
**(Portion of Grant Avenue Commercial Property)**

**Map of the Site**

**EXHIBIT A**

82573.00022\7537164.2

**EXHIBIT B  
TO  
REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS  
(Portion of Grant Avenue Commercial Property)**

**Seller Deed**

**[Attached behind this cover page]**

**EXHIBIT B**

82573.00022/7537164.2

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Winters  
318 First Street  
Winters, CA 95694  
Attn: City Manager

SPACE ABOVE FOR RECORDER'S USE ONLY  
EXEMPT FROM RECORDING FEES - GOVT. CODE § 27383

APN: \_\_\_\_\_

**GRANT DEED**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**CITY OF WINTERS**, a California municipal corporation ("Transferor"), does hereby grant to **YOLO FEDERAL CREDIT UNION**, a not-for-profit financial cooperative ("Transferee"), all right, title and interest of Transferor in that certain real property in the City of Winters, County of Yolo, State of California, specifically described in Exhibit "1" attached to this Grant Deed ("Site") and made a part of this Grant Deed by this reference.

Transferee covenants and agrees for itself, its successors, its assigns and every successor-in-interest to all or any portion of the Site, that there shall be no discrimination against or segregation of any person, or group of persons, on account of gender, sexual orientation, marital status, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site nor shall Transferee, itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of purchasers, tenants, lessees, sub-tenants, sub-lessees or vendees of the Site. The covenant shall be a covenant running with the land and binding on successive owners of all or any portion of the Site, in perpetuity

The covenants contained herein shall run with the land and shall inure to the benefit of and be binding upon the Transferor and Transferee and their respective assigns, heirs and voluntary and involuntary successors in interest.

Dated: \_\_\_\_\_

**CITY OF WINTERS**, a California municipal corporation

By: \_\_\_\_\_  
John W. Donlevy, Jr.  
City Manager

**EXHIBIT "1"  
TO  
GRANT DEED**

**Site Legal Description**

That certain property situated in the City of Winters, County of Yolo, State of California described as follows:

**CERTIFICATE OF ACCEPTANCE OF GRANT DEED**

This is to certify that the interest in real property conveyed by the foregoing Grant Deed from the CITY OF WINTERS, a California municipal corporation, to YOLO FEDERAL CREDIT UNION, a not-for-profit financial cooperative, is hereby accepted by the undersigned officer on behalf of Grantee, through his signature below, and Grantee consents to recordation thereof by its duly authorized officer.

YOLO FEDERAL CREDIT UNION,  
a not-for-profit financial cooperative

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

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

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

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

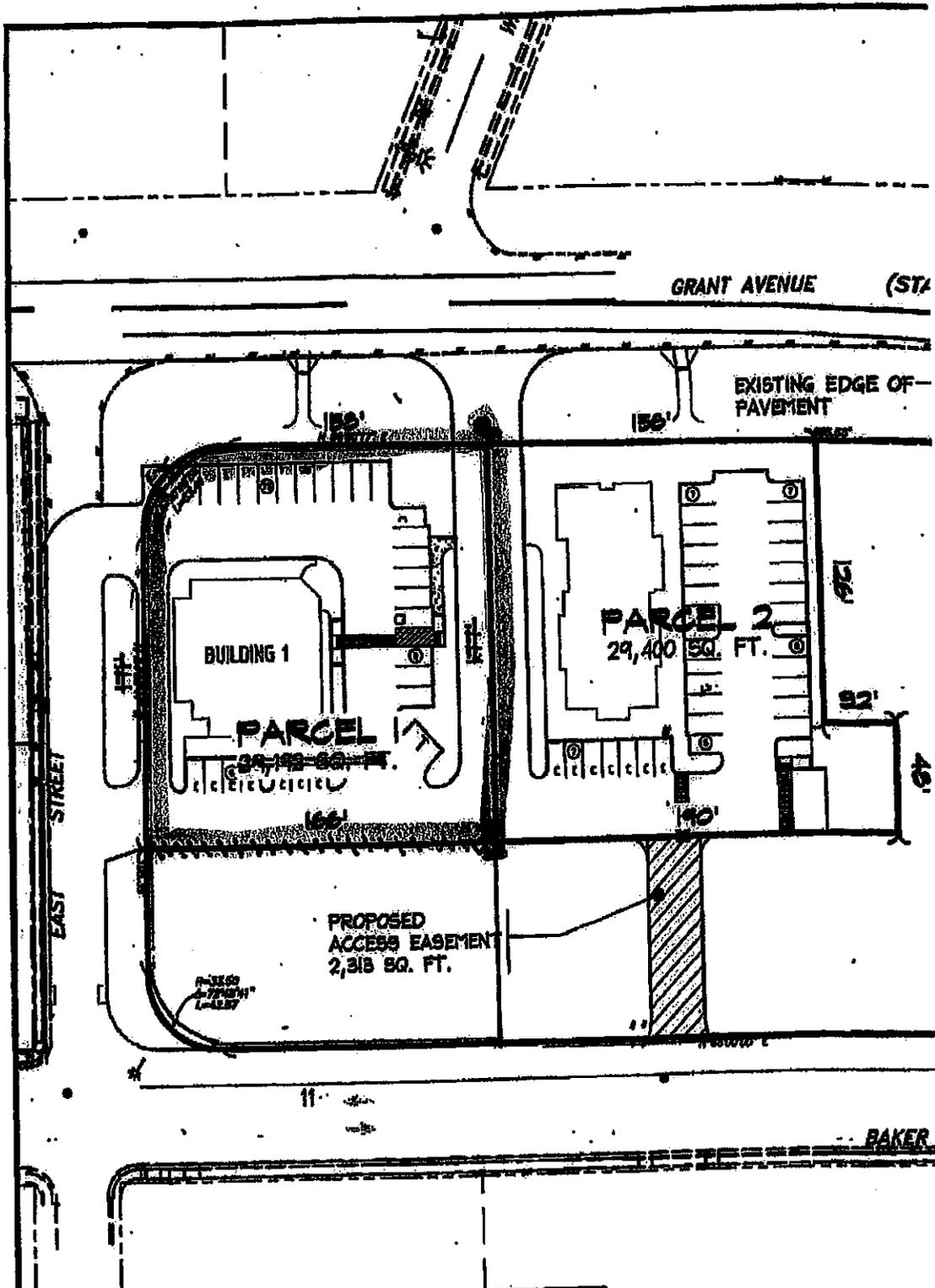
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

EXHIBIT A



ORIGINAL SITE PLAN PROVIDED BY:  
**LM LAUGENOUR AND MEIKLE**  
CIVIL ENGINEERING • LAND SURVEYING • PLANNING  
608 COURT STREET, WOODLAND, CALIFORNIA 95695 • PHONE: (530) 862-1785  
P.O. BOX 828, WOODLAND, CALIFORNIA 95776 • FAX: (530) 862-4602

**FIRST ADDENDUM TO REAL PROPERTY  
PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS**

This FIRST ADDENDUM to the January 16, 2013, REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS by and between the CITY OF WINTERS and YOLO FEDERAL CREDIT UNION, is entered into this \_\_\_\_ of June, 2013, by and between the CITY OF WINTERS ("Seller"), and YOLO FEDERAL CREDIT UNION ("Buyer").

**WHEREAS**, SELLER and BUYER entered into a REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (hereinafter the "PSA"), DATED JANUARY 16, 2013; and

**WHEREAS**, the Escrow Closing Date is defined in the PSA as one hundred eighty (180) calendar days following the Escrow Opening Date, or such other agreed date; the parties understand the Escrow Opening Date to be January 16, 2013; and

**WHEREAS**, SELLER and BUYER acknowledge that further time is needed to finalize the Project due to delays in receiving definitive information from CAL TRANS regarding roadway improvement in the immediate vicinity of the Project;

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. Section 1.1.22 of the PSA is amended to provide that the Escrow Closing Date is *"The date that is not later than two hundred seventy (270) calendar days following the Escrow Opening Date; or such other date mutually agreed upon in writing between the Parties for the Close of Escrow"*.

2. Section 1.1.17 of the PSA is amended to provide that the Due Diligence Period shall be defined as *"The time period of two hundred forty (240) continuous days commencing on the date immediately following the Escrow Opening Date"*.

In all other respects the Real Property Purchase and Sale Agreement of January 16, 2013, is ratified and reaffirmed by the parties.

**SELLER:**

CITY OF WINTERS, a California  
municipal corporation

By: \_\_\_\_\_

**BUYER:**

YOLO FEDERAL CREDIT UNION, a  
not-for-profit financial cooperative

By: \_\_\_\_\_

**RESOLUTION No. SA-2013-03**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED WINTERS COMMUNITY DEVELOPMENT AGENCY APPROVING THE REAL PROPERTY PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BY AND BETWEEN THE CITY OF WINTERS AND YOLO FEDERAL CREDIT UNION**

**WHEREAS**, pursuant to the Community Development Law (the “CRL”) (Health and Safety Code Sections 33000 et seq.), the City Council of the City of Winters (“City”) created the Winters Community Development Agency (“Redevelopment Agency”); and

**WHEREAS**, in May 2009, the Winters CDA (“Redevelopment Agency”) purchased the Grant Avenue lot on the south side of Grant Avenue between East Street and Morgan Street formerly known as Granite Bay Commercial (APNs: 003-370-028, 029 and 030). The CDA subsequently authorized the issuance of an RFP for potential developers to offer proposals for development of the site. Although the CDA did enter into an Exclusive Negotiation Agreement (“ENA”) with the Yackzan Group, that ENA did not result in any development on the property; and

**WHEREAS**, in March 2011, the City Council adopted Resolution 2011-15 approving a Purchase and Sale Agreement with the Winters CDA with respect to the property. The Resolution laid out the findings for the transfer of this property in consideration of the debt owed to the City by the Winters CDA; and

**WHEREAS**, as part of the Fiscal Year 2011-2012 State budget bill, the California state legislature enacted, and the Governor signed, Assembly Bill X1 26 (“AB 26”), which added Parts 1.8 and 1.85 to the CRL, and which laws caused the dissolution and winding down of all redevelopment agencies in California (the “Dissolution Act”); and

**WHEREAS**, on December 29, 2011, in the petition California Redevelopment Association v. Matosantos, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

**WHEREAS**, by Resolution considered and approved by the City Council in 2012, the City elected to become and serve as the successor agency to the Redevelopment Agency (the “Successor Agency”), with the responsibility to wind down the affairs of the Redevelopment Agency and dispose of its assets under the direction of an oversight board (the “Oversight Board”); and

**WHEREAS**, as of February 1, 2012, the Redevelopment Agency dissolved and the Successor Agency became operational; and

**WHEREAS**, AB 26 was amended by the State Legislature in June, 2012, pursuant to Assembly Bill 1484 (“AB 1484”) to provide new requirements and clarification of prior requirements to wind down the affairs of the dissolved Redevelopment Agency; and

**WHEREAS**, the Successor Agency has authority to sell assets of the former Redevelopment Agency pursuant to the requirements of AB 26 and AB 1484; and

**WHEREAS**, at the October 16, 2012 City Council meeting, the City Council authorized the City Manager to execute a Purchase and Sale Agreement (“Agreement”) with YFCU for commercial development on a portion of the property, consistent with the original intent of the acquisition. The Agreement allowed for up to 150 days from the opening of escrow (1/16/2013) for YFCU to complete their due diligence review, and 180 days for the close of escrow, with the purchase to be completed by July 14, 2013. Subsequently, the City Council approved a request for the Agreement to be extended by an additional 90 days; and

**WHEREAS**, On May 13, 2013, the California State Controller issued a final ruling that the March 2011 property transfer was an unallowable transfer, and based on Health and Safety Code 34167.5, ordered the City of Winters to reverse the transfer of that property and other real property assets; and

**WHEREAS**, Health and Safety Code Section 34191.5(b) requires the Successor Agency to submit the Property Management Plan to the Successor Agency’s oversight board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion pursuant to Health and Safety Code Section 34179.7; and

**WHEREAS**, the Successor Agency has received a Finding of Completion from the Department of Finance and will be submitting its Property Management Plan to the Oversight Board for approval; and

**WHEREAS**, in order to complete the Purchase and Sale Agreement with Yolo Federal Credit Union, 1) the Successor Agency, Oversight Board, and Department of Finance must approve the Successor Agency’s Property Management Plan, and 2) the Successor Agency, Oversight Board, and Department of Finance must approve the individual Purchase and Sale Agreement; and

**WHEREAS**, the Successor Agency has adopted Resolution SA-2013-01 approving the Property Management Plan; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FORMER WINTERS COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. CEQA Compliance.** The Successor Agency to the dissolved Winters Community Development Agency determines that the proposed Purchase and Sale Contract

qualifies as a governmental funding mechanism pursuant to 14 CCR section 15378 which does not involve a commitment to any specific project which may result in a potentially significant environmental impact. As such the Purchase and Sale Agreement does not qualify as a project for purposes of the California Environmental Quality Act. The City Clerk is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Yolo, California, within five (5) days following the date of adoption of this Resolution.

**Section 3. Approval of Purchase and Sale Agreement.** The Successor Agency hereby approves the Real Property Purchase And Sale Agreement and Joint Escrow Instructions by and between the City of Winters and Yolo Federal Credit Union, in substantially the form currently on file with the City Clerk.

**Section 4. Authorization to Take Action.** The Successor Agency to the dissolved Winters Community Development Agency hereby authorizes and directs the City Manager to take all actions and do all things required by or necessary and proper to perform and carry out the proposed Purchase and Sale Agreement, at fair market value, and to execute and deliver all certifications agreements and other documents necessary or required under the Purchase and Sale Agreement. Furthermore, the City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding including submitting the Purchase and Sale Agreement to the Successor Agency's oversight board for approval.

**Section 5. Certification.** The City Clerk shall certify to the adoption of this Resolution.

**Section 6. Effectiveness.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Successor Agency to the dissolved Winters Community Development Agency on the 2nd day of July, 2013, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

---

W. Keith Fridae, Agency Chair

---

Nanci G. Mills, Agency Secretary