



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

DECEMBER 5, 2017 REGULAR MEETING CLOSED SESSION 5:30 P.M. OPEN SESSION 6:30 P.M. AGENDA

CLOSED SESSION (5:30 P.M.)

ROLL CALL

Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

CONVENE TO CLOSED SESSION (ITEMS LISTED ON PAGE NO. 3)

RECONVENE TO OPEN SESSION

OPEN SESSION (6:30 P.M.)

PLEDGE OF ALLEGIANCE

PROCLAMATION / PRESENTATION

Presentation by Jessica McKenzie of *Inland Cannabis Farmers*
Presentation by City Works - *Weed Abatement Program (with Item No. 5)*

CONSENT CALENDAR

1. **APPROVAL OF THE NOVEMBER 21, 2017 REGULAR MEETING MINUTES OF THE OROVILLE CITY COUNCIL** – minutes attached

Administration

2. **CONSIDER AND APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK** – staff report
Council shall consider approving the revised job description for the position of Deputy City Clerk. This

position is a contract position appointed by the City Council and requires a Bachelor's degree. (**Donald L. Rust, Community Development Director**).

Council action requested: **Adopt Resolution No. 8671 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK.**

PUBLIC HEARINGS - None

REGULAR BUSINESS

Finance

3. UNANTICIPATED REVENUE OF \$91,549.20 – staff report

The Council may consider the receipt of unanticipated revenue from a transportation grant. (**Ruth Wright, Finance Director**).

Council Action Requested: **Timing Options:**

- 1. Approve \$91,549.20 for transfer to the City's Pension Trust Account now.**
- 2. Wait for Fiscal Year 2017-18 year end results and transfer any surplus at that time.**

Community Development Department

4. AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM – AFFORDABLE FAMILY HOUSING DEVELOPMENT – staff report

The Council may consider extending the terms of the Exclusive Negotiation Agreement (ENA) with Jamboree Housing Corporation for an additional 90 days (currently due to expire 01/20/2018), extend the Option Agreement with Valley Star Partners, LLC to December 31, 2018, and approve a Commitment Letter between Jamboree Housing Corporation and the City for carry back financing of development related City fees, and approve a resolution authorizing the City to apply for the AHSC Program. (**Donald L. Rust, Community Development Director**).

Council Action requested:

- 1. Adopt Resolution No. 8672 – A RESOLUTION OF THE OROVILLE CITY COUNCIL DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT THE OPTION AGREEMENT WITH VALLEY STAR PARTNERS, LLC EXTENDING THE TERMS OF THE AGREEMENT TO DECEMBER 31, 2018 - (Agreement No. 3227-1)**
- 2. Adopt Resolution No. 8673 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE EXCLUSIVE NEGOTIATION AGREEMENT WITH JAMBOREE HOUSING CORPORATION EXTENDING THE TERMS OF THE AGREEMENT FOR AN ADDITIONAL 90 DAYS - (Agreement No .3228-1)**
- 3. Adopt Resolution No. 8674 – A RESOLUTION OF THE OROVILLE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING APPLICATION FOR THE AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM**
- 4. Adopt Resolution No. 8675 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A COMMITMENT LETTER WITH JAMBOREE HOUSING CORPORATION FOR A LOAN FOR THE REPAYMENT OF CITY DEVELOPMENT PERMIT AND IMPACT FEES**

Public Safety

5. WEED ABATEMENT PROGRAM AND PUBLIC PROPERTY CLEANING UPDATE – staff report

The Council will provide direction for the continuation and or modification of the weed abatement services and other community cleaning services, currently provided via contract with the Hope Center. **(Bill LaGrone, Director of Public Safety)**

Council Action Requested: **1. Provide Staff direction; or 2. Authorize release of Request for Proposals**

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS (A verbal report may be given regarding any committee meetings attended)

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

CORRESPONDENCE

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter not listed on the agenda to step to the podium, state your name for the record and make your presentation. **Presentations are limited to 3 minutes.** Under Government Code Section 54954.2, The Council is prohibited from taking action except for a brief response by the Council or staff to a statement or question relating to a non-agenda item.

CLOSED SESSION

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the evaluation of performance and employment related to the following positions: Director of Finance, Assistant City Administrator, and Director of Public Safety.
2. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Firefighters' Association, and Oroville Management and Confidential Association.
3. Pursuant to Government Code section 54956.9(d)(4), the Council will meet with the Acting City Administrator and City Attorney regarding potential initiation of litigation – one case (related to Oroville Spillway Incident).
4. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Acting City Administrator and City Attorney regarding potential exposure to litigation – one case.

ADJOURNMENT

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, December 19, 2017, at 5:30 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have

a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.



**CITY COUNCIL MEETING MINUTES
NOVEMBER 21, 2017 – 5:30 P.M.**

The agenda for the November 21, 2017, regular meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall and on the City of Oroville's website located at www.cityoforoville.org on Thursday, November 16, 2017, at 9:10 a.m.

The November 21, 2017 regular meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 5:33 p.m.

ROLL CALL

Present: Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson, Mayor Dahlmeier
Absent: Council Member Thomson (excused)

Staff Present:

Donald Rust, Assistant City Administrator
Bill LaGrone, Director of Public Safety
Karolyn Fairbanks, Treasurer
Bob Marciniak, Program Specialist

Ruth Wright, Director of Finance
Scott Huber, City Attorney
Dawn Nevers, Assistant Planner
Mike Massaro, Contract City Engineer

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Linda Dahlmeier.

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

PROCLAMATION / PRESENTATION

Mayor Dahlmeier presented Major Larry J. Feist, a representative of the Oroville Salvation Army, with a Proclamation recognizing December 9th, 2017 as Red Kettle Day.

Mayor Dahlmeier presented the community of Oroville with a Proclamation recognizing November 28th, 2017 as Giving Tuesday.

Bob Marciniak gave a presentation updating the Council of the salmon sculptures following the completion of their relocation.

CONSENT CALENDAR

A motion was made by Vice Mayor Goodson, seconded by Council Member Draper, to approve the following Consent Calendar, with exception to Item No. 3:

1. **APPROVAL OF THE NOVEMBER 7, 2017 REGULAR MEETING MINUTES OF THE OROVILLE CITY COUNCIL** – minutes attached

Administration Department

2. **RATIFICATION OF CONFLICT OF INTEREST CODE** – staff report

The Council considered a Resolution to ratify the City of Oroville Conflict of Interest Code. **(Dawn Nevers, Assistant Planner)**

Council Action: **Adopt Resolution No. 8669 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, RATIFYING THE CONFLICT OF INTEREST CODE FOR THE CITY OF OROVILLE.**

3. **THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)**

Public Works Department

4. **PROJECT UPDATE ON MONTGOMERY STREET ROUNDABOUT PEDISTRIAN SAFETY (continued from September 5, 2017)** – staff report

The Council considered approving a budget of \$40,000 proceed with the with the design of the flashing beacon system at the Montgomery Street Roundabout. **(Mike Massaro, Contract City Engineer)**

Council Action: **Approve the design and the installation of the flashing beacons and rumble strips by the City’s Public Works personnel.**

The motion to approve the Consent Calendar was passed by the following vote:

Ayes:	Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson, Mayor Dahlmeier
Noes:	None
Abstain:	None
Absent:	Council Member Thomson

ITEMS REMOVED FROM THE CONSENT CALENDAR

Administration Department

3. **AMENDMENT TO EMPLOYMENT AGREEMENT FOR ASSISTANT CHIEF OF POLICE – staff report**

The Council considered an Amendment to the Employment Agreement between the City of Oroville and Allen W. Byers for the position of Assistant Chief of Police. (Bill LaGrone, Acting Personnel Officer)

This item was removed from the Consent Calendar at the request of the Council Member Berry.

Chief Bill LaGrone answered questions for the Council.

Following discussion, a motion was made by Council Member Del Rosario, seconded by Council Member Draper, to:

Adopt Resolution No. 8670 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN THE CITY OF OROVILLE AND ALLEN W. BYERS FOR THE POSITION OF ASSISTANT CHIEF OF POLICE – (Agreement No. 3073-2). WITH AN INCREASED ADJUSTMENT OF THE CURRENT CONTRACT BY 5% AND A CONTRIBUTION OF AN ADDITIONAL 5% OF TOTAL PAY TO HIS PERS OBLIGATION.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: Council Member Thomson

PUBLIC HEARINGS - None

REGULAR BUSINESS

Community Development Department

5. OROVILLE FACILITIES PROJECT (OROVILLE DAM) – FERC NO. 2100 REQUEST FOR SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT – staff report

The Council considered sending the Federal Energy Regulatory Commission (FERC) a letter in support of the preparation of a Supplemental Environmental Impact Statement (Supplemental EIS) prior to issuing a long-term operating license for the California Department of Water Resources (California DWR) Oroville Facilities Project (FERC No. 2100). **(Donald Rust, Director of Community Development)**

Following discussion, a motion was made by Vice Mayor Goodson, seconded by Council Member Hatley, to:

Approve the attached letter of support.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, , Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None

Absent: Council Member Thomson

Public Works Department

6. CANYON HIGHLANDS & ORO-QUINCY HWY INTERSECTION SAFETY OPTIONS – staff report

The Council provided direction, based on the Technical Memorandum provided, on whether or not to proceed to a project estimate phase. If approved, Bennett Engineering will provide a scope and fee for re-design of this intersection to improve safety. **(Mike Massaro, Contract City Engineer)**

Contract City Engineer, Mike Massaro, answered questions for the Council.

Following discussion, the Council directed staff to:

Place a radar trailer at the location.

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS

Council Member Draper reported on the following:

- Attendance to the Housing Loan Advisory Committee meeting on Thursday, November 9th, also attended by Vice Mayor Goodson.
- Clarified comments made at the November 7, 2017 City Council meeting.

Vice Mayor Goodson reported on the following:

- Attendance to the Chamber of Commerce and Oroville Economic Alliance presentation.
- Attendance to the Sewer Commission-Oroville Region (SC-OR) meeting

Council Member Del Rosario reported on the following:

- Attendance to the State Theater Arts Guild (STAGE) and the Homeless Continuum of Care meetings.
- Made a public apology to Bill Speer for comments made during the November 7, 2017 City Council Meeting.

Mayor Dahlmeier reported on the following:

- Reminded the audience of Giving Tuesday.
- Attendance to the Northwest Lineman College Rodeo
- Attendance of the Downtown Business Association Dinner, Boys & Girls Club Annual Luncheon and the YMCA Pot Luck.
- Attendance to the CalPERS board meeting in Sacramento, also attended by Finance Director, Ruth Wright and Acting City Administrator, Don Rust.

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

Chief LaGrone reported on the following:

- Wished everyone a Happy Thanksgiving and a Happy Birthday to Scott Huber.
- Made the statement that “We’re not just raking leaves, we’re changing the world”.

Finance Director Wright reported on the following:

- Attendance to the CalPERS board meeting.
- Announced upcoming absence to the December 5, 2017 City Council Meeting.

Don Rust reported on the following:

- Attendance to a meeting on homelessness at Butte County.
- Discussed the potential return of an update to the existing tree ordinances.
- Announced that Jamboree Housing and staff will continue moving forward with an application for the low-income housing project.
- Discussed the letter received from Steve Christensen.
- Announced upcoming vacation time.

CORRESPONDENCE

- Letter Form Steve Christensen

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

Stephanie Tousley asked Scott Huber for clarification regarding discussions at previous Council meetings.

George Gold discussed public comments made at a previous Council meeting.

Bill Speer discussed his findings of the separation of church and state and the Brown Act.

Dominic Roybal provided the Council with information regarding the trees that were removed from the grounds of the Orange Tree Senior Apartments.

Bill Bynum expressed concerns over recent tree removals as well as views on a separation of church and state.

Victoria Smith discussed her findings on the history of religion in government and constitutional rights.

John Mitchell expressed thanks to the Council and concerns for recent division in the community.

Annie Terry announced that upcoming Thanksgiving Dinner on November 22, 2017 at 3:00 p.m. at the El Medio Fire Department and is open to the public.

CLOSED SESSION

The Council held a Closed Session on the following:

1. Pursuant to Government Code section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the evaluation of performance and employment related to the following positions: Deputy City Clerk/City Clerk.

2. Pursuant to Government Code section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the evaluation of performance and employment related to the following positions: Director of Finance, Assistant City Administrator and Director of Public Safety.
3. Pursuant to Government Code section 54956.9(d)(4), the Council will meet with the Acting City Administrator and City Attorney regarding potential initiation of litigation – one case (related to the Spillway Incident).
4. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Acting City Administrator and City Attorney regarding potential exposure to litigation – two cases.
5. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Firefighters' Association and Oroville Management and Confidential Association.

Following Closed Session, Mayor Dahlmeier reported that direction had been given and no action had been taken.

ADJOURNMENT

The meeting was adjourned at 8:21 p.m. A regular meeting of the Oroville City Council will be held on Tuesday, December 21, 2017, at 5:30 p.m.

Donald Rust, Acting City Clerk

Linda L. Dahlmeier, Mayor

OROVILLE CITY COUNCIL

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DON RUST, ACTING CITY ADMINISTRATOR
LIZ EHRENSTROM, HUMAN RESOURCES**

SUBJECT: CONSIDER AND APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK

DATE: NOVEMBER 21, 2017

SUMMARY

Council will consider approving the revised job description and salary range for the Deputy City Clerk position.

DISCUSSION

Council shall consider approving the revised job description for the position of Deputy City Clerk. This position is a contract position appointed by the City Council and requires a Bachelor's degree. Staff is recommending the following salary schedule.

PROPOSED SALARY RANGE FOR DEPUTY CITY CLERK							
A	B	C	D	E	F	G	H
\$56,832.41	\$59,674.03	\$62,657.73	\$65,790.62	\$69,080.15	\$72,534.16	\$76,160.86	\$79,968.91

Staff is recommending approval of the revised job description and salary range as indicated.

FISCAL IMPACT

No impact. Currently budgeted position.

RECOMMENDATION

Adopt Resolution No. 8671 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK.

ATTACHMENTS:

- A – Resolution No. 8671
- B - Deputy City Clerk Job Description

**CITY OF OROVILLE
RESOLUTION NO. 8671**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK.

NOW THEREFORE, be it hereby resolved by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to approve the revised job description and salary range for the position of the Deputy City Clerk.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on December 5, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk

DATE ADOPTED BY CITY COUNCIL	COMP. CODE	SERVICE	JOB TITLE
06-06-00 12/05/2017	8810	Council Appointed	DEPUTY CITY CLERK

DEFINITION:

Under the general direction of the City Administrator (acting as City Clerk), performs the statutory duties of City Clerk under the provisions of the City Charter, City Code and state law; plans, directs and coordinates the activities of the City Clerk’s Office; provides responsible, professional staff assistance to the City Administrator and City Council; undertakes related work as required.

TYPICAL DUTIES:

Attends meeting of the City Council, [Redevelopment Agency](#), Joint Powers Authority and such other boards, commissions and bodies as required and takes minutes of their proceedings; plans, directs, supervises and coordinates the publication, filing, indexing and safekeeping of all Council proceedings and those of related city bodies; records and publishes ordinances; attests and certifies city documents; serves as custodian of the City Seal; plans and directs municipal elections; serves as the filing officer for required disclosure under the Political Reform Act and for claims and legal actions against the city; plans and directs the maintenance and safekeeping of all historical and official municipal records and documents; responds to a wide variety of requests for information regarding Council actions and documents; prepares and distributes the agenda for the Council, Agency, ~~and Authority~~ [and such other boards, commissions and bodies as required](#); acts as custodian of Council proceedings, ordinances, resolutions and minute orders; develops and implements systems, policies and procedures; administers the provisions of various state laws, such as the Elections Code, Political Reform Act of 1974, Brown Act and Public Records Act; administers Oaths of Office to elected and appointed officers and employees; ~~countersigns~~ countersigns bonds and other evidences of indebtedness issued by the city; coordinates with other city offices, departments and outside agencies; plans and organizes special city events; supervises the use of the City Council Chamber and Conference Rooms; secures bids for official advertising; supervises procedures for appointments to city Boards, Commissions and Committees; provides risk management support in processing liability claims; prepares ~~analyses and~~ reports as required by the Council and City Administrator; maintains confidentiality of designated city records under the provisions of the Public Records Act; prepares City Council and Clerk’s Office budgets for review/approval and administers adopted budgets.

DESIRED QUALIFICATIONS:

Knowledge of:

- Federal, state and city laws, rules, regulations and procedures relating to the operations of the City Council and City Clerk’s Office;
- State election laws and procedures;
- Political Reform Act provisions and procedures;
- Principles and practices of staff supervision, training and performance evaluation; and

- Modern office practices, procedures, techniques and equipment including computerized
- word processing and spreadsheet applications.

Ability to:

- Plan, organize, direct and coordinate the operations of the Clerk's Office in a manner conducive to full performance and high morale;
- Properly interpret and make decisions in accordance with applicable laws, regulations, rules and policies;
- Learn applicable laws, operations, standards, policies, procedures and requirements relating to City Council and Clerk functions and interpret them accurately to others;
- Analyze administrative and legal problems and recommend sound policy and/or procedural recommendations to resolve them;
- Establish cooperative relationships with city offices and departments, and a variety of public and private groups and citizens;
- Supervise, train and evaluate assigned staff;
- Communicate clearly and concisely both orally and in writing; and
- Understand and carry out a variety of oral and written instructions effectively.

Experience:

Five years ~~of increasingly responsible professional~~ secretarial and/or administrative experience in a Municipal City Clerk/Administration Department, including at least two years ~~as an executive or administrative secretary responsible for office supervision and~~ of records management, preferably in a local government jurisdiction.

Education:

Graduation from an accredited college or university with a degree with a Bachelor's Degree in public or business administration or a closely related field; a Master's Degree is desirable. ~~Extensive experience and training that directly relates to the duties of the position may be considered in lieu of the completion of the formal education requirements.~~

Additional Requirements:

- Possession of a valid California Driver License; Municipal Clerk Certification is desirable.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: RUTH WRIGHT, FINANCE DIRECTOR
FINANCE DEPARTMENT**

RE: UNANTICIPATED REVENUE OF \$91,549.20

DATE: DECEMBER 5, 2017

SUMMARY

The Council may consider the receipt of unanticipated revenue from a transportation grant.

DISCUSSION

On November 16, 2017, the Oroville City Council received \$91,549.20 from the State of California Department of Transportation. This amount was recovered from a 2012 CMAQ Traffic Synchronization Grant Project of \$225,000.

The City's Contract City Engineer, Mike Massaro, found this unclosed grant while reviewing the City's many projects. He found that not all the grant money had been invoiced for reimbursement and with the help of Dawn Nevers and Mike Giese, uncovered invoices for the Traffic Synchronization Project paid by the City but not invoiced against the grant. After many emails and coordination, invoices were submitted for reimbursement for the rest of the grant in the amount of \$91,549.20. These invoices were paid in prior fiscal years (2015 and 2016) out of the General Fund. This revenue has been receipted back in the General Fund, Streets & Roads Division.

This revenue is considered unanticipated revenue or "one time money" since it was not available or measurable at the time of budget preparation.

Recently, the Council approved the establishment of a Pension Trust account that was intended to hold any budget savings, year-end surpluses, or any one-time revenues. Any trust deposits will help mitigate the pension rate increases CalPERS entities are facing. This one time revenue is a good candidate for our pension trust savings.

FISCAL IMPACT

Unanticipated revenues received in the amount of \$91,549.20. Received in the General Fund, Streets Division, Grant Revenue. 3001-4570.

RECOMMENDATION

Timing Options:

- Approve \$91,549.20 for transfer to the City's Pension Trust Account now.
- Wait for Fiscal Year 2017-18 year end results and transfer any surplus at that time.

ATTACHMENTS

None

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: DONALD L. RUST, DIRECTOR
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: JAMBOREE HOUSING – OROVILLE APARTMENTS AFFORDABLE
HOUSING DEVELOPMENT**

DATE: DECEMBER 5, 2017

SUMMARY

The Council may consider extending the terms of the Exclusive Negotiation Agreement (ENA) with Jamboree Housing Corporation to June 30, 2019 (currently due to expire on 01/20/2018), extend the Option Agreement with Valley Star Partners, LLC to June 30, 2019, and approve a Commitment Letter between Jamboree Housing Corporation and the City for carry back financing of development related City fees, and approve a resolution authorizing the City to apply for HOME Investment Partnerships Program (HOME) funds.

BACKGROUND

On January 13, 2016, City staff and two Council members visited West Gateway Place, an under-construction housing development in West Sacramento, for which Jamboree Housing Corporation is the developer. The project in West Sacramento is 77 residential units with transportation related improvements in the Washington District near the Tower Bridge. The project was partially funded through the AHSC Program.

On June 14, 2016, the City Council authorized the submission of an application for the 2015-2016 AHSC Program to develop a 70-unit affordable family housing project north of the Starbucks/Panda Express development in partnership with Jamboree Housing. Due to a typo within the NEPA environmental documentation, the application was denied by the Department of Housing and Community Development (HCD).

On July 17 & 18, 2017, staff and City Council members returned to West Gateway Place, following its completion in the fall of 2016, to tour the West Gateway Place affordable housing project as it is now 100% leased.

On July 18, 2017, the City Council approved moving forward with the preparation and application submittal in partnership with Jamboree Housing Corporation in updating the former application for the affordable family housing project north of the Starbucks/Panda Express development when the 2016-2017 AHSC Notice of Funding Availability (NOFA)

is released. The proposal will consist of a 70-unit project (**Attachment A**). In order to have a competitive application for the AHSC Program, the Council also approved an expenditure of approximately \$500,000 from existing traffic impact fees that have been collected for the installation of sustainable transportation infrastructure as identified in the Feather River Boulevard Revitalization Plan, adopted by the City Council on December 3, 2013 (**Attachments C**). Additionally, Council approved the purchase of the project site from Valley Star Partners, LLC, developer of the Starbucks/Panda Express, to transfer to the Jamboree Housing Corporation, per the attached Agreement.

As a result of the changes in the AHSC Program application, applying for AHSC Program funds will not be an option this year as the appropriate level of funding could not be secured to meet minimum application requirements. However, HOME Investment Partnerships Program (HOME) funds are still an option for the project funding.

Regional Housing Needs Allocation

The City’s Housing Element of the General Plan, adopted by the Council on June 3, 2014, is an element of the General Plan required for all cities and counties in the State of California to affirmatively further affordable housing opportunities within their respective jurisdictions. The Statutory Overview of the Housing Element specifies that “principal requirements of California Land Use Law include: adoption of Housing Elements as part of each community’s General Plan; inducements to provide affordable housing through density bonuses and secondary dwellings; limitations on local land use authority to deny affordable projects or impose conditional use requirements on multifamily housing; and prohibitions on down zoning or imposition of development standards that prevent attainment of Housing Element goals.”

As part of the Housing Needs Assessment (Chapter 2), the city’s projected housing growth needs based on the latest Regional Housing Needs Assessment (RHNA) are examined. The Regional Housing Needs Plan (RHNP) was adopted by the Butte County Association of Governments (BCAG) in 2013 and covers the projection period of January 2014 to June 2022. The City of Oroville’s total housing growth need during the 2014-2022 projection period is 1,793 units. This total is distributed by income category as follows:

Very Low*	Low	Moderate	Above Moderate	Total
419**	284	306	784	1,793
23%	16%	17%	44%	100%

*Includes the Extremely-Low Category
 **210 of these are assumed to be extremely-low units

Oroville’s Land Use Provisions

At the June 2, 2009 City Council meeting, the Council adopted the 2030 General Plan

and certified the accompanying Environmental Impact Report, approving a General Plan land use designation for the project site of Mixed Use. At this time, no updates were made to the City's Zoning designations, creating an inconsistency between the City's Zoning and General Plan land use designations for numerous sites/parcels throughout the City. Section 65860 of the California Government Code requires consistency in a city's zoning ordinance and general plan. Although not applicable to charter cities with a population of less than 2,000,000, inconsistencies between a zoning ordinance and adopted general plan is bad practice. Thus, on March 31, 2015, the City Council approved the items, collectively known as the "Sustainable Code Updates," which included an amendment to the City's zoning land use designations for consistency with the 2009 General Plan. This update included assigning the current Corridor Mixed Use (MXC) zoning designation to the project site.

The City's Zoning Ordinance defines the intent of MXC districts as "to provide opportunities for people to live near retail sales and service activities along Oroville's major thoroughfares" (Section 17.32.110). In the Vision Statement of the 2030 General Plan, it is stated that "Oroville Dam Boulevard, Olive Highway and Grand Avenue will be vibrant mixed-use corridors, allowing more people to live close to their jobs and other services that will be available along these roadways." Additionally, the General Plan definition for Mixed Use states that "this designation applies to urban areas with major roads, adequate infrastructure and amenities to support higher densities. Townhomes, garden apartments, apartments and condominiums would typically be found in this designation." Thus, this project is in compliance with its existing Zoning and General Plan land use designations.

Senate Bill ("SB") 341

SB 341 enacted several new requirements in 2013. SB 341 requires funds received from the Successor Agency for items listed on the Recognized Obligation Payment Schedule (ROPS) to be expended to meet the enforceable obligations. The bill requires the housing successor to expend all other funds in the Low and Moderate Income Housing Asset Fund for the development of housing affordable to, and occupied by, households earning 80% or less of the area median income, with at least 30% of these remaining funds expended for the development of rental housing affordable to, and occupied by, households earning 30% or less of the area median. If the housing successor fails to comply with the extremely low income requirement in any five-year compliance period, currently June 1, 2014 – June 30, 2019, then the housing successor shall ensure that at least 50% of these remaining funds expended in each fiscal year following the latest fiscal year following the five-year report are expended for the development of rental housing affordable to, and occupied by, households earning 30% or less of the area median income until the housing successor demonstrates compliance with the extremely low income requirement in an annual report required to be submitted to the State.

Other Projects

Soon after completion of the Orange Tree Senior Apartments, on July 7, 2015, the Oroville Successor Agency approved an appropriation of funds to the Business Assistance and Housing Development Department to apply for supplemental funding for the development of Sierra Heights Senior Apartments, an affordable senior rental housing project. The Sierra Heights Senior Apartments will be a 52-unit senior apartment community designed to meet the overflow of seniors looking for affordable housing in the Oroville area. With that said, following the successful completion of the Orange Tree Senior Apartments, the potential development of the Sierra Heights Senior Apartments and Jamboree Housing affordable housing project; the potential for an Affordable Veteran Housing development would be the next project prospect.

DISCUSSION

Staff is requesting the Council extend the terms of the Exclusive Negotiation Agreement (ENA) with Jamboree Housing Corporation to June 30, 2019 (currently due to expire on 01/20/2018), extend the Option Agreement with Valley Star Partners, LLC to June 30, 2019, and approve a Commitment Letter between Jamboree Housing Corporation and the City for carry back financing of development related City fees, and approve a resolution authorizing the City to apply for HOME funds.

The carry back financing ("Site Note") would not be a waiver of fees, although fees would not be paid upfront. The City would agree to a loan to have the developer repay the amount of the fees owed via a residual receipts loan, which would allow developer to make payments to the City annually based on available cash flow (prorate in accordance with total soft loans in the project). Total payment would be due at the end of the term, with a 55-year term being requested. This mechanism was contemplated in the ENA (Section 201.2 Residual Receipts Loans).

"201.2 Residual Receipts Loans. *Developer's payment of fair market value for the Site with City to carry back financing therefor with the purchase price evidenced by a residual receipts promissory note ("Site Note") that shall be secured by a deed of trust against the Site ("Site Deed of Trust"). Additionally, City will finance Developer's liability for any and all fees imposed by City that are directly related to the Project, including, without limitation, impact, planning, engineering and building fees, that shall also be evidenced by a residual receipts promissory note that shall be secured by a deed of trust."*

FISCAL IMPACT

If awarded, the City's requested contributions for a competitive grant application are as follows:

1. The project site will be purchased at fair market value, anticipated to be approximately \$400,000 from RDA Excess Bond Proceeds, with the exact purchase price is yet to be determined by a qualified appraiser to be selected and paid for by the City; and

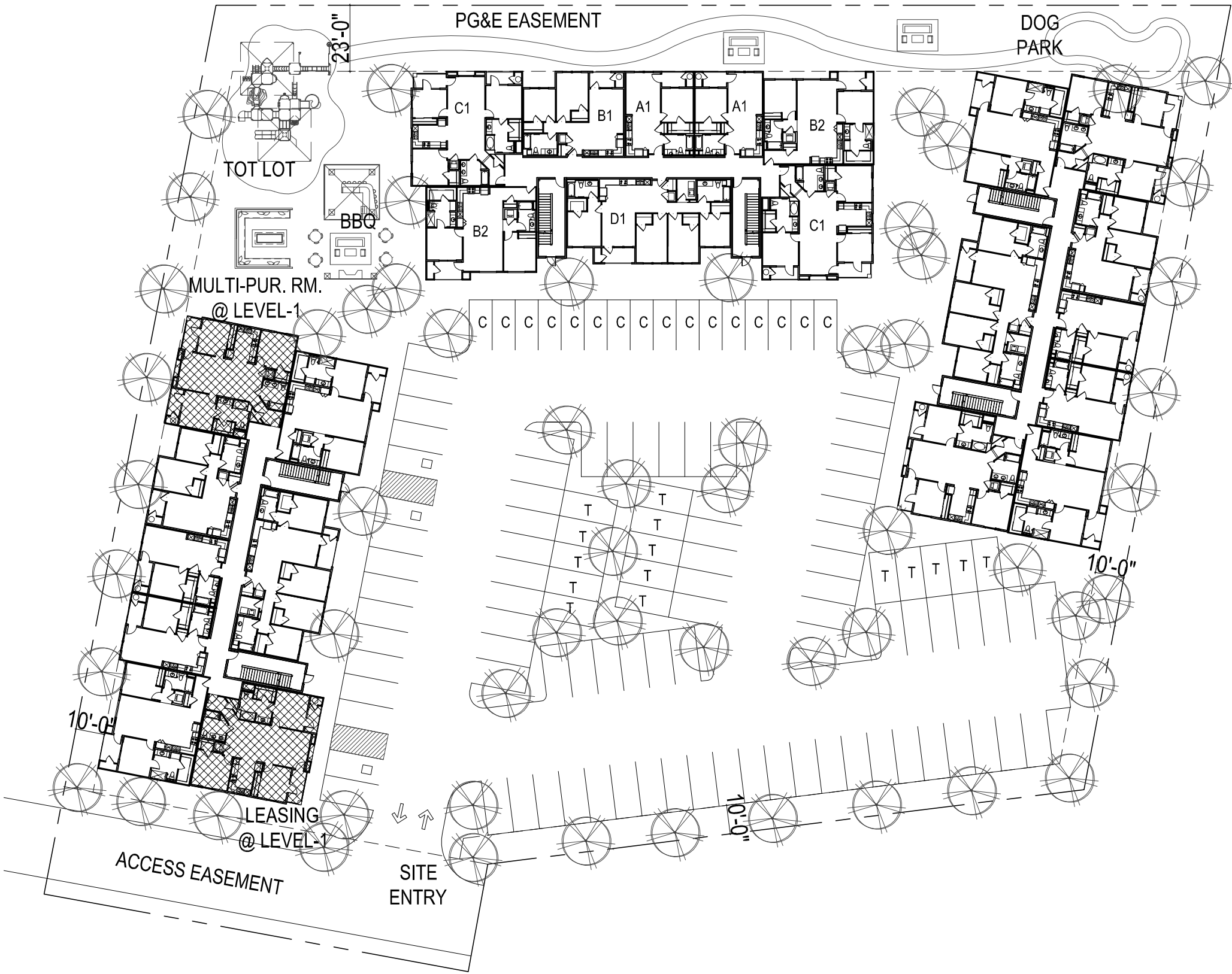
2. An expenditure of approximately \$500,000, from existing traffic impact fees that have been collected (Account #: 108- 5026-8040), for new curb/gutter/sidewalk, bike lanes, sidewalks improvements, landscaping, and other multi-modal transportation infrastructure on the east side of Feather River Boulevard from Oro Dam Boulevard to Montgomery Street; and
3. A promissory note in the amount of \$816,981 in which the City would agree to a loan to have the developer repay the amount of the fees owed annually based on available cash flow (prorate in accordance with total soft loans in the project). Total payment would be due at the end of the term, with a 55-year term being requested.

RECOMMENDATIONS

1. Adopt Resolution No. 8672 – A RESOLUTION OF THE OROVILLE CITY COUNCIL DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT THE OPTION AGREEMENT WITH VALLEY STAR PARTNERS, LLC EXTENDING THE TERMS OF THE AGREEMENT TO JUNE 30, 2019 - (Agreement No. 3227-1)
2. Adopt Resolution No. 8673 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE EXCLUSIVE NEGOTIATION AGREEMENT WITH JAMBOREE HOUSING CORPORATION EXTENDING THE TERMS OF THE AGREEMENT TO JUNE 30, 2019 - (Agreement No .3228-1)
3. Adopt Resolution No. 8674 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A COMMITMENT LETTER WITH JAMBOREE HOUSING CORPORATION FOR A LOAN FOR THE REPAYMENT OF CITY DEVELOPMENT PERMIT AND IMPACT FEES
4. Return to City Council for resolution of authorization once the NOFA for the HOME funds is released.

ATTACHMENTS

- A – Preliminary Site Plan
- B – Parcel Map
- C – Infrastructure Improvements on Feather River Boulevard
- D – Resolution No. 8672 (Option Agreement Extension)
- E – Resolution No. 8673 (ENA Extension)
- F – Resolution No. 8674 (Loan Commitment Letter)
- G – Estimate of Fees
- H – Initial Proforma



SITE SUMMARY:

GROSS SITE AREA:	2.46 (+/- AC)	
TOTAL RES. UNITS:	70 UNITS	
(3-STORY BUILDING)		
GROSS DENSITY:	28.5 (DU/AC)	
LEASING:	1,470 SF	
MULTI PUR. RM:	1,470 SF	
		NET S.F.
1-BEDROOM:	18 UNITS 25.7%	654 S.F.
2-BEDROOM:	27 UNITS 38.6%	930/ 1,103 S.F.
3-BEDROOM:	16 UNITS 22.9%	1,353 S.F.
4-BEDROOM:	9 UNITS 12.8%	1,517 S.F.
TOTAL	70 UNITS	
PARKING REQ:		
PER CODE:	114 SPACES	
PARKING PROV.:		
SURFACE:	114 SPACES	
(INCLUDING 16 COMP. & 15 TANDEMS)		



SITE PLAN



**OROVILLE APARTMENTS
JAMBOREE HOUSING**

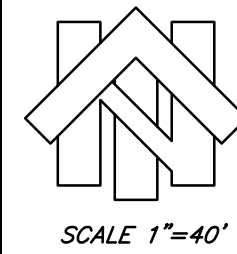
03/03/2016 OROVILLE, CA HPA# 16154



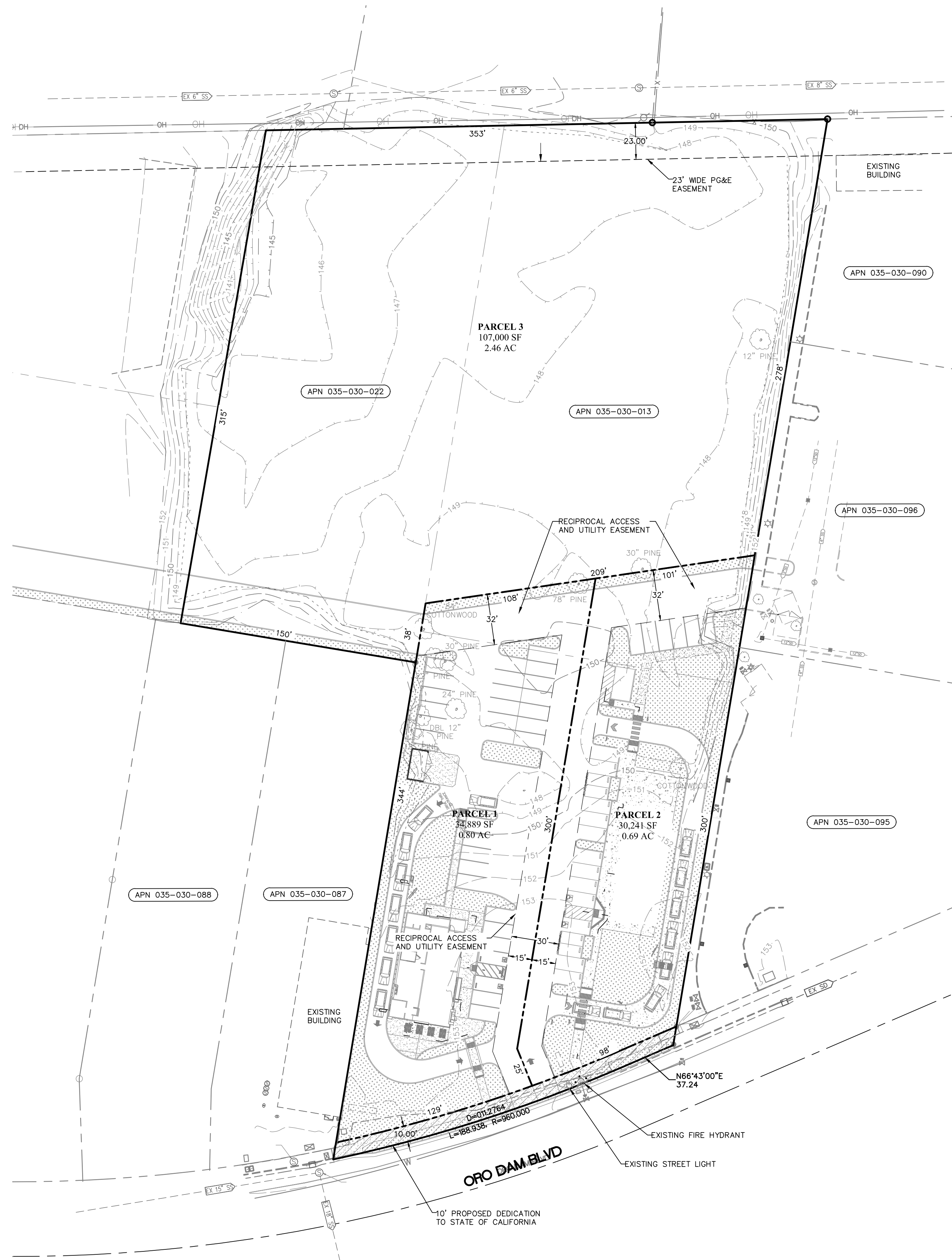
HUMPHREYS & PARTNERS ARCHITECTS, L.P.

5339 ALPHA ROAD · SUITE 300 · DALLAS, TEXAS 75240 · (972) 701-9639 · (972) 701-9639 FAX
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 SAN RAMON · SCOTTSDALE · EDMONTON · TORONTO · MONTEVIDEO
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 Architectural conceptual site plans are for feasibility purpose only. Revisions may occur due to further investigation from regulatory authorities and building code analysis. Dimensions shown are of a strategic intent only. Refer to surveys and civil drawings for technical information and measurements.



SCALE 1"=40'

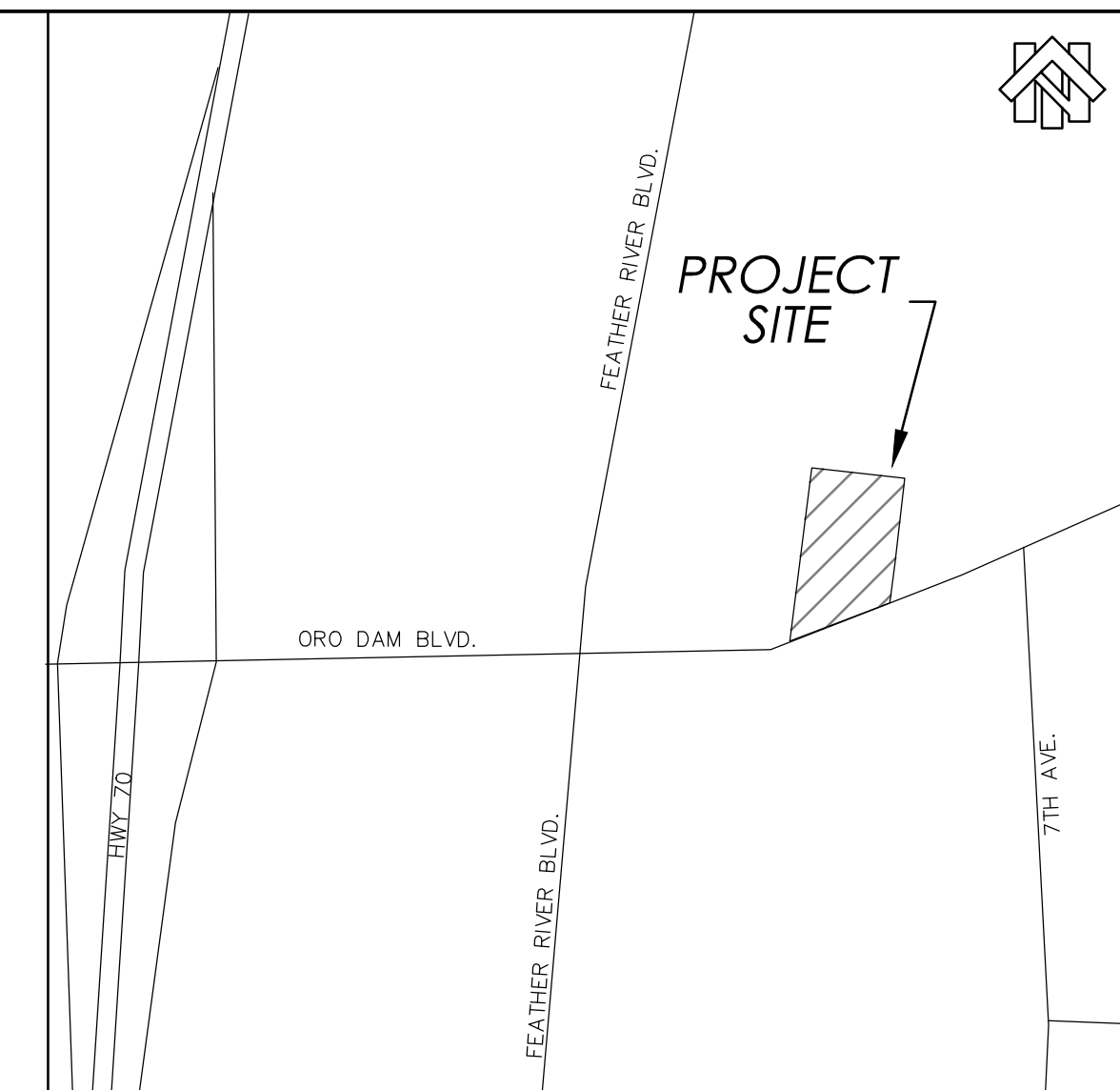


NOTES

- OWNER: VALLEY STAR PARTNERS, LLC.
837 JEFFERSON BLVD.
WEST SACRAMENTO, CA 95691
- DEVELOPER: ENGSTROM PROPERTIES, INC.
837 JEFFERSON BLVD.
WEST SACRAMENTO, CA 95691
- PROJECT SURVEYOR: NORTHSTAR ENGINEERING, MIKE L. MAYS PLS 6967
- ZONING: C-2 INTENSIVE COMMERCIAL
- GENERAL PLAN: MIXED USE
- LAND USE: EXISTING - VACANT
PROPOSED - COMMERCIAL
- SEWAGE: CITY OF OROVILLE / S.C.O.R.
- STORM DRAINAGE: ON-SITE QUALITY/QUANTITY MITIGATION (INFILTRATION TRENCHES)
- WATER: CALIFORNIA WATER SERVICE
- POWER: PG&E
- TELEPHONE: AT&T
- CABLE TV: COMCAST
- THERE ARE NO EXISTING STRUCTURES, WELLS OR SEPTIC SYSTEMS ON THE SITE.
- GRADING: ALL LOTS WILL BE GRADED TO DRAIN TOWARDS THE INTERIOR PARKING/ACCESS AREAS.
- CONTOUR INTERVALS = 1'
- EXCEPTION FROM CITY DESIGN STANDARDS:
A) DEPTH TO WIDTH RATIO: PARCELS 1 AND 2 EXCEED THE 3:1 DEPTH TO WIDTH RATIO. THE PROPOSED PARCEL DESIGN BEST FITS THE COMMERCIAL DEVELOPMENT PLAN.
EASEMENT WILL BE ESTABLISHED TO ENSURE ACCESS TO ALL PARCELS. FUTURE DEVELOPMENT OF PARCEL 3 SHALL BE SUBJECT TO ACQUIRING ACCESS TO AND FROM FEATHER RIVER BOULEVARD.
B) LOT FRONTAGE: PARCEL 3 DOES NOT FRONT ON A PUBLIC OR PRIVATE STREET. THE PROPOSED PARCEL DESIGN BEST FITS THE COMMERCIAL DEVELOPMENT PLAN.

AREAS

TOTAL AREA = 3.95 ACRES
NUMBER OF PROPOSED LOTS = 3 COMMERCIAL
RANGE OF COMMERCIAL LOT AREAS = 30,241 SF TO 107,000 SF
AVERAGE COMMERCIAL LOT SIZE = 57,354 SF +/-
PROPOSED DENSITY = 1.32 LOTS/ACRE
PROPOSED DEDICATION = 0.05 ACRES



LOCATION MAP

NTS

LEGEND

- FOUND MONUMENT
- EXISTING WATER METER
- EXISTING POWER POLE
- EXISTING STORM DRAIN INLET
- EXISTING IRRIGATION VALVE
- EXISTING WATER VALVE
- EXISTING SIGN
- EXISTING STREET LIGHT
- EXISTING FIRE HYDRANT
- EXISTING SANITARY SEWER MANHOLE
- EXISTING TREE (xx" IN SIZE)
- 150 --- EXISTING GROUND CONTOURS
- - - - - EX 12" SS --- EXISTING UNDERGROUND STORM DRAIN LINE
- - - - - EX 18" SS --- EXISTING UNDERGROUND SEWER LINE
- - - - - OH --- EXISTING OVERHEAD POWER LINES
- - - - - X --- EXISTING FENCE LINE
- - - - - --- EXISTING EDGE OF PAVEMENT
- - - - - --- EXISTING EASEMENT
- - - - - --- EXISTING PROPERTY LINE FOR SURROUNDING PARCELS
- --- PROPERTY BOUNDARY
- - - - - PROPOSED PROPERTY LINE
- - - - - PROPOSED EASEMENT
- APN 035-030-096 --- ASSESSORS PARCEL NUMBER

TENTATIVE PARCEL MAP FOR VALLEY STAR PARTNERS, LLC.

A PORTION OF LOT 1 AND ALL OF LOT 2, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "MAP OF SEEM INDUSTRIAL TRACT", AS SHOWN IN BOOK 17 OF MAPS, AT PAGES 33 AND 34

CITY OF OROVILLE
COUNTY OF BUTTE STATE OF CALIFORNIA

NorthStar
ENGINEERING
Civil - Surveying - Environmental - GIS

111 MISSION RANCH BLVD, SUITE 100
CHICO, CALIFORNIA 95926
PHONE: (530) 893-1600 FAX: (530) 893-2113
www.northstareng.com

NORTHSTAR ENGINEERING,
ROBIN L. KAMPMANN RCE 73943

NORTHSTAR ENGINEERING,
MIKE L. MAYS PLS6967



Existing Landscape



Figure 14 identifies existing landscape in the project area. Existing landscape primarily consists of parkway planters and singular tree planters, or tree wells. Parkway strips are on average four-foot wide and include sporadic street trees and sparse ground cover or shrub plantings. As shown in the Design Elements section of this Revitalization Plan, additional street trees are proposed in a center median planter and between existing trees along the City Right of Way. Additional landscape will also be acquired through street frontage of future development along the Feather River Boulevard according to City Development Code.

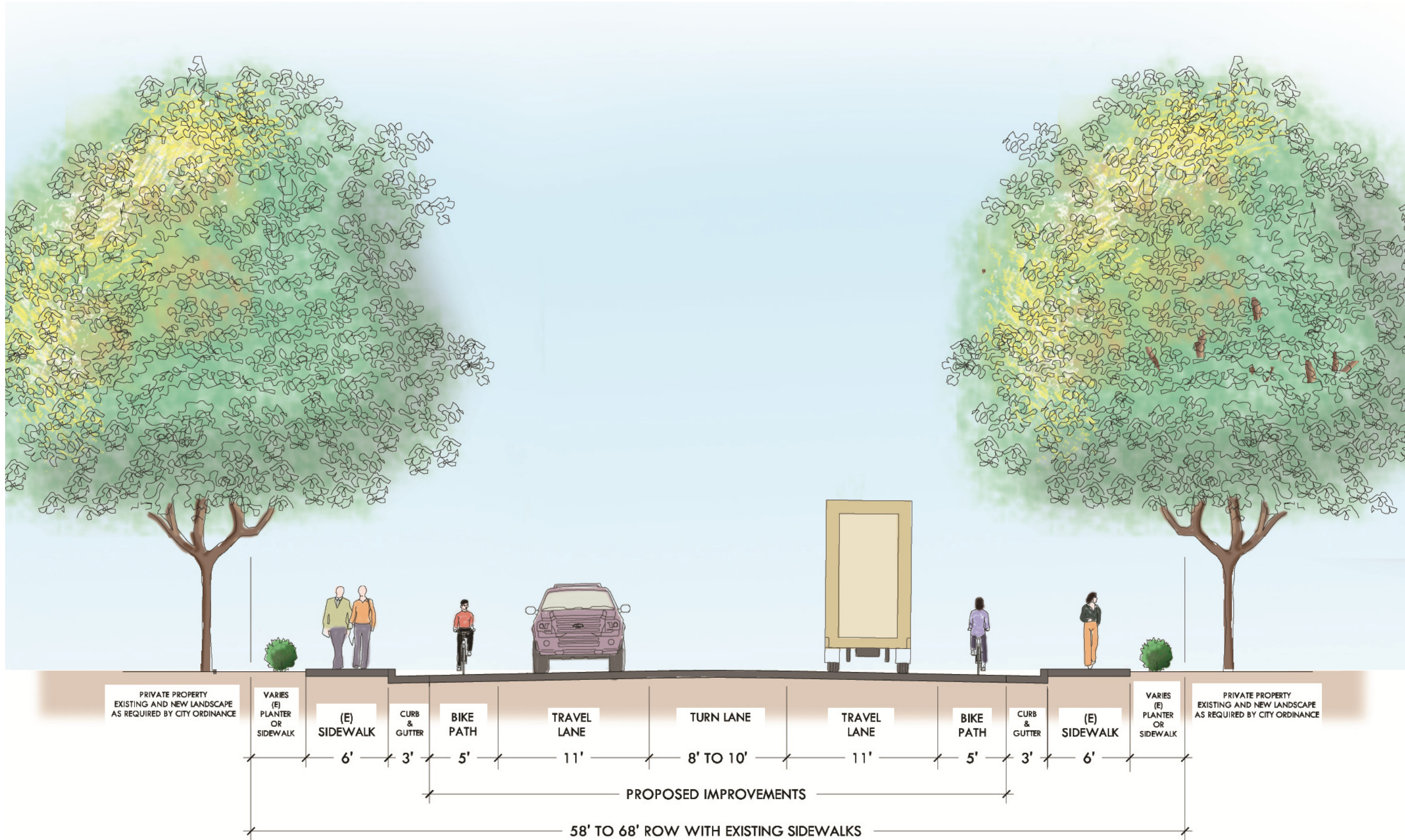


Figure 15 – Street Section without Landscape Median

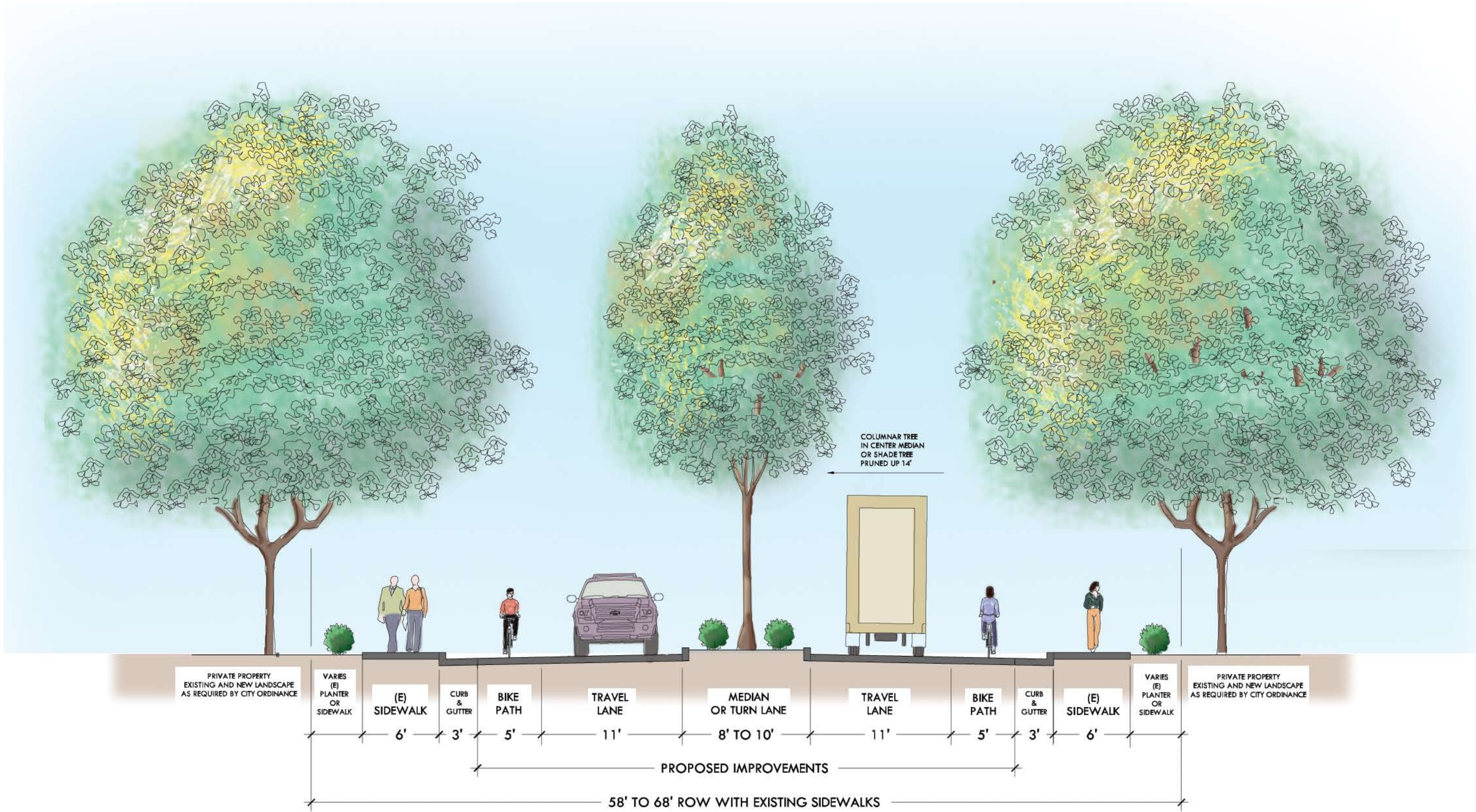


Figure 16 - Street Section with Landscape Median

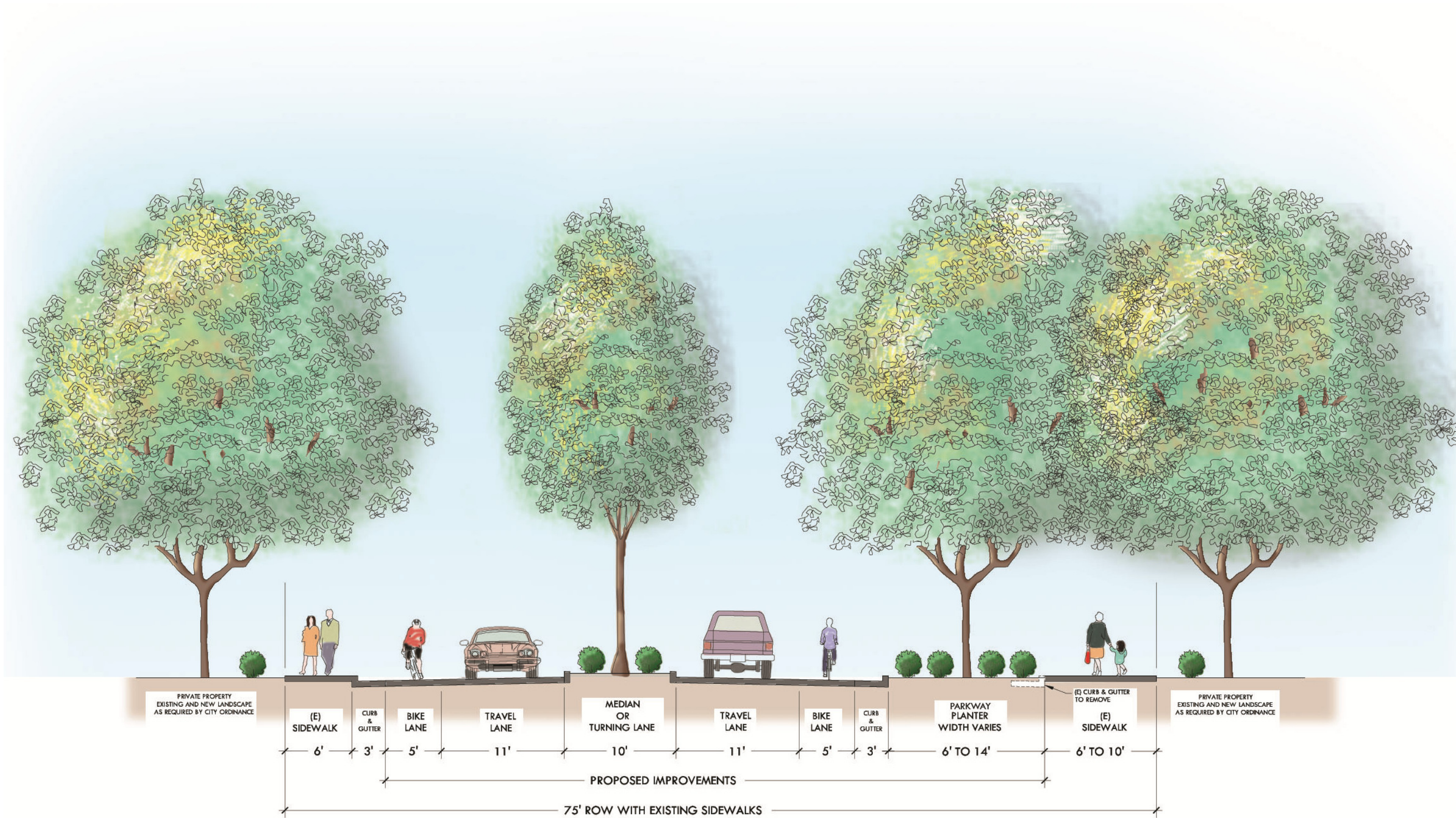
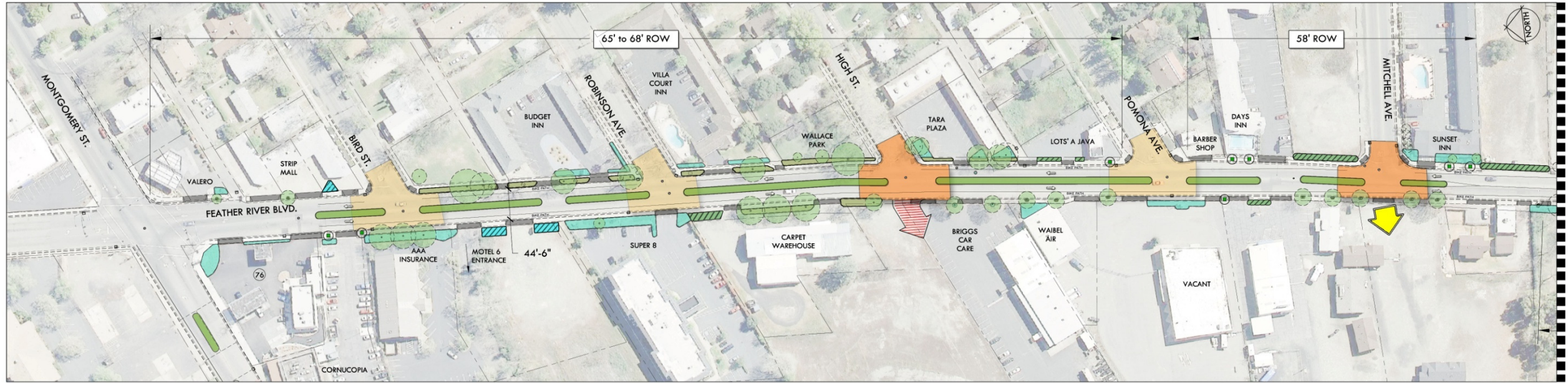
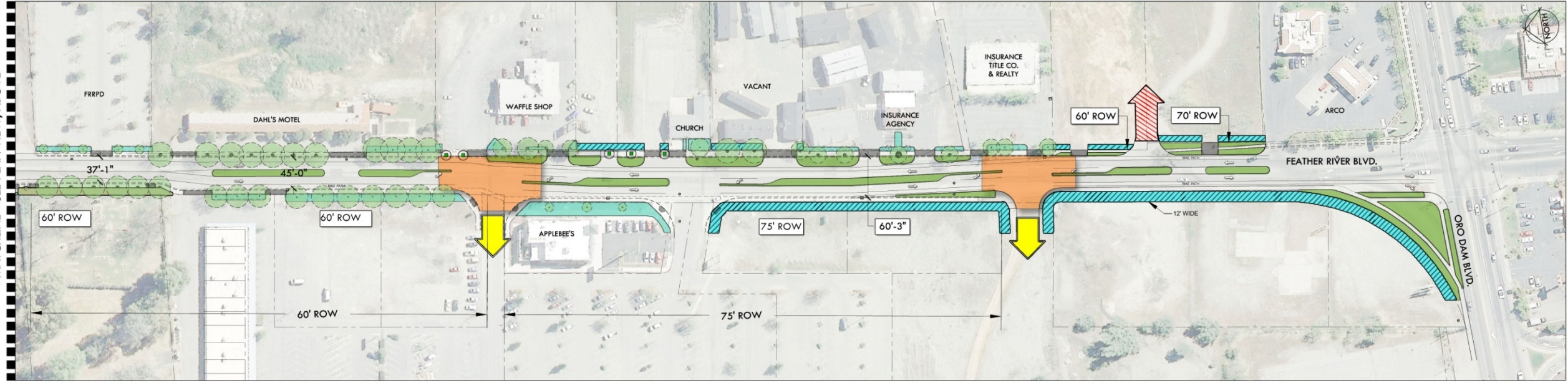


Figure 17 – Street section at 75' Right of Way with Landscape median and Parkway Planter



MATCHLINE - SEE PLAN VIEW, BELOW

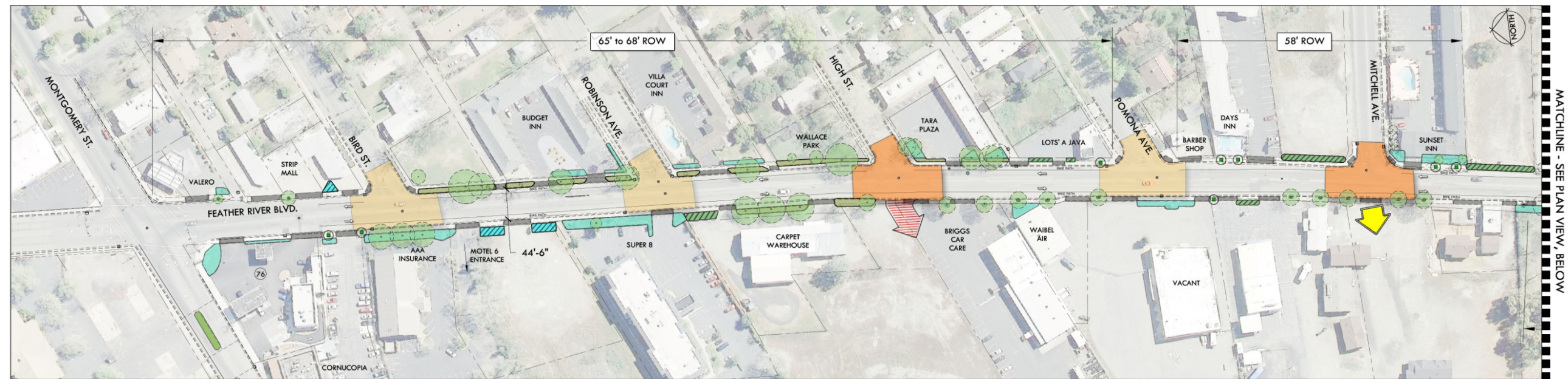


MATCHLINE - SEE PLAN VIEW, ABOVE

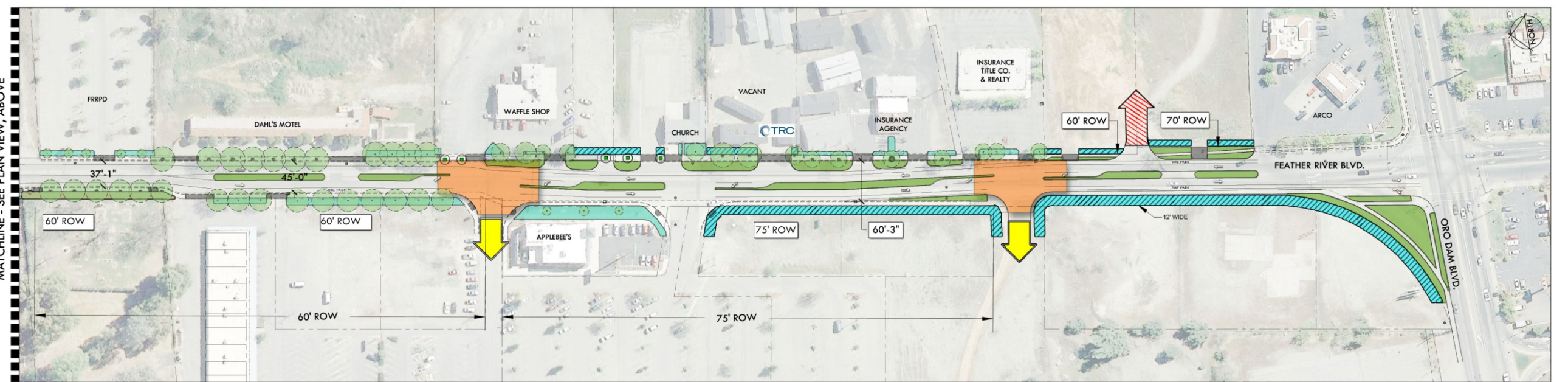
SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
	CONTROLLED INTERSECTION OPTIONS - STOP SIGN, SIGNAL, OR TRAFFIC CIRCLE (MINI ROUNDABOUT ON MITCHELL AVE OPTION ONLY)		SITE ACCESS		PROPERTY LINE		EXISTING CITY R.O.W. LANDSCAPE
	SIDE STREET STOP CONTROL		PROPOSED PROPERTY ACCESS EASMENT PROVIDE FUTURE ACCESS TO PROPERTIES ALONG HIGHWAY 70		EXISTING CURB, GUTTER AND SIDEWALK		PROPOSED CITY R.O.W. LANDSCAPE
					EXISTING DRIVEWAYS		FUTURE CITY R.O.W. LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO. MUNICIPAL CODE, CHAPTER 26-13.050
					EXISTING TREE		EXISTING PRIVATE PROPERTY LANDSCAPE
					PROPOSED NEW TREE PLANTER		FUTURE PRIVATE PROPERTY LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO. MUNICIPAL CODE, CHAPTER 26-13.050



Figure 18 – Option 1 Streetscape Concept with Landscape Median Along Most of Feather River Blvd.



MATCHLINE - SEE PLAN VIEW, BELOW

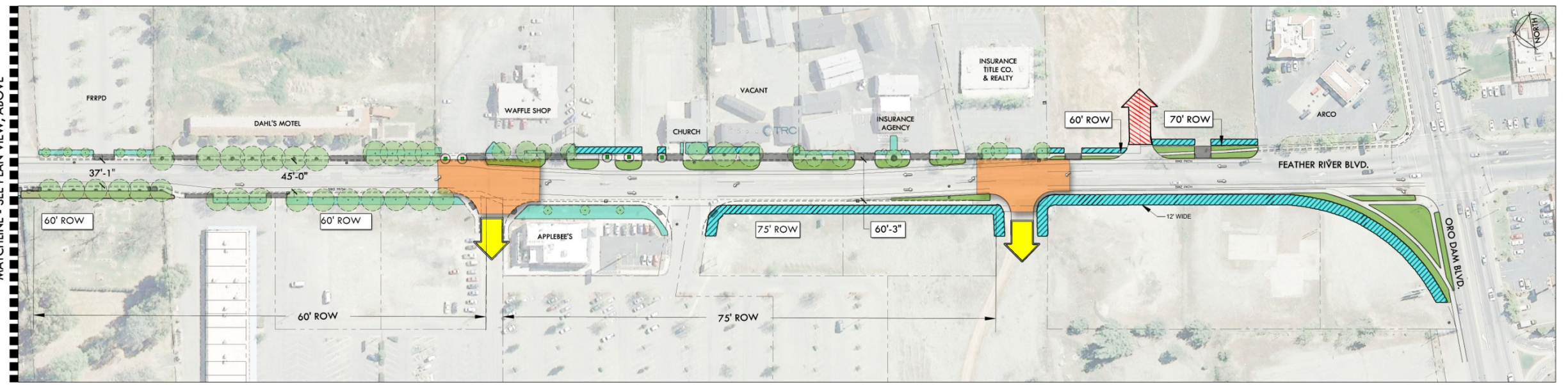
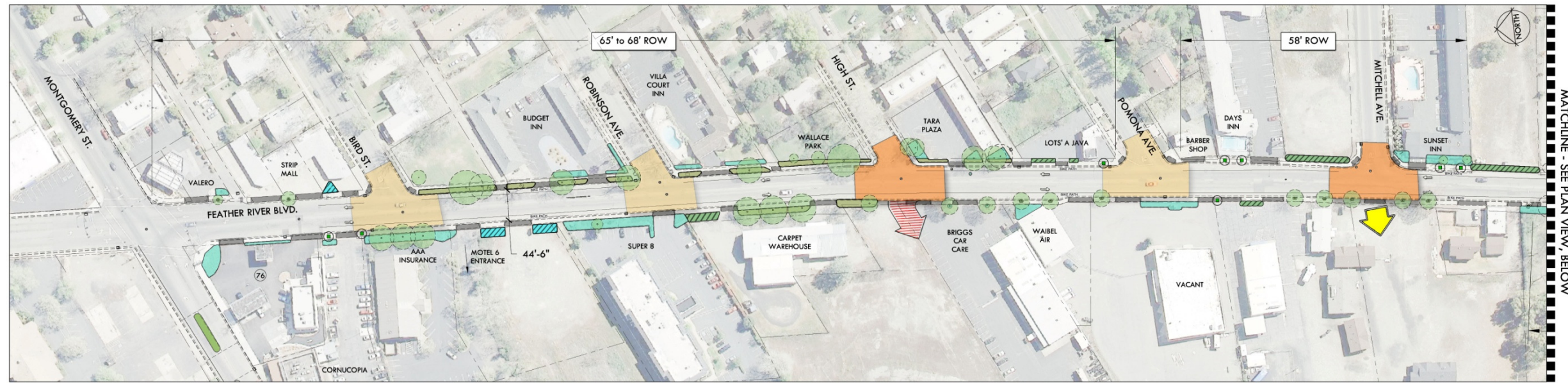


MATCHLINE - SEE PLAN VIEW, ABOVE

SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
	CONTROLLED INTERSECTION OPTIONS - STOP SIGN, SIGNAL, OR TRAFFIC CIRCLE (MINI ROUNDABOUT ON MITCHELL AVE OPTION ONLY)		SITE ACCESS		PROPERTY LINE		EXISTING CITY R.O.W. LANDSCAPE
	SIDE STREET STOP CONTROL		PROPOSED PROPERTY ACCESS EASEMENT PROVIDE FUTURE ACCESS TO PROPERTIES ALONG HIGHWAY 70		EXISTING CURB, GUTTER AND SIDEWALK		PROPOSED CITY R.O.W. LANDSCAPE
					EXISTING DRIVEWAYS		FUTURE CITY R.O.W. LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO MUNICIPAL CODE, CHAPTER 26-13.050
					EXISTING TREE		EXISTING PRIVATE PROPERTY LANDSCAPE
					PROPOSED NEW TREE PLANTER		FUTURE PRIVATE PROPERTY LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO MUNICIPAL CODE, CHAPTER 26-13.050



Figure 19 – Option 2 Streetscape Concept – No Median Between Montgomery Street and Mitchell Ave.



SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
	CONTROLLED INTERSECTION OPTIONS - STOP SIGN, SIGNAL, OR TRAFFIC CIRCLE (MINI ROUNDABOUT ON MITCHELL AVE OPTION ONLY)		SITE ACCESS		PROPERTY LINE		EXISTING CITY R.O.W. LANDSCAPE
	SIDE STREET STOP CONTROL		PROPOSED PROPERTY ACCESS EASEMENT PROVIDE FUTURE ACCESS TO PROPERTIES ALONG HIGHWAY 70		EXISTING CURB, GUTTER AND SIDEWALK		PROPOSED CITY R.O.W. LANDSCAPE
					EXISTING DRIVEWAYS		FUTURE CITY R.O.W. LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO MUNICIPAL CODE, CHAPTER 26-13.050
					EXISTING TREE		EXISTING PRIVATE PROPERTY LANDSCAPE
					PROPOSED NEW TREE PLANTER		FUTURE PRIVATE PROPERTY LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO MUNICIPAL CODE, CHAPTER 26-13.050



Figure 20 – Option 3 Streetscape Concept – No Medians

**CITY OF OROVILLE
RESOLUTION NO. 8672**

A RESOLUTION OF THE OROVILLE CITY COUNCIL DIRECTING THE VICE MAYOR TO EXECUTE AN AMENDMENT THE OPTION AGREEMENT WITH VALLEY STAR PARTNERS, LLC EXTENDING THE TERMS OF THE AGREEMENT TO JUNE 30, 2019

(Agreement No. 3227-1)

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Vice Mayor is hereby authorized and directed to execute an amendment to the Option Agreement with Valley Star Partners, LLC, property owner of 2355 Feather River Boulevard (APN: 035-030-099), extending the terms of the Agreement to June 30, 2019.
2. The existing Agreement allows the City the exclusive right to purchase the property through December 31, 2017, subject to the terms and conditions in the Agreement. A copy of the Agreement is attached to this Resolution.
3. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on December 5, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

/

/

/

/

/

/

/

/

/

Janet Goodson, Vice Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk

OPTION AGREEMENT

This Option Agreement (“Agreement”) is made as of July 18, 2017 between Valley Star Partners, LLC (“Optionor”) and the City of Oroville (“Optionee”).

Recitals

A. Optionor is the owner of certain real property situated in Butte County, California, commonly known as 2355 Feather River Boulevard, Oroville, CA 95966, also known as APN 035-030-099 and more particularly described in attached Exhibit A, incorporated by reference (“Property”).

B. Optionee desires to acquire the exclusive right to purchase the Property at Fair Market Value. The exact purchase price is to be determined pursuant to the Uniform Standards of Professional Appraisal Practice by a qualified appraiser to be selected and paid for by the Optionee.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

Section 1. Option to Purchase

Optionor grants to Optionee an option to purchase the Property on the terms and conditions of this Agreement.

Section 2. Consideration for Option

Within 20 business days of the execution of this Agreement, Optionee shall pay to Optionor as consideration the sum of One Hundred Dollars and no cents (\$100.00) for the option. If the option granted under this Agreement is exercised by Optionee, Optionor agrees to credit the full amount of the option consideration to the purchase price of the Property.

Section 3. Term

This Agreement shall be effective as of the date of this Agreement and shall expire at 5:00 p.m., Pacific Standard Time on December 31, 2017 (“Option Term”).

Section 4. Access to Property During the Option Term

Optionee or its designee shall have access to the Property for non-destructive purposes and activities related to the assessment and evaluation of the Property for suitability as to Optionee’s intended purpose for which the Property is being evaluated for purchase.

Section 5. Exercise

Provided Optionee is not in default under this Agreement, this option may be exercised by Optionee delivering to Optionor before the expiration of the Option Term written notice of the exercise (“Exercise Notice”), which shall state that the option is exercised subject to the following conditions:

//

- (a) Setting of the Purchase Price at Fair Market Value, to be determined pursuant to the Uniform Standards of Professional Appraisal Practice by a qualified appraiser to be selected and paid for by the Optionee; and
- (b) Execution of a Real Estate Purchase and Sale Agreement to be negotiated in good faith between the Optionor and Optionee.

Section 6. Representations and Warranties

Optionor warrants that Optionor is the owner of the Property and has marketable and insurable fee simple title to the Property clear of restrictions, leases, liens, and other encumbrances, except as permitted in the Purchase Agreement. If this option is exercised by Optionee, Optionor will convey title to the Property by grant deed. During the Option Term and until the Property is conveyed to Optionee, if this option is exercised, Optionor will not encumber the Property in any way nor grant any property or contract right relating to the Property without the prior written consent of Optionee.

Section 7. Time of Essence

Time is of the essence for this Option Agreement. If the option is not exercised in the manner provided in Section 4 hereof before the expiration of the Option Term, Optionee shall have no interest in the Property and the option may not be revived by any subsequent payment or further action by Optionee.

Section 8. Notices

All notices, demands, requests, exercises, and other communications under this Agreement by either party shall be in writing and:

- (a) sent by United States Certified Mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States mail, or
- (b) sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with that courier, or
- (c) sent by electronic mail, facsimile or similar means if a copy of the notice is also sent by United States Certified Mail; in which case notice shall be deemed delivered on transmittal by electronic mail, facsimile or other similar means, provided that a transmission report is generated that reflects the accurate transmission of the notices, as follows:

Optionor:

Valley Star Partners, LLC
 Attn: Mark Engstrom
837 Jefferson Blvd.
West Sacramento, CA 95691
916-617-4244

//
 //
 //

Optionee:

City of Oroville
 Attn: City Administrator
 1735 Montgomery Street
 Oroville, CA 95965

These addresses may be changed by written notice to the other party, provided that no notice of a change of address shall be effective until actual receipt of that notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

Section 9. Transfer

Optionee may not assign or transfer this Agreement and the rights under it without Optionor's prior written consent.

Section 10. Survival

The terms of this Agreement shall survive the close of escrow of the Property unless there is a contradiction between the Real Estate Purchase and Sale Agreement and this Agreement, in which event the Real Estate Purchase and Sale Agreement shall control.

Section 11. Successors

This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assignees of the parties to this Agreement.

Section 12. Waivers

No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision in this Agreement, and no waiver shall be valid unless in writing and executed by the waiving party.

Section 13. Construction

Section headings are solely for the convenience of the parties and are not a part of and shall not be used to interpret this Agreement. The singular form shall include the plural and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement.

Section 14. Further Assurances

Whenever requested by the other party, each party shall execute, acknowledge, and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurance, approvals, consents, and all further instruments and documents as may be necessary, expedient, or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this Agreement.

Section 15. Third-Party Rights

Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

Section 16. Integration and Negotiated Agreement

This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the option for the Property. This Agreement has been negotiated and shall not be construed against the party responsible for drafting all or parts of this Agreement.

Section 17. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

Section 18. Amendment

This Agreement may not be amended or altered except by a written instrument executed by Optionor and Optionee.

Section 19. Partial Invalidity

Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force.

Section 20. Exhibits

All attached exhibits are incorporated in this Agreement by this reference.

Section 21. Authority of Parties

All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party.

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Section 22. Jurisdiction and Governing Law

The validity, meaning, and effect of this Agreement shall be determined in accordance with the laws of the State of California. Optionor and Optionee expressly agree that the Superior Court of California, County of Butte shall have exclusive jurisdiction over all legal actions brought based upon or arising out of this agreement.

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

OPTIONOR:

VALLEY STAR PARTNERS, LLC

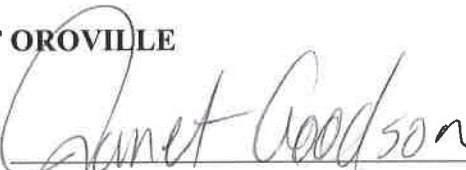
By: 

Name: MARK Engstrom

Its: Manager

OPTIONEE:

CITY OF OROVILLE

By: 

Name: Janet Goodson

Its: Vice Mayor

**CITY OF OROVILLE
RESOLUTION NO. 8630**

A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING VARIOUS FUNDING RELATED ACTIONS FOR AN AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM GRANT APPLICATION INCLUDING AUTHORIZING AND DIRECTING THE VICE MAYOR TO EXECUTE AN OPTION AGREEMENT WITH VALLEY STAR PARTNERS, LLC FOR THE PURCHASE OF THE PROPERTY IDENTIFIED AS 2355 FEATHER RIVER BOULEVARD (APN: 035-030-099)

(Agreement No. 3227)

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Vice Mayor is hereby authorized and directed to execute an Option Agreement with Valley Star Partners, LLC, property owner of 2355 Feather River Boulevard (APN: 035-030-099), allowing the City the exclusive right to purchase the property through December 31, 2016, subject to the terms and conditions in the Agreement. A copy of the Agreement is attached to this Resolution.

2. An expenditure of approximately \$500,000 from existing traffic impact fees for new curb/gutter/sidewalk, bike lanes, sidewalks improvements, landscaping, and other multi-modal transportation infrastructure on the east side of Feather River Boulevard from Oro Dam Boulevard to Montgomery Street.

3. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on July 18, 2017, by the following vote:

AYES: Council Members Del Rosario, Draper, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

NOES: Council Members Berry, Hatley

ABSTAIN: Mayor Dahlmeier

ABSENT: None

/


/

/

/


Janet Goodson, Vice Mayor

APPROVED AS TO FORM:


Scott E. Huber, City Attorney

ATTEST:


Donald Rust, Acting City Clerk

**CITY OF OROVILLE
RESOLUTION NO. 8673**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE VICE MAYOR TO EXECUTE AN AMENDMENT TO THE EXCLUSIVE NEGOTIATION AGREEMENT WITH JAMBOREE HOUSING CORPORATION EXTENDING THE TERMS OF THE AGREEMENT TO JUNE 30, 2019

(Agreement No. 3228-1)

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Vice Mayor is hereby authorized and directed to execute an amendment to the existing Exclusive Negotiation Agreement with Jamboree Housing Corporation extending the terms of the Agreement to June 30, 2019.
2. The Agreement provides Jamboree an exclusive right to negotiate with the City regarding the terms and conditions of a Disposition and Development Agreement (“DDA”) that will provide for the terms, conditions, and provisions for City’s sale of the project site (2355 Feather River Boulevard (APN: 035-030-099)) to Jamboree, and Jamboree’s design, financing, construction, development, and operation and maintenance of the project on the site. A copy of the Agreement is attached to this Resolution.
3. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on December 5, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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/

/

Janet Goodson, Vice Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk

CITY OF OROVILLE
RESOLUTION NO. 8631

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE VICE MAYOR TO EXECUTE AN EXCLUSIVE NEGOTIATION AGREEMENT WITH JAMBOREE HOUSING CORPORATION MUTUALLY AGREEING TO ENTER INTO NEGOTIATIONS CONCERNING THE PROPOSED HOUSING DEVELOPMENT PROJECT SHOULD THE AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM GRANT BE AWARDED

(Agreement No. 3228)

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Vice Mayor is hereby authorized and directed to execute an Exclusive Negotiation Agreement with Jamboree Housing Corporation providing Jamboree an exclusive right to negotiate with the City regarding the terms and conditions of a Disposition and Development Agreement ("DDA") that will provide for the terms, conditions, and provisions for City's sale of the project site (2355 Feather River Boulevard (APN: 035-030-099)) to Jamboree, and Jamboree's design, financing, construction, development, and operation and maintenance of the project on the site. A copy of the Agreement is attached to this Resolution.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a special meeting on July 18, 2017, by the following vote:

AYES: Council Members Del Rosario, Draper, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

NOES: Council Members Berry, Hatley

ABSTAIN: Mayor Dahlmeier

ABSENT: None

APPROVED AS TO FORM:

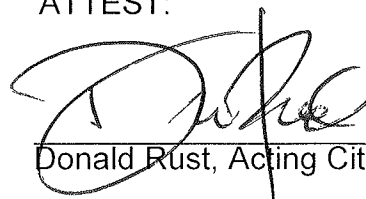


Scott E. Huber, City Attorney



Janet Goodson, Vice Mayor

ATTEST:



Donald Rust, Acting City Clerk

August 23, 2017

EXCLUSIVE NEGOTIATING AGREEMENT

This EXCLUSIVE NEGOTIATING AGREEMENT ("Agreement") is entered into this dated as of July __, 2017 by and between the CITY OF OROVILLE, a California municipal corporation ("City"), and JAMBOREE HOUSING CORPORATION, a California nonprofit public benefit corporation ("Developer").

RECITALS

A. City is a California municipal corporation. City has as one of its goals increasing, improving and preserving the community's supply of housing, available at affordable housing cost, to persons and families of low- to moderate-income, lower income, very low income, and extremely low income.

B. Developer has informed City that Developer is interested in developing an affordable housing project, the key components, principles, and objectives of which are summarized in Section 200 of this Agreement ("Project"), on certain real property ("Site") located within the City of Oroville, California. A Site Map depicting the Site is attached hereto as Exhibit "A" and incorporated herein.

C. As of the date of this Agreement, the Site is owned in fee by Valley Star Partners, LLC (the "Site Owner"). City has initiated actions to acquire the Site through a negotiated, voluntary acquisition. Concurrently with this Agreement, City and the Site Owner have entered into an Option Agreement (the "Option Agreement"), wherein the Site Owner has granted to City an option to purchase the Site.

D. Developer has undertaken a preliminary review of the feasibility of development and operation of the Project and, based upon its review to date, and although design, rent and financial structure have not been fully determined, Developer believes that the Project is feasible and that the financing sources proposed to be obtained by Developer are obtainable. Accordingly, City is entering into this Agreement and affording Developer the valuable opportunity to negotiate for acquisition and development of the Site for a limited period of time as set forth herein.

E. Based on (i) the interest of Developer, (ii) assurances by Developer that Developer is experienced in the development and operation of high quality affordable residential projects, (iii) the desirability of accomplishing the development of affordable rental housing, and (iv) the belief of Developer that the Project can be accomplished on a basis that provides a fair and reasonable return to both parties, the parties mutually desire to enter into negotiations concerning possible development of the Project.

F. City and Developer wish to enter into this Agreement to provide an exclusive period of negotiation pertaining to the Site, subject to all of the terms and conditions of this Agreement. City will not enter into discussions with other developers during the period of negotiations as established in Section 402 of this Agreement.

IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

100. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide an exclusive right to negotiate with City regarding the terms and conditions of a Disposition and Development Agreement (“DDA”) that will provide for the terms, conditions, and provisions for City’s sale of the Site to Developer, and Developer’s design, financing, construction, development, and operation and maintenance of the Project on the Site. The parties agree that their representatives shall negotiate in good faith toward a mutually agreeable DDA for the City’s and Developer’s consideration and action with respect to the Project.

200. PRINCIPLES OF THE PROJECT

201. Identification of Negotiating Principles. While negotiating the terms and conditions of a DDA during the Term (as defined in Section 403) of this Agreement, the parties shall be guided, but not bound, by the following key components, principles, and objectives of the Project (collectively, the “Principles”):

201.1 Tax Credits. Developer’s timely application for an allocation of federal Low Income Housing Tax Credits granted pursuant to Section 42 of the Internal Revenue Code and/or California Revenue and Taxation Code Sections 17057.5, 17058, 23610.4 and 23610.5 and California Health and Safety Code Sections 50199, et seq. (the “Tax Credits”). In the event Developer’s application for Tax Credits is unsuccessful, Developer may make one timely reapplication for such Tax Credits during the next funding round. In the event Developer’s first reapplication for Tax Credits is unsuccessful, Developer may, subject to prior approval of the City Council, make a second timely reapplication for such Tax Credits during the next funding round. Developer will also be applying for: (i) funds from the State of California Department of Housing and Community Development pursuant to the Affordable Housing and Sustainable Communities (“AHSC”) program; (ii) funds from the State of California and/or the County of Butte pursuant to the HOME Investment Partnerships Program authorized pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act codified at 42 U.S.C. Section 12701 and the implementing regulations promulgated by the United States Department of Housing and Urban Development (“HUD”) set forth at 24 C.F.R. part 92 (“HOME Funds”), and (iii) funds from the U.S. Department of Agriculture Rural Housing pursuant to Section 515 of the Housing Act of 1949 (“RH Funds”).

201.2 Residual Receipts Loans. Developer’s payment of fair market value for the Site with City to carry back financing therefor with the purchase price evidenced by a residual receipts promissory note (“Site Note”) that shall be secured by a deed of trust against the Site (“Site Deed of Trust”). Additionally, City will finance Developer’s liability for any and all fees imposed by City that are directly related to the Project, including, without limitation, impact, planning, engineering and building fees, that shall also be evidenced by a residual receipts promissory note that shall be secured by a deed of trust.

201.3 Affordable Units. A design strategy that achieves approximately seventy (70) units. Sixty-Nine (69) units shall be available at an affordable rent to very low income

households, as defined in Section 50105 of the Health and Safety Code and lower income households, as defined in Section 50052.5 of the Health and Safety Code. Additionally, one (1) unit shall be designated as an unrestricted manager's unit. Eighteen (18) units shall be one (1) bedroom, twenty-seven (27) units shall be two (2) bedroom, sixteen (16) units shall be three (3) bedroom, and nine (9) units shall be four (4) bedroom.

The parties agree that this Agreement shall be based on and guided by the foregoing Principles. The negotiations under this Agreement shall address, but need not conform to the exact details of the Principles, it being understood that the ultimate scope of the Project is subject to change in connection with the development of the scope of the Project outlined below in Section 300.

300. DEVELOPMENT OF SCOPE OF PROJECT

301. Design Concept Process. Developer agrees that its design, development and construction of the Project shall be consistent with the Principles, the Design Concept Plans (defined below) approved by the City, and shall be subject to all City discretionary entitlement proceedings and independent decision-making. The "Design Concept Plans" for the Project shall include a conceptual site plan, and conceptual elevations and sections of the Project improvements as they are proposed to be developed and constructed on the Site. The Project requires City Council consideration and action, and which as, if, and when ultimately approved by the City Council shall become the Project "Entitlement".

302. Entitlement Process

302.1 Submission of Plans. At Developer's sole cost and expense, Developer shall prepare and submit to the appropriate City department(s) for review and approval documents that are appropriate and necessary in order to obtain any and all discretionary entitlements for the development through construction and completion of the Project in accordance with the Schedule of Performance. Such documents, including the Design Concept Plans, are hereinafter referred to as the "Pre-Development Plans." Developer agrees to prepare and submit such Pre-Development Plans and related documents for the development of the Project pursuant to this Agreement within the times set forth in the Schedule of Performance.

302.2 Discretionary Entitlements. Within the times set forth therefore in the Schedule of Performance attached hereto and fully incorporated by this reference, Developer shall, at its own expense, secure or cause to be secured, any and all discretionary entitlements that may be required by the City or any other governmental agency with jurisdiction over the development, construction and operation of the Project. City shall, at no cost to City, provide all proper assistance to Developer in application for and securing these discretionary entitlements.

302.3 Compliance with CEQA. City has determined that the Project is exempt from the requirements of the California Environmental Quality Act, Public Resources Code 21000, *et seq.*, and the implementing regulations thereto in Title 14, California Code of Regulations, Sections 15000, *et seq.* (together, "CEQA"), pursuant to Sections 15192, 15194 and 15195 of Title 14 of the California Code of Regulations.

400. EXCLUSIVE GOOD FAITH NEGOTIATIONS

401. Good Faith Negotiations. Concurrently herewith, the parties agree to negotiate diligently and in good faith toward the terms and conditions of a mutually acceptable DDA and ancillary documents relating to the sale of the Site and the financing, construction and long term operation of the Project. City will not enter into negotiations with any other person or entity regarding the Site during the term of this Agreement other than the negotiations with the Site Owner described in this Section 401. Developer shall comply with the Schedule of Performance attached hereto as Exhibit “B”. City agrees to negotiate diligently and in good faith with the Site Owner towards the terms and conditions of a purchase and sale agreement for the sale of the Site by the Site Owner to City which permits Developer to access the Site for purposes of performing due diligence inspections and investigations, subject to satisfying reasonable insurance requirements (a “City/Site Owner Purchase Agreement”). The City/Site Owner Purchase Agreement shall not include terms that are inconsistent with this Agreement or the purposes of this Agreement, and shall provide for the close of escrow to occur on or before the end of the “Term” (as defined in Sections 402 and 403 below).

402. Original Term of Negotiations. The negotiation period will commence immediately and shall terminate at the expiration of the Term (as defined below), unless earlier terminated in accordance with the provisions of this Agreement. The parties agree to negotiate diligently and in good faith for a one hundred fifty (150) day period following the mutual execution and delivery of this Agreement (the “Original Term”).

403. Extensions of Term. Unless earlier terminated in accordance with the provisions of this Agreement, (i) the City Administrator of City may, in his or her sole and absolute discretion, agree in writing to extend the Original Term of this Agreement for up to two (2) ninety (90) day extension periods beyond the Original Term, and (ii) the Original Term shall be automatically extended for any period in which the Option Agreement is extended (any such extension shall be hereinafter referred to as an “Extension Period”). The Original Term and Extension Period(s), if any, are referred to herein as the “Term.”

If a DDA is signed and submitted by Developer by the end of the Term, then this Agreement shall be extended for sixty (60) days from the date of such submittal to enable City to (A) cause the DDA to be presented to the City Council for consideration and action to approve or disapprove the DDA; (B) consider and take action to approve the DDA at an open public meeting, and as necessary for the City to authorize the DDA, provided that nothing in this Agreement shall prejudice or predetermine the City’s action to approve or disapprove the DDA; and (C) sign the DDA. If City has not duly executed the DDA by such 60th day following expiration of the Term, then this Agreement shall automatically terminate unless the 60-day period has been mutually extended by Developer and the City Manager, who is hereby authorized to make such extension(s) in the Executive Director’s sole and absolute discretion.

404. Not a Binding or Final Agreement. The parties do not intend this Agreement to be a purchase agreement, license, option or similar contract or to in any manner whatsoever, pre-judge, pre-determine or otherwise pre-approve the Project, any Entitlement, the DDA, or any other decision or action related to the Project.

500. TERMINATION OF AGREEMENT

In addition to other provisions of this Agreement that provide for the termination hereof, this Agreement may be terminated by City in the event any of the following occurs:

A. If City and the Site Owner fail to enter into a City/Site Owner Purchase Agreement prior to the expiration or earlier termination of the Option Agreement, or the Site Owner and City enter into a City/Site Owner Purchase Agreement but the City/Site Owner Purchase Agreement is terminated pursuant to the terms thereof prior to the sale of the Site to City;

B. If, at the expiration of the Term, and for any reason whether by reason of negotiating impasse, or otherwise, Developer has not signed and submitted a DDA to City, then this Agreement shall automatically terminate;

C. If, during the Term, Developer fails to negotiate diligently and in good faith; provided however, City shall first provide written notice to Developer of such default and provide Developer ten (10) business days to commence to cure the default and, thereafter, to diligently prosecute the cure to completion;

D. If, during the Term, Developer is in default under any other provision of this Agreement; provided however, City shall first provide written notice to Developer of such default and provide Developer ten (10) business days to commence to cure the default and, thereafter, to diligently prosecute the cure to completion and complete the cure within thirty (30) days; provided, however, if the event is such that Developer cannot reasonably complete the cure within thirty (30) days, Developer shall not be in default hereunder so long as Developer commences the cure and diligently prosecutes the cure to completion within ninety (90) days.

501. Effect of Termination. In the event this Agreement is terminated as provided in this Section 500, no party shall have any rights, obligations, or liabilities hereunder following such termination, except as provided in Section 701.

600. SITE ACCESS

601. Developer Access to the Site. Commencing as of the date City and Site Owner enter into a City/Site Owner Purchase Agreement, Developer shall have access to the Site pursuant to the terms of the City/Site Owner Purchase Agreement.

602. Insurance. Prior to any entry upon the Site, or any portion thereof, and throughout the entire Term of this Agreement, Developer shall furnish or cause to be furnished to City (and Site Owner, if required pursuant to the City/Site Owner Purchase Agreement), evidence of the insurance coverage, policies, and endorsements required and specified in the City/Site Owner Purchase Agreement, and shall maintain, or cause to be maintained, such insurance pursuant to and as required by the City/Site Owner Purchase Agreement.

603. Indemnification. Developer does hereby indemnify and agree to defend (with counsel reasonably acceptable to City, and City shall not withhold its consent absent actual conflict of interest of Developer's proposed counsel), pay for, and hold harmless the Site Owner, City, and City's elected and appointed officials, officers, employees, contractors and agents from and against

any and all obligations, losses, injuries, damages, claims, liens, demands, liabilities and other costs and expenses, including, without limitation, reasonable attorneys' fees and costs, incurred in connection with or arising out of or resulting directly or indirectly from any action or inaction, any performance or failure to perform, any work or activity of Developer or by or through any of its employees, agents, contractors, representatives or consultants of Developer permitted pursuant to the City/Site Owner Purchase Agreement and/or the grant of access to Developer pursuant to the City/Site Owner Purchase Agreement.

700. PRE-DEVELOPMENT PLANS

701. Acquisition of Pre-Development Plans. The parties recognize that the Developer will cause certain design plans, engineering plans and other development plans and documents (the "Development Plans") to be prepared which Development Plans are to be submitted to the City of Oroville in connection with the Developer's attempt to obtain development entitlements and permits for the Project. In the event that this Agreement is terminated because either (A) City fails to approve and/or execute the DDA or (B) City fails to approve the Development Plans, then, at the option of the City, to the extent assignable by Developer, all such Development Plans shall be assigned to and shall become the property of the City, so long as concurrently with such assignment, City reimburses Developer in full for all of its actual, documented costs and expenses associated with the Development Plans and City agrees to pay directly to the applicable consultants any outstanding charges in connection with such Development Plans, including, without limitation, any applicable transfer fee. Developer shall use its best and commercially reasonable efforts to incorporate a pre-approval of the foregoing assignment in each applicable contract or to obtain the appropriate written consents to assignment from all applicable designers/architects/engineers and deliver them to City promptly upon City's request. Within ten (10) business days after written request from City staff from time to time, Developer shall provide to City documentation for costs associated with the Development Plans.

800. DISPOSITION AND DEVELOPMENT AGREEMENT

The parties acknowledge and agree that this Agreement states the intention of the parties to negotiate toward bringing a DDA to the City Council for consideration and action. The parties have not reached agreement on the specific terms and provisions of such DDA, and do not intend to be bound to any DDA terms or the Principles until a final written DDA is approved, if at all, and thereafter executed by all parties as described in this Section 800. With respect to the exclusive negotiations for the DDA, this Agreement is merely an agreement to enter into a period of negotiations according to the Principles and concepts presented herein, reserving final discretion and approval (or disapproval) by Developer, City, and any other boards, commissions or other public agencies with jurisdiction over the Project as to any actions required of them, if any, with respect to the DDA and all the entitlements. If the negotiations hereunder culminate in a DDA that involves the sale of the Site to Developer, such contract will become effective only after and if it has been considered and approved by City Council, acting in its sole and absolute discretion.

900. GENERAL PROVISIONS

901. Developer's Findings, Determinations, Studies, and Reports. Developer agrees to submit to City, upon request from time-to-time, without representation or warranty, true and

complete copies of any and all reports and analyses obtained or procured by Developer, and which are in Developer's possession or control, in order to keep City fully apprised as to any and all matters related to the Project, including, without limitation, financial feasibility analyses, construction cost estimates, marketing studies and similar due diligence matters (collectively, the "Diligence Materials"). Should negotiations not result in a DDA between City and Developer, City may, subject to City obtaining any requisite third party consents, use the Diligence Materials provided by Developer in any way deemed by City to be of reasonable relevance to the Site (and the Development Plans) for future use, so long as concurrently with the termination of this Agreement, City reimburses Developer in full for all of its actual, documented costs and expenses associated with the Diligence Materials and City agrees to pay directly to the applicable consultants any outstanding charges in connection with such Diligence Materials, including, without limitation, any applicable transfer fee and/or fees associated with recertification or reliance certificates in connection with the Diligence Materials; provided, however, it is expressly acknowledged and agreed that City shall not use or rely upon any Diligence Materials without first having received the requisite third party consents therefor at City's sole cost and expense and Developer shall bear no liability whatsoever in connection with the Diligence Materials.

902. Full Disclosure. Developer agrees to make continuing full disclosure to City of the methods of financing to be used in the Project, all pertinent information requested by City concerning or relating directly or indirectly to the Project, Developer, its lenders, equity investors, funding sources, consultants, and other participants with respect to the Project.

903. Provision of Additional Information and Data. Developer shall cooperate with City and provide such additional information and data relating to the Project, the financing, Developer, and other participants as City may reasonably request.

904. Real Estate Commissions. City and Developer each represent to the other that no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Each party shall indemnify, defend and hold the other free and harmless from and against any and all claims, costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying party in connection with this Agreement.

905. No City Liability for Costs. Developer acknowledges and agrees that City shall not have any responsibility to pay or reimburse Developer for costs and expenses incurred by Developer in connection with this Agreement, or the DDA, or the design, development or construction of the Project, or compliance by Developer with its obligations under this Agreement, or otherwise, except as provided in Sections 701 and 901 of this Agreement or unless City otherwise expressly assumes any such specific responsibility in the fully executed DDA.

906. Remedies. Except as expressly provided in this Agreement, each party agrees that it shall have no right to obtain any legal remedy, such as but not limited to monetary damages, including for reimbursement, lost profit or consequential damages, or any equitable remedy, such as but not limited to specific performance or injunctive relief, with respect to this Agreement, the proposed Project, the Development Plans, to enforce this Agreement or any provision hereof and

Developer expressly, intentionally and voluntarily waives any right it may have to file a notice of *lis pendens* against the Site, or any part thereof.

907. Interpretation. Wherever required by the context of this Agreement, the singular shall include the plural and the feminine shall include the masculine and vice versa. The words “include”, “including” and “included” wherever used in this Agreement shall be construed to be followed by the words: “without limitation”.

908. Notices. All notices or submittals required or permitted hereunder shall be delivered in person, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested to such party at its address shown below, or to any other place designated in writing by such party.

To City: City of Oroville
1735 Montgomery Street
Oroville, California 95965
Attention: City Administrator

Copy to: City of Oroville
1735 Montgomery Street
Oroville, California 95965
Attention: Scott Huber, Esq.

To Developer: Jamboree Housing Corporation
17701 Cowen Avenue, Suite 200
Irvine, California 92614
Attention: Laura Archuleta and Victoria Ramirez

Copy to: Rutan & Tucker, LLP
611 Anton Boulevard, Suite 1400
Costa Mesa, California 92626
Attention: Patrick D. McCalla, Esq.

Any such notice or submittal shall be deemed received upon delivery, if delivered personally, one (1) business day after delivery to the courier if delivered by nationally recognized overnight courier, and three (3) business days after deposit into the United States mail if delivered by registered or certified mail.

909. Assignments. Except as expressly set forth below, without the express written consent of City, which consent may be withheld in its sole and absolute discretion, Developer shall not assign, sell, convey, hypothecate or otherwise transfer this Agreement in whole or in part, or any of Developer’s rights under this Agreement to any person or entity; provided, however, notwithstanding the foregoing or any provision to the contrary set forth herein, after prior written notice to City, together with a copy of the applicable organizational documents for the assignment, including the partnership or operating agreement for a partnership or limited liability company assignee, as applicable, Developer may assign its rights and obligations under this Agreement to any entity that directly or indirectly controls, is controlled by, or is under common control with

Developer or to any other entity in which Developer or an affiliate of Developer is the managing general partner or managing member, as applicable.

910. No Third Party Beneficiaries. Execution of this Agreement is not intended to confer any third party beneficiary rights in or create any liability on the part of any party to any third parties.

911. Governing Law/Exclusive Venue. This Agreement shall be interpreted in accordance with California law, without giving effect to choice of law provisions. The parties agree that in the event of litigation, exclusive venue shall be in the County of Butte, California, and the parties waive any objection to such forum as inconvenient or inappropriate.

912. Counterparts. This Agreement may be signed in one or more counterparts, each complete set of which shall constitute an original and all of which together shall constitute one and the same agreement.

913. Relationship to Other Laws. This Agreement shall be interpreted to only require the performance of acts that are consistent with federal, state and local laws, regulations and ordinances.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set opposite their signatures.

CITY OF OROVILLE,
a California municipal corporation

By: Janet Goodson
Janet Goodson, Vice Mayor

ATTEST:
Donald Rust
Donald Rust, Acting City Clerk

APPROVED AS TO FORM:
Scott Huber
Scott Huber, City Attorney

JAMBOREE HOUSING CORPORATION, a
California nonprofit public benefit corporation

By: _____
Print Name: Laura Archuleta
Title: President

Developer or to any other entity in which Developer or an affiliate of Developer is the managing general partner or managing member, as applicable.

910. **No Third Party Beneficiaries.** Execution of this Agreement is not intended to confer any third party beneficiary rights in or create any liability on the part of any party to any third parties.

911. **Governing Law/Exclusive Venue.** This Agreement shall be interpreted in accordance with California law, without giving effect to choice of law provisions. The parties agree that in the event of litigation, exclusive venue shall be in the County of Butte, California, and the parties waive any objection to such forum as inconvenient or inappropriate.

912. **Counterparts.** This Agreement may be signed in one or more counterparts, each complete set of which shall constitute an original and all of which together shall constitute one and the same agreement.

913. **Relationship to Other Laws.** This Agreement shall be interpreted to only require the performance of acts that are consistent with federal, state and local laws, regulations and ordinances.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set opposite their signatures.

CITY OF OROVILLE,
a California municipal corporation

By: _____
Don Rust, Acting City Administrator

ATTEST:

Don Rust, Acting City Clerk

APPROVED AS TO FORM:

Scott Huber, City Attorney

JAMBOREE HOUSING CORPORATION, a
California nonprofit public benefit corporation


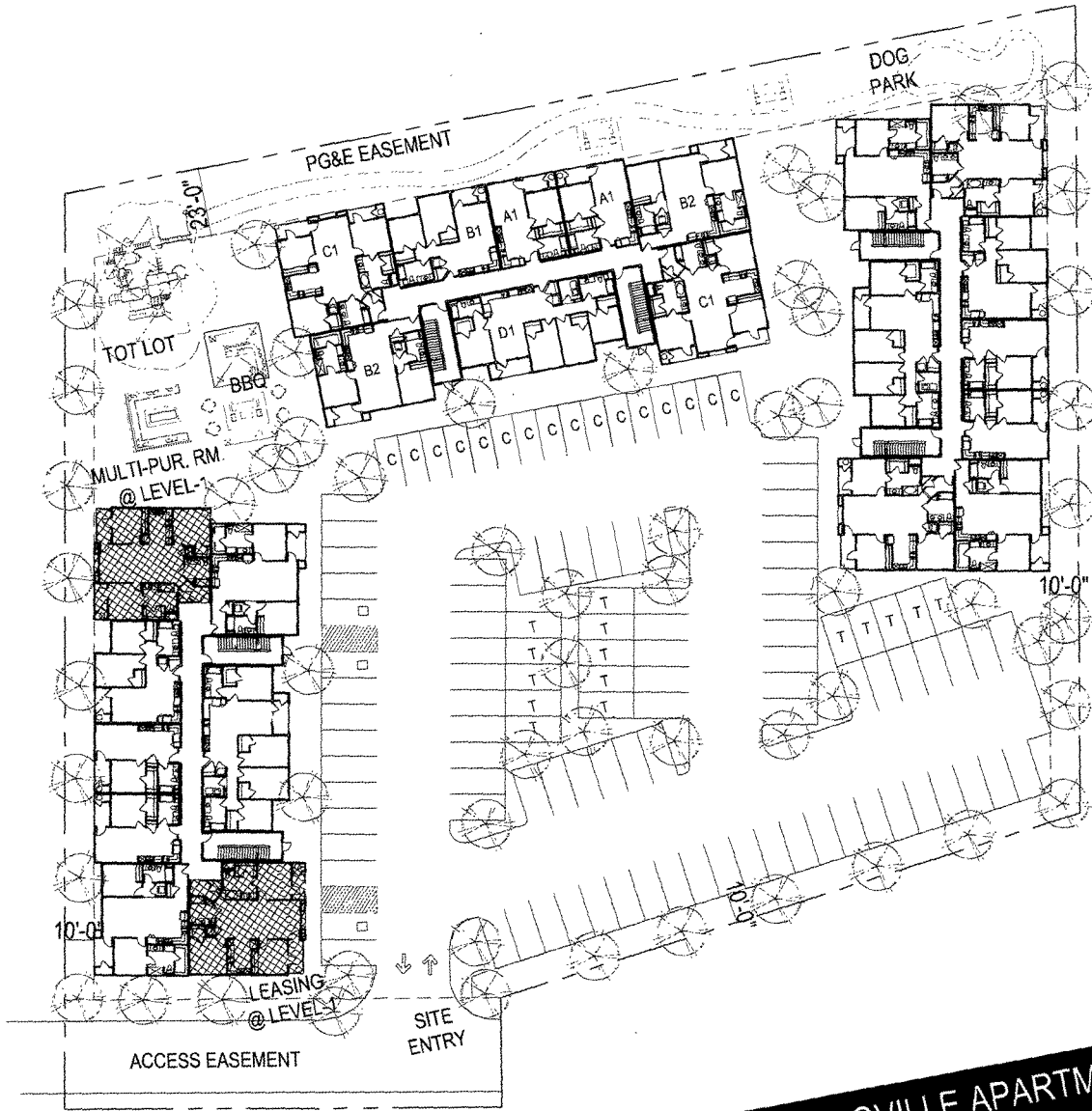
By: 
Print Name: Laura Archuleta
Title: President

EXHIBIT "A"

SITE MAP



SITE SUMMARY:

GROSS SITE AREA:	2.46 (+/- AC)	
TOTAL RES. UNITS: (3-STORY BUILDING)	70 UNITS	
GROSS DENSITY:	28.5 (DU/AC)	
LEASING:	1,470 SF	
MULTI PUR. RM:	1,470 SF	
1-BEDROOM:	18 UNITS	25.7% NET S.F. 654 S.F.
2-BEDROOM:	27 UNITS	38.6% 930/ 1,103 S.F.
3-BEDROOM:	16 UNITS	22.9% 1,353 S.F.
4-BEDROOM:	9 UNITS	12.8% 1,517 S.F.
TOTAL	70 UNITS	
PARKING REQ: PER CODE:	114 SPACES	
PARKING PROV: SURFACE: (INCLUDING 16 COMP. & 15 TANDEMS)	114 SPACES	



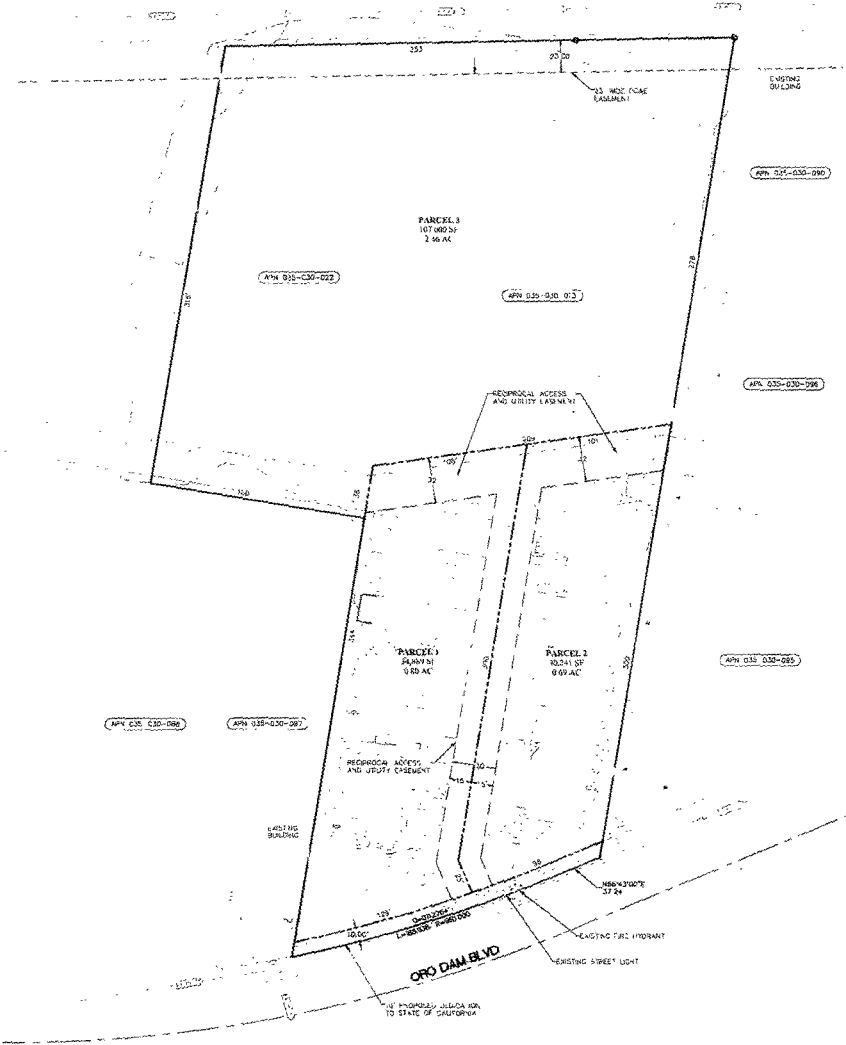
SITE PLAN

OROVILLE APARTMENTS
 LAMBOREE HOUSING
 PLAN# 16154

HUMPHREYS & PARTNERS ARCHITECTS
 5330 N. PARK ROAD, SUITE 800, DALLAS, TEXAS 75246-9724 (972) 354-1000
 200 S. DAVENPORT, NEW ORLEANS, NEW YORK, NEW YORK, NEW YORK, NEW YORK
 SAN ANTONIO, SOUTH BEND, INDIANAPOLIS, TORONTO, VANCOUVER
 www.humphreys.com



SCALE 1"=40'

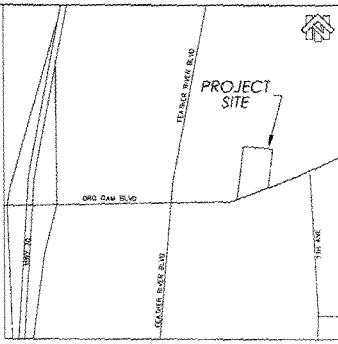


NOTES

- 1 OWNER: VALLEY STAR PARTNERS, LLC
227 STERSON BLVD
WEST SACRAMENTO CA 95691
- 2 DEVELOPER: CINCERON PROPERTIES, INC
1057 JEFFERSON BLVD
WEST SACRAMENTO CA 95691
- 3 PROJECT SURVEYOR: NORTHSTAR ENGINEERING WIRE - NATS PLUS 6867
- 4 ZONING: C-2 INTENSIVE COMMERCIAL
- 5 GENERAL PLAN: MIXED USE
- 6 LAND USE: EXISTING - VACANT
PROPOSED - COMMERCIAL
- 7 SETBACK: CITY OF OROVILLE / SDOOP
- 8 STORM DRAINAGE: ON SITE QUALITY/QUANTITY INVESTIGATION (SPLIT-WATER TRENCHES)
- 9 WATER: CALIFORNIA WATER SERVICE
- 10 POWER: PG&E
- 11 UTILITIES: AT&T
- 12 CURB: 5' TV CONCRT
- 13 THERE ARE NO EXISTING STRUCTURES, WELLS OR SEPTIC SYSTEMS ON THE SITE
- 14 EASEMENT: ALL UTILITIES WILL BE MOVED TO GRAB TOWARD THE INTERIOR PARCELS/ACCESS AREAS
- 15 CONTIGUOUS INTERVALS: 1"
- 16 EXCEPTION FROM CITY DESIGN STANDARDS:
A) DEPT. TO VERIFY THAT PARCELS 1 AND 2 EXCEED THE 3:1 SLOPE TO NEAR GRADE. THE PROPOSED PARCELS DESIGN MUST MEET THE COMMERCIAL DEVELOPMENT PLAN.
- 17) LOT FRONTAGE: PARCEL 3 DOES NOT FRONT ON A PUBLIC OR PRIVATE STREET. THE PROPOSED PARCELS DESIGN MUST MEET THE COMMERCIAL DEVELOPMENT PLAN. A RECREATION ACCESS EASEMENT WILL BE ESTABLISHED TO INSURE ACCESS TO ALL PARCELS. FUTURE DEVELOPMENT OF PARCEL 3 SHALL BE SUBJECT TO AVOIDING ACCESS TO AND FROM FLETCHER RIVER CORRIDOR.

AREAS

TOTAL AREA = 3.95 ACRES
 NUMBER OF PROPOSED LOTS = 3 COMMERCIAL
 TRACTS OF COMMERCIAL LOT AREAS = 30,241 SF TO 107,000 SF
 AVERAGE COMMERCIAL LOT SIZE = 57,354 SF /
 PROPOSED DENSITY = 1.32 LOTS/ACRE
 PROPOSED DEDICATION = 0.00 ACRES



LOCATION MAP

LEGEND

- FOUND MONUMENT
- EXISTING WATER METER
- EXISTING POWER POLE
- EXISTING STORM DRAIN INLET
- EXISTING HOISTING VALVE
- EXISTING WATER VALVE
- EXISTING SIGN
- EXISTING STREET LIGHT
- EXISTING FENCE LINE
- EXISTING SANITARY SEWER MANHOLE
- EXISTING TREE (L" IN SIZE)
- EXISTING GROUND CONTOURS
- EXISTING UNDERGROUND STORM DRAIN LINE
- EXISTING UNDERGROUND SEWER LINE
- EXISTING OVERHEAD POWER LINES
- EXISTING FENCE LINE
- EXISTING EDGE OF PAVEMENT
- EXISTING EASEMENT
- EXISTING PROPERTY LINE FOR SURROUNDING PARCELS
- PROPERTY BOUNDARY
- PROPOSED PROPERTY LINE
- PROPOSED EASEMENT
- APN 035-030-090 - ASSESSOR'S PARCEL NUMBER

TENTATIVE PARCEL MAP FOR VALLEY STAR PARTNERS, LLC.

A PORTION OF LOT 3 AND ALL OF LOT 4 SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF SEEM INDUSTRIAL TRACT SHOWN IN BOOK 17 OF MAPS, AT PAGES 34 AND 35"

CITY OF OROVILLE
 COUNTY OF BUTTE STATE OF CALIFORNIA

NORTHSTAR ENGINEERING
 ROBYN L. KALPMANN
 REC 73243



NORTHSTAR ENGINEERING
 WIRE - NATS
 P. 56867



NorthStar
 ENGINEERING
 111 NISSON BLVD
 OROVILLE, CA 95966
 PHONE: (530) 886-9009
 WWW: NS-ENG.COM

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

<u>Item of Performance</u>	<u>Time for Completion</u>
1. AHSC Concept Application Submittal	
2. AHSC Full Application Submittal	
3. State HOME Application	
4. AHSC Award	
5. State HOME Award	
6. CDLAC/TCAC Applications	
7. CDLAC/TCAC Allocations	
8. Start Construction	
9. Complete Construction	

**CITY OF OROVILLE
RESOLUTION NO. 8674**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE VICE MAYOR TO EXECUTE A COMMITMENT LETTER WITH JAMBOREE HOUSING CORPORATION FOR A LOAN FOR THE REPAYMENT OF CITY DEVELOPMENT PERMIT AND IMPACT FEES

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Vice Mayor is hereby authorized and directed to execute a commitment letter with Jamboree Housing Corporation for a loan for the repayment of City development permit and impact fees. A copy of the commitment letter, with the terms and conditions, is attached to this Resolution.

2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on December 5, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

/
/
/
/

Janet Goodson, Vice Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk



City of Oroville

Janet Goodson
Vice Mayor

OFFICE OF THE MAYOR

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2402 FAX (530) 538-2426
www.cityoforoville.org

December 6, 2017

Jamboree Housing Corporation
17701 Cowan Avenue, Suite 200
Irvine, CA 92614
Attn: Vicky Ramirez

Re: Jamboree Family Apartments – 70 Affordable Unit Housing Apartment Development Located in Oroville, California (“Property”)

Dear Ms. Finamore:

The City of Oroville, a California a municipal corporation, now commits itself, subject to the terms of this letter, to make one or more mortgage loans ("Loans") on the following terms and conditions:

Borrower: Jamboree Housing Corporation, a California nonprofit public benefit corporation.

Loan Amount: \$816,981, in the form of a promissory note and the donation of land for the development of a 70-unit affordable housing development (“Project”).

Use To cover land/permit/impact and ancillary City fees related to the development of the Project.

Term: 55 years

Annual Payments: 4% of residual cash flow, per State Housing and Community Development Department UMR Section 8314 Cash Flow/Residual Receipts Distribution requirements.

Interest Rate: 3% per annum simple interest.

Non-Recourse: The Loan shall be non-recourse to Borrower and the partners of Borrower, subject to customary non-recourse carve-outs for

losses incurred by the City resulting from fraud, misappropriation, willful misrepresentation, and bad faith waste.

Prepayment Fee: None

Assumption: The Loans may be accelerated by the City upon a transfer or conveyance of title to the Property (or any portion thereof), except as otherwise provided in the Deed(s) of Trust (as hereinafter defined).

Collateral: The Loan or loans will be secured by a one or more deeds of trust (collectively, "Deed(s) of Trust") encumbering the Property. The Deed of Trust shall be subordinate to the lien of deed of trust securing a construction and permanent loan from an institutional lender (the "First Deed of Trust" and deed of trust securing a permanent loan from State HCD ("Second Deed of Trust)). The City agrees to execute and deliver the institutional lender's standard form of subordination agreements in order to evidence the subordination to the First and Second Deeds of Trust, provided that City receives customary notice and cure rights acceptable to the senior lenders.

Loan Documents: The Loan shall be evidenced by a promissory note and secured by a Deed of Trust. Land Donation to be evidenced by a to be negotiated Disposition and Development Agreement ("DDA") between the City of Oroville and the Borrower.

Commitment Expiration Date: June 30, 2019

Special Terms and Conditions: The Loan or loans shall be funded at such time as Borrower has obtained commitments for the financing, investment equity and tax credits for the project to be developed on the Property. If requested by the first lien lender, the proceeds of the Loans will be held by the first lien lender and disbursed in accordance with the terms of the first lien lender's loan documents, except as otherwise required in writing by the City's outside funding sources, in which case the City loans funds limited by those provisions will be disbursed in accordance with the applicable requirements.

The City shall not be obligated to fund the Loan unless Borrower has reasonably satisfied or caused to be satisfied all of the conditions to close provided in this Commitment. The City may terminate this Commitment in the event the Loan has not closed on or before the Expiration Date referred to above.

This Commitment may not be modified or waived except in writing, and signed by the party to be bound thereby. This Commitment and all Loan Documents shall be governed by California law. This Commitment to make the Loan is personal to Borrower and is not assignable or transferable by Borrower, except that Borrower shall be able to assign this Commitment to a limited partnership in which Borrower (or a limited liability company controlled by Jamboree Housing Corporation) is the general partner.

Please indicate your acceptance of this Commitment by signing and returning the enclosed duplicate original copy.

Yours very truly,

CITY OF OROVILLE,
a California municipal corporation

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

The foregoing Commitment by the City to make the Loan is hereby accepted, and the undersigned agrees to accept the Loan, and to borrow the funds thereunder, in accordance with all of the terms and conditions set forth in this Commitment and subject only to Borrower obtaining a tax credit allocation, proper financing and investor equity for the development of the Property.

BORROWER:

By: Jamboree Housing Corporation
a California nonprofit public benefit corporation

By: _____
Marcy V. Finamore
Executive Vice President/Chief Financial Officer

Date: December ____, 2017

PERMIT FEES*			
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BUILDING FEES

Permit Fee	\$	20,557.00	
Building Plan Check Fee	\$	13,362.00	
Title 24 Energy Plan Review Fee	\$	2,055.70	
CALGreen Plan Review	\$	3,083.55	
Disable Access Plan Review	\$	3,083.55	
Geotechnical Review Fee	\$	85.00	
Fire Plan Check Fee	\$	2,672.41	
New Addressing	\$	210.00	
Subtotal		\$	45,109.21

MECHANICAL FEES

	\$	1,541.78	
Subtotal		\$	1,541.78

PLUMBING FEES

	\$	2,055.70	
Subtotal		\$	2,055.70

ELECTRICAL FEES

	\$	2,569.63	
Subtotal		\$	2,569.63

STATE FEES

Strong Motion Fee	\$	939.89	
Green Building Fee	\$	290.00	
Subtotal		\$	1,229.89

TECH COST RECOVERY

	\$	34,977.29	
Subtotal		\$	34,977.29

TOTAL FEES

	\$		87,483.50
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IMPACT FEES*			
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Drainage Fee (\$990 per unit)	\$	69,300.00	
Subtotal		\$	69,300.00

SEWER

SC-OR Sewer Connection Fee	\$	471,298.00	
City Tap Connection Fee	\$	331.32	
Subtotal		\$	471,629.32

Jamboree Oroville Permit-Impact Fee Estimate

OTHER IMPACT FEES

Law Enforcement	\$	19,690.00	
Fire Suppression/Protection	\$	23,210.00	
Traffic/Circulation System	\$	103,045.00	
Storm Drainage System	\$	53,388.00	
Sewer Collection	\$	127,374.00	
General Government Admin	\$	44,690.00	
Park Development	\$	159,950.00	
Subtotal			\$ 531,347.00

PUBLIC WORKS FEES

Estimate	\$	25,000.00	
Subtotal			\$ 25,000.00

FIRE DEPARTMENT FEES

Plan Review	\$	15,820.00	
Inspection	\$	12,880.00	
Green Fees (EST)	\$	15,000.00	
Strong Motion Fees	\$	939.89	
Administrative Fees	\$	43.01	
Technology Cost Recovery Fee	\$	1,734.58	
Subtotal			\$ 46,417.48

SCHOOL FEES

\$3.48 per Res. Sq Ft.	\$	259,322.64	
Subtotal			\$ 259,322.64

FEATHER RIVER REC & PARK DISTRICT FEE

	\$	74,410.00	
Subtotal			\$ 74,410.00

FEES PAID DIRECTLY TO CITY

	\$		742,709.52
Contingency	10%	\$	74,270.95
		\$	816,980.48

FEES THAT CANNOT BE WAIVED \$ 562,877.78**

SC-OR Sewer Connection Fee	\$	471,298.00	
Feather River Rec & Park District Fee	\$	74,410.00	
State Strong Motion Fee	\$	939.89	
State Green Building Fee	\$	290.00	
Fire Dept Green Fees	\$	15,000.00	
Fire Dept Strong Motion Fees	\$	939.89	

FEES PAID TO SCHOOL DISTRICT \$ 259,322.64

TOTAL FEES \$ 1,639,180.90

* Based on Estimate provided by the City of Oroville 10/02/2017

**Based on City Feedback 10/11/2017.

 Estimates

Jamboree Oroville Fam Apts City of Oroville

Initial Proforma

10/10/17

Project Data

Address	Feather River Blvd /Oro Dam Blvd E
Total Units	70
Zip Code	95965
Land Area	2.47 Acres
Units Per Acre	28.34
QCT/DDA	YES
Opporunity Index	0
Amenities Score	
2nd Tiebreaker	
4% or 9% Financing	4.00%
Federal Tax Credit Price	\$0.93
State Tax Credit Price	

Operating Economic Assumptions

Vacancy Rate	5.00%
Income Inflator	3.00%
Expense Inflator	3.00%
Tax Inflator	1.00%

Construction Loans

Construction Period	16 Months
Loan Amount	21,000,000
Loan Fees	0.75%
Loan Rate	3.95%

Permanent Loans	Fee	Interest	Amortization	Amount
Permanent Loan	0.75%	5.60%	420	2,931,123
Overhang Tranche	0.75%	5.60%	180	0

BEDROOMS	SF	UNIT MIX UNITS	MGR	PERCENT	MONTHLY UTILITY ALLOWANCE	ANNUAL GROSS INCOME	AVERAGE RENT/SF PER MONTH
0	0	0	0	0%	0	0	0.00
1	654	18	0	26%	66	105,504	0.75
2	930	27	0	39%	81	178,488	0.59
3	1,353	15	1	23%	95	129,420	0.53
4	1,517	9	0	13%	109	81,948	0.50
TOTAL		69	1	100%		495,360	2.37

PERMANENT SOURCES	PERCENT	TOTAL	DEBT SERVICE	
Net Investor Equity	\$0.93	36%	8,849,804	N/A
Permanent Loan		12%	2,931,123	191,198
AHSC		39%	9,371,466	N/A
City of Oroville Impact Fee Note		3%	835,502	N/A
State HOME		7%	1,742,385	N/A
City of Oroville Land Donation		2%	400,000	N/A
Deferred Developer Fee		1%	199,300	N/A
TOTAL SOURCES	100%	24,329,580	191,198	

AMI	NO. UNITS	PERCENT
30%	18	26%
35%	0	0%
45%	0	0%
50%	36	51%
55%	0	0%
60%	15	21%
MGR	1	1%
TOTAL	70	100%

USES OF FUNDS	PERCENT	TOTAL	PER UNIT
Land / Acquisition Costs	2%	400,000	5,714
Total Hard Costs		14,715,115	210,216
Hard Cost Contingency	8.83%	1,300,000	18,571
Construction Interest		1,025,100	14,644
Loan Fees		295,518	4,222
Soft Costs		4,872,924	69,613
Soft Costs Contingency	6.59%	320,924	4,585
Developer Fee		1,400,000	20,000
TOTAL DEVELOPMENT COSTS		24,329,580	347,565

STABILIZED CASH FLOW

INCOME	PER UNIT	TOTAL
Gross Potential Rental Income	7,077	495,360
Laundry Income	108	7,560
Subsidy Income	4,080	285,588
Vacancy and Collection	(563)	(39,425)
EFFECTIVE GROSS INCOME	10,701	749,083

EXPENSES	PERCENT	TOTAL
Management Fee		600
Real Estate Taxes	1.00%	136
Insurance - Property		250
Operating Expenses		4,974
Social Services		1,000
Reserves		600
TOTAL EXPENSES		7,560

NET OPERATING INCOME 3,141 219,877**TOTAL DEBT SERVICE** 191,198**NET CASH FLOW** 28,680

Stabilized DSC

BASIS CALCULATIONS

Threshold Adjusted Basis	27,136,844
Req. Unadjusted Eligible Basis	22,734,998

Qualified Basis	22,735,486
DDA/QCT Boost	130%
Adjusted Qualified Basis	29,556,132
Credit Rate	3.22%
Total Available Annual Credits	951,707
Total Requested Credits	951,687

NOTES

Assumes:
Prevailing Wage

Jamboree Oroville Fam Apts

Sources & Uses

City of Oroville
Initial Proforma
10/10/17

PERMANENT SOURCES	PERCENT	BEGINNING BALANCE		YR 15 ENDING BALANCE	
		TOTAL	PER UNIT	TOTAL	PER UNIT
Net Investor Equity	36%	8,849,804	126,426	0	0
Permanent Loan	12%	2,931,123	41,873	2,281,631	32,595
Overhang Tranche	0%	0	0	0	0
Fixed Rate Mortgage (3)	0%	0	0	0	0
Accrual Mortgage	0%	0	0	0	0
Variable Interest Mortgage	0%	0	0	0	0
AHSC	39%	9,371,466	133,878	13,154,934	187,928
City of Oroville Impact Fee Note	3%	835,502	11,936	946,504	13,521
State HOME	7%	1,742,385	24,891	1,742,385	24,891
City of Oroville Land Donation	2%	400,000	5,714	400,000	5,714
Deferred Developer Fee	1%	199,300	2,847	0	0
General Partner Equity	0%	0	0	0	0
Land Donation	0%	0	0	0	0
Other	0%	0	0	0	0
Interest on Surplus Funds	0%	0	0	0	0
NOI During Construction	0%	0	0	0	0
TOTAL SOURCES	100%	24,329,580	347,565	18,525,453	264,649

USES OF FUNDS	TOTAL	ACQUISITION	NEW OR REHAB COST	ELIGIBLE HISTORIC	ELIGIBLE STATE	NOT ELIGIBLE	TOTAL
							PER UNIT
Land at \$161,943 Per Acre or \$3.72 Per SF	400,000	0	0	0	0	400,000	5,714
Existing Structure/Demolition	0	0	0	0	0	0	0
Other Acquisition Costs	0	0	0	0	0	0	0
Hard Cost Residential	14,715,115	210,216	11,050,000	0	11,050,000	0	157,857
Site Improvements			1,985,370	0	1,985,370	0	28,362
General Conditions, Profit & Overhead	10.86%	1,415,107	0	1,415,107	0	1,415,107	20,216
GC Bond / Insurance / Letter of Credit	2.03%	264,638	0	264,638	0	264,638	3,781
Hard Cost Contingency	8.83%	1,300,000	0	1,300,000	0	1,300,000	18,571
Construction Interest (3.95%) at Perm. Rate + -1	3.95%	1,020,581	0	624,740	0	624,740	395,841
Bridge Interest at	10.00%	4,519	0	0	0	4,519	65
Construction Loan Fees		248,500	0	248,500	0	248,500	3,550
Permanent Loan Fees		46,984	0	0	0	46,984	671
Bridge Loan Fees		34	0	34	0	34	0
4% Related Costs / Cost of Issuance		330,900	0	0	0	330,900	4,727
Accounting & Audit		35,000	0	35,000	0	35,000	500
Appraisal / Market Study		17,600	0	17,600	0	17,600	251
Architecture (Architect, Landscape Architect)		1,075,000	0	1,075,000	0	1,075,000	15,357
Civil Engineering		175,000	0	175,000	0	175,000	2,500
Construction Manager		195,000	0	195,000	0	195,000	2,786
Consultants (CM, Geo, LEED, Utilities, exc.)		275,000	0	275,000	0	275,000	3,929
Environmental (EIR, Phase I, Asbestos, exc.)		35,000	0	35,000	0	35,000	500
Financial Advisor / Syndication Consultant		0	0	0	0	0	0
Furnishings		115,000	0	115,000	0	115,000	1,643
Impact Fees-Permit Fees		1,640,864	0	1,640,864	0	1,640,864	23,441
Lease-up & Marketing Expenses		100,000	0	0	0	100,000	1,429
Legal		210,000	0	165,000	0	165,000	3,000
MHSA Construction Period Fees		0	0	0	0	0	0
Operating & Debt Service Reserve (-mo's / debt)		180,100	0	0	0	180,100	2,573
Other (Admin, Repro. & Reimb.)		35,000	0	35,000	0	35,000	500
Other (Bank Inspections)		0	0	0	0	0	0
Other (SHDC Fees)		0	0	0	0	0	0
Other (Operating Reserve)		0	0	0	0	0	0
Permit Fees		0	0	0	0	0	0
Property Taxes and Insurance		237,500	0	207,500	0	207,500	3,393
Transit Pass Reserve		120,960	0	120,960	0	120,960	1,728
Replacement Reserve		0	0	0	0	0	0
Soft Cost Contingency	6.59%	320,924	0	320,924	0	320,924	4,585
Tax Credit Fees (App., Mon., & Res.)		50,000	0	2,000	0	48,000	714
Title & Recording		45,000	0	32,250	0	32,250	643
Developer Overhead		0	0	0	0	0	0
Developer Fee		1,400,000	0	1,400,000	0	1,400,000	20,000
TOTAL USES		24,329,580	0	22,735,486	0	22,735,486	1,594,094

Jamboree Oroville Fam Apts

Unit Mix & Targeting

City of Oroville
Initial Proforma
10/10/17

AVERAGE AFFORDABILITY 46%

AMI	NO. UNITS	PERCENT
30%	18	26%
35%	0	0%
40%	0	0%
45%	0	0%
50%	36	51%
55%	0	0%
60%	15	21%
TOTAL	69	99%

BEDROOMS	UNIT MIX			PERCENT	UTILITY ALLOWANCE	TOTAL NET MONTHLY RENT	GROSS ANNUAL INCOME
	UNITS	MGR					
0	0	0	0%	0	0	0	
1	18	0	26%	66	8,792	105,504	
2	27	0	39%	81	14,874	178,488	
3	15	1	23%	95	10,785	129,420	
4	9	0	13%	109	6,829	81,948	
TOTAL	69	1	100%		41,280	495,360	

VLI, LI SLI, MKT	UNIT DESCRIPTION	PERCENT	NO. OF UNITS	NO. OF BEDROOMS	SET-ASIDE	SF PER UNIT	MONTHLY CONTRACT RENT	UTILITY ALLOWANCE	PER UNIT NET RENT	MONTHLY INCOME	GROSS ANNUAL INCOME	RENT/SF PER YEAR
VLI	4 UNITS @ 30% 2017 TCAC	5.7%	4	1	30%	654	352	66	286	1,144	13,728	5.25
VLI	11 UNITS @ 50% 2017 TCAC	15.7%	11	1	50%	654	587	66	521	5,731	68,772	9.56
LI	3 UNITS @ 60% 2017 TCAC	4.3%	3	1	60%	654	705	66	639	1,917	23,004	11.72
VLI	10 UNITS @ 30% 2017 TCAC	14.3%	10	2	30%	930	423	81	342	3,420	41,040	4.41
VLI	11 UNITS @ 50% 2017 TCAC	15.7%	11	2	50%	930	705	81	624	6,864	82,368	8.05
LI	6 UNITS @ 60% 2017 TCAC	8.6%	6	2	60%	930	846	81	765	4,590	55,080	9.87
VLI	2 UNITS @ 30% 2017 TCAC	2.9%	2	3	30%	1,353	488	95	393	786	9,432	3.49
VLI	9 UNITS @ 50% 2017 TCAC	12.9%	9	3	50%	1,353	814	95	719	6,471	77,652	6.38
LI	4 UNITS @ 60% 2017 TCAC	5.7%	4	3	60%	1,353	977	95	882	3,528	42,336	7.82
VLI	2 UNITS @ 30% 2017 TCAC	2.9%	2	4	30%	1,517	545	109	436	872	10,464	3.45
VLI	5 UNITS @ 50% 2017 TCAC	7.1%	5	4	50%	1,517	908	109	799	3,995	47,940	6.32
VLI	2 UNITS @ 60% 2017 TCAC	2.9%	2	4	60%	1,517	1,090	109	981	1,962	23,544	7.76
VLI	1 UNITS @ 0% MGR	1.4%	1	3	0%	650	MGR					
TOTAL OR AVERAGE			70		46%	71,480	8,440		7,387	41,280	495,360	7.01

Jamboree Oroville Fam Apts

Overhang Tranche Unit Mix & Targeting

Version: City of Oroville
Revised: Initial Proforma
10/10/17

AVERAGE AFFORDABILITY 47%

AMI	NO. UNITS	PERCENT
30%	18	26%
35%	0	0%
40%	0	0%
45%	0	0%
50%	36	52%
55%	0	0%
60%	15	22%
TOTAL	69	100%

BR	UNIT MIX			PERCENT	UTILITY ALLOWANCE	NET MONTHLY RENT	GROSS ANNUAL INCOME
	UNITS	MGR					
0	0	0	0%	0	0	0	
1	18	0	26%	66	0	40,080	
2	27	0	39%	81	0	85,248	
3	15	0	22%	95	0	89,280	
4	9	0	13%	109	0	70,980	
TOTAL	69	0	100%		0	285,588	

UNIT DESCRIPTION	PERCENT	NO. OF UNITS	NO. OF BEDROOMS	SET-ASIDE	SF PER UNIT	TCAC RENT	UTILITY ALLOWANCE	NET TCAC RENT	PUBLIC SUBSIDY RENT (FMR)	NET MONTHLY RENT	GROSS ANNUAL INCOME	RENT/SF PER YEAR
4 UNITS @ 30% S8	5.7%	4	1	30%	654	352	0	352	740	388	18,624	7.12
11 UNITS @ 50% S8	15.7%	11	1	50%	654	587	0	587	740	153	20,196	2.81
3 UNITS @ 60% S8	4.3%	3	1	60%	654	705	0	705	740	35	1,260	0.64
10 UNITS @ 30% S8	14.3%	10	2	30%	930	423	0	423	895	472	56,640	6.09
11 UNITS @ 50% S8	15.7%	11	2	50%	930	705	0	705	895	190	25,080	2.45
6 UNITS @ 60% S8	8.6%	6	2	60%	930	846	0	846	895	49	3,528	0.63
2 UNITS @ 30% S8	2.9%	2	3	30%	1,353	488	0	488	1,310	822	19,728	7.29
9 UNITS @ 50% S8	12.9%	9	3	50%	1,353	814	0	814	1,310	496	53,568	4.40
4 UNITS @ 60% S8	5.7%	4	3	60%	1,353	977	0	977	1,310	333	15,984	2.95
2 UNITS @ 30% S8	2.9%	2	4	30%	1,517	545	0	545	1,525	980	23,520	7.75
5 UNITS @ 50% S8	7.1%	5	4	50%	1,517	908	0	908	1,525	617	37,020	4.88
2 UNITS @ 60% S8	2.9%	2	4	60%	1,517	1,090	0	1,090	1,525	435	10,440	3.44
TOTAL OR AVERAGE			69		47%	70,830	8,440	8,440		4,970	285,588	4.20

55 Year Cash Flow Projection
 Project: Jamboree Oroville Family Housing

	Growth Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Income																
Gross Potential Rental Income	2.5%	\$503,020	\$515,596	\$528,485	\$541,698	\$555,240	\$569,121	\$583,349	\$597,933	\$612,881	\$628,203	\$643,908	\$660,006	\$676,506	\$693,419	\$710,754
Section 8 Subsidy Income	2.5%	\$285,588	\$292,728	\$300,046	\$307,547	\$315,236	\$323,117	\$331,195	\$339,474	\$347,961	\$356,660	\$365,577	\$374,716	\$384,084	\$393,686	\$403,528
Gross Potential Income	2.5%	\$788,608	\$808,323	\$828,531	\$849,245	\$870,476	\$892,238	\$914,544	\$937,407	\$960,842	\$984,863	\$1,009,485	\$1,034,722	\$1,060,590	\$1,087,105	\$1,114,282
Vacancy	10.0%	\$39,525	\$40,416	\$41,427	\$42,462	\$43,524	\$44,612	\$45,727	\$46,870	\$48,042	\$49,243	\$50,474	\$51,736	\$53,030	\$54,355	\$55,714
Effective Gross Income		\$749,083	\$767,907	\$787,105	\$806,782	\$826,952	\$847,626	\$868,816	\$890,537	\$912,800	\$935,620	\$959,011	\$982,986	\$1,007,561	\$1,032,750	\$1,058,568
Expenses																
Property Management	3.0%	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529
Real Estate Taxes	2.0%	\$9,550	\$9,741	\$9,936	\$10,135	\$10,337	\$10,544	\$10,755	\$10,970	\$11,189	\$11,413	\$11,641	\$11,874	\$12,112	\$12,354	\$12,601
Property Insurance	3.5%	\$17,500	\$18,113	\$18,746	\$19,403	\$20,082	\$20,785	\$21,512	\$22,265	\$23,044	\$23,851	\$24,685	\$25,549	\$26,444	\$27,369	\$28,327
Operating Expenses	3.5%	\$308,795	\$319,603	\$330,789	\$342,367	\$354,349	\$366,752	\$379,588	\$392,873	\$406,624	\$420,856	\$435,586	\$450,831	\$466,610	\$482,942	\$499,845
AHSC Debt Service	0.0%	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360
Social Services & Social Services Coordinatio	3.0%	\$70,000	\$72,100	\$74,263	\$76,491	\$78,786	\$81,149	\$83,584	\$86,091	\$88,674	\$91,334	\$94,074	\$96,896	\$99,803	\$102,797	\$105,881
Replacement Reserve	0.0%	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
Total Expenses		\$529,205	\$544,176	\$559,652	\$575,649	\$592,185	\$609,279	\$626,949	\$645,214	\$664,096	\$683,614	\$703,791	\$724,649	\$746,211	\$768,501	\$791,543
NOI:		\$219,878	\$223,731	\$227,453	\$231,133	\$234,767	\$238,347	\$241,868	\$245,323	\$248,704	\$252,006	\$255,219	\$258,337	\$261,350	\$264,249	\$267,025
Hard Debt Service:		\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Available Cash Flow:		\$28,680	\$32,533	\$36,255	\$39,935	\$43,569	\$47,149	\$50,670	\$54,125	\$57,506	\$60,808	\$64,021	\$67,139	\$70,152	\$73,051	\$75,827
Debt Service Coverage		1.15	1.17	1.19	1.21	1.23	1.25	1.27	1.28	1.30	1.32	1.33	1.35	1.37	1.38	1.40
Cash Flow Waterfall																
LP Asset Management Fee		\$7,500	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	\$8,955	\$9,224	\$9,501	\$9,786	\$10,079	\$10,382	\$10,693	\$11,014	\$11,344
Payment		\$7,500	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	\$8,955	\$9,224	\$9,501	\$9,786	\$10,079	\$10,382	\$10,693	\$11,014	\$11,344
Available CF:		\$21,180	\$24,808	\$28,298	\$31,740	\$35,127	\$38,454	\$41,714	\$44,901	\$48,006	\$51,022	\$53,942	\$56,757	\$59,458	\$62,037	\$64,483
GP Asset Management Fee		\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689
Payment		\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689
Available CF:		\$6,180	\$9,358	\$12,384	\$15,349	\$18,245	\$21,065	\$23,804	\$26,452	\$29,004	\$31,450	\$33,783	\$35,993	\$38,072	\$40,009	\$41,794
Deferred Developer Fee		\$6,180	\$9,358	\$12,384	\$15,349	\$18,245	\$21,065	\$23,804	\$26,452	\$29,004	\$31,450	\$6,821				
Available CF:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$26,962	\$35,993	\$38,072	\$40,009	\$41,794
AHSC																
Interest 3%		\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144
Balance		\$9,371,466	\$9,652,610	\$9,933,754	\$10,214,898	\$10,496,042	\$10,777,186	\$11,058,330	\$11,339,474	\$11,620,618	\$11,901,762	\$12,172,391	\$12,439,497	\$12,705,793	\$12,971,334	\$13,236,178
Share of Cash Flow Payment: 39%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,515	\$14,037	\$14,848	\$15,603	\$16,300
Available CF:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,447	\$21,956	\$23,224	\$24,405	\$25,494
City of Oroville Impact Fee																
Interest 3%		\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065
Balance		\$835,502	\$860,567	\$885,632	\$910,697	\$935,762	\$960,827	\$985,892	\$1,010,957	\$1,036,022	\$1,061,088	\$1,086,153	\$1,111,218	\$1,136,283	\$1,161,348	\$1,186,413
Share of Cash Flow Payment: 4%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,078	\$1,440	\$1,523	\$1,606	\$1,672
Available CF:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,368	\$20,516	\$21,701	\$22,805	\$23,823
State HOME																
Interest 3%		\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272	\$52,272
Balance		\$1,742,385	\$1,794,657	\$1,846,928	\$1,899,200	\$1,951,471	\$2,003,743	\$2,056,014	\$2,108,286	\$2,160,557	\$2,212,829	\$2,263,213	\$2,312,965	\$2,362,572	\$2,412,043	\$2,461,389
Share of Cash Flow Payment: 7%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,887	\$2,520	\$2,665	\$2,801	\$2,926
Available CF:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,481	\$17,997	\$19,036	\$20,004	\$20,897
Cash Flow to Borrower	50%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,481	\$17,997	\$19,036	\$20,004	\$20,897

55 Year Cash Flow Projection
Project: Jamboree Oroville Family Housing

	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	Year 31	Year 32	Year 33	
Income																			
Gross Potential Rental Income	\$728,523	\$746,736	\$765,404	\$784,540	\$804,153	\$824,257	\$844,863	\$865,985	\$887,634	\$909,825	\$932,571	\$955,885	\$979,782	\$1,004,277	\$1,029,384	\$1,055,118	\$1,081,496	\$1,108,534	
Section 8 Subsidy Income	\$413,617	\$423,957	\$434,556	\$445,420	\$456,555	\$467,969	\$479,668	\$491,660	\$503,952	\$516,550	\$529,464	\$542,701	\$556,268	\$570,175	\$584,429	\$599,040	\$614,016	\$629,367	
Gross Potential Income	\$1,142,140	\$1,170,693	\$1,199,960	\$1,229,959	\$1,260,708	\$1,292,226	\$1,324,532	\$1,357,645	\$1,391,586	\$1,426,376	\$1,462,035	\$1,498,586	\$1,536,051	\$1,574,452	\$1,613,813	\$1,654,159	\$1,695,513	\$1,737,900	
Vacancy	\$57,107	\$58,535	\$59,998	\$61,498	\$63,035	\$64,611	\$66,227	\$67,882	\$69,579	\$71,319	\$73,102	\$74,929	\$76,803	\$78,723	\$80,691	\$82,708	\$84,776	\$86,895	
Effective Gross Income	\$1,085,033	\$1,112,158	\$1,139,962	\$1,168,461	\$1,197,673	\$1,227,615	\$1,258,305	\$1,289,763	\$1,322,007	\$1,355,057	\$1,388,933	\$1,423,657	\$1,459,248	\$1,495,729	\$1,533,123	\$1,571,451	\$1,610,737	\$1,651,005	
Expenses																			
Property Management	\$65,435	\$67,398	\$69,420	\$71,502	\$73,647	\$75,857	\$78,132	\$80,476	\$82,891	\$85,377	\$87,939	\$90,577	\$93,294	\$96,093	\$98,976	\$101,945	\$105,003	\$108,153	
Real Estate Taxes	\$12,853	\$13,110	\$13,372	\$13,640	\$13,913	\$14,191	\$14,475	\$14,764	\$15,059	\$15,361	\$15,668	\$15,981	\$16,301	\$16,627	\$16,959	\$17,299	\$17,644	\$17,997	
Property Insurance	\$29,319	\$30,345	\$31,407	\$32,506	\$33,644	\$34,821	\$36,040	\$37,301	\$38,607	\$39,958	\$41,357	\$42,804	\$44,302	\$45,853	\$47,458	\$49,119	\$50,838	\$52,617	
Operating Expenses	\$517,339	\$535,446	\$554,187	\$573,583	\$593,659	\$614,437	\$635,942	\$658,200	\$681,237	\$705,080	\$729,758	\$755,300	\$781,735	\$809,096	\$837,414	\$866,724	\$897,059	\$928,456	
AHSC Debt Service	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	
Social Services & Social Services	\$109,058	\$112,329	\$115,699	\$119,170	\$122,745	\$126,428	\$130,221	\$134,127	\$138,151	\$142,296	\$146,564	\$150,961	\$155,490	\$160,155	\$164,960	\$169,908	\$175,006	\$180,256	
Replacement Reserve	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	
Total Expenses	\$815,363	\$839,988	\$865,445	\$891,762	\$918,968	\$947,093	\$976,170	\$1,006,229	\$1,037,305	\$1,069,432	\$1,102,646	\$1,136,983	\$1,172,483	\$1,209,184	\$1,247,127	\$1,286,355	\$1,326,911	\$1,368,840	
NOI:	\$269,669	\$272,170	\$274,517	\$276,700	\$278,705	\$280,521	\$282,135	\$283,533	\$284,702	\$285,625	\$286,287	\$286,673	\$286,765	\$286,546	\$285,996	\$285,096	\$283,826	\$282,165	
Hard Debt Service:	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$191,198	\$0	\$0	\$0	
Available Cash Flow:	\$78,471	\$80,972	\$83,319	\$85,502	\$87,507	\$89,323	\$90,937	\$92,335	\$93,504	\$94,427	\$95,089	\$95,475	\$95,567	\$95,348	\$94,798	\$285,096	\$283,826	\$282,165	
Debt Service Coverage	1.41	1.42	1.44	1.45	1.46	1.47	1.48	1.48	1.49	1.49	1.50	1.50	1.50	1.50	1.50				
Cash Flow Waterfall																			
LP Asset Management Fee Payment																			
Available CF:	\$78,471	\$80,972	\$83,319	\$85,502	\$87,507	\$89,323	\$90,937	\$92,335	\$93,504	\$94,427	\$95,089	\$95,475	\$95,567	\$95,348	\$94,798	\$285,096	\$283,826	\$282,165	
GP Asset Management Fee Payment																			
Available CF:	\$55,102	\$56,902	\$58,527	\$59,965	\$61,205	\$62,232	\$63,033	\$63,594	\$63,900	\$63,935	\$63,683	\$63,126	\$62,248	\$61,029	\$59,449	\$248,687	\$246,325	\$243,539	
Deferred Developer Fee																			
Available CF:	\$55,102	\$56,902	\$58,527	\$59,965	\$61,205	\$62,232	\$63,033	\$63,594	\$63,900	\$63,935	\$63,683	\$63,126	\$62,248	\$61,029	\$59,449	\$248,687	\$246,325	\$243,539	
AHSC																			
Interest 3%	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	
Balance	\$13,495,832	\$13,754,785	\$14,013,103	\$14,270,861	\$14,528,135	\$14,785,009	\$15,041,570	\$15,297,912	\$15,554,135	\$15,810,344	\$16,066,652	\$16,323,177	\$16,580,044	\$16,837,387	\$17,095,346	\$17,279,502	\$17,464,579	\$17,650,743	
Share of Cash Flow Payment:	\$21,490	\$22,192	\$22,825	\$23,386	\$23,870	\$24,270	\$24,583	\$24,802	\$24,921	\$24,935	\$24,836	\$24,619	\$24,277	\$23,801	\$23,185	\$19,988	\$17,067	\$14,980	
Available CF:	\$33,612	\$34,710	\$35,701	\$36,579	\$37,335	\$37,961	\$38,450	\$38,792	\$38,979	\$39,000	\$38,846	\$38,507	\$37,971	\$37,228	\$36,264	\$151,699	\$150,258	\$148,559	
City of Oroville Impact Fee																			
Interest 3%	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	
Balance	\$1,201,961	\$1,224,750	\$1,247,474	\$1,270,140	\$1,292,757	\$1,315,333	\$1,337,876	\$1,360,398	\$1,382,907	\$1,405,415	\$1,427,932	\$1,450,472	\$1,473,047	\$1,495,671	\$1,518,358	\$1,533,476	\$1,548,688	\$1,564,012	
Share of Cash Flow Payment:	\$2,204	\$2,276	\$2,341	\$2,399	\$2,448	\$2,489	\$2,521	\$2,544	\$2,556	\$2,557	\$2,547	\$2,525	\$2,490	\$2,441	\$2,378	\$9,947	\$9,853	\$9,742	
Available CF:	\$31,408	\$32,434	\$33,360	\$34,180	\$34,887	\$35,472	\$35,929	\$36,249	\$36,423	\$36,443	\$36,299	\$35,982	\$35,481	\$34,786	\$33,886	\$141,752	\$140,405	\$138,817	
State HOME																			
Interest 3%	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	
Balance	\$ 2,509,803	\$ 2,558,091	\$ 2,606,266	\$ 2,654,340	\$ 2,702,327	\$ 2,750,243	\$ 2,798,102	\$ 2,845,922	\$ 2,893,720	\$ 2,941,517	\$ 2,989,330	\$ 3,037,183	\$ 3,085,097	\$ 3,133,097	\$ 3,181,207	\$ 3,216,070	\$ 3,251,099	\$ 3,286,323	
Share of Cash Flow Payment:	\$ 3,857	\$ 3,983	\$ 4,097	\$ 4,198	\$ 4,284	\$ 4,356	\$ 4,412	\$ 4,452	\$ 4,473	\$ 4,475	\$ 4,458	\$ 4,419	\$ 4,357	\$ 4,272	\$ 4,161	\$ 17,408	\$ 17,243	\$ 17,048	
Available CF:	\$ 27,551	\$ 28,451	\$ 29,263	\$ 29,983	\$ 30,602	\$ 31,116	\$ 31,516	\$ 31,797	\$ 31,950	\$ 31,967	\$ 31,841	\$ 31,563	\$ 31,124	\$ 30,514	\$ 29,725	\$ 124,344	\$ 123,162	\$ 121,769	
Cash Flow to Borrower	\$27,551	\$28,451	\$29,263	\$29,983	\$30,602	\$31,116	\$31,516	\$31,797	\$31,950	\$31,967	\$31,841	\$31,563	\$31,124	\$30,514	\$29,725	\$124,344	\$123,162	\$121,769	

55 Year Cash Flow Projection
 Project: Jamboree Oroville Family Housing

Income	Year 34	Year 35	Year 36	Year 37	Year 38	Year 39	Year 40	Year 41	Year 42	Year 43	Year 44	Year 45	Year 46	Year 47	Year 48	Year 49	Year 50	Year 51
Gross Potential Rental Income	\$1,136,247	\$1,164,653	\$1,193,770	\$1,223,614	\$1,254,204	\$1,285,559	\$1,317,698	\$1,350,641	\$1,384,407	\$1,419,017	\$1,454,492	\$1,490,855	\$1,528,126	\$1,566,329	\$1,605,487	\$1,645,625	\$1,686,765	\$1,728,934
Section 8 Subsidy Income	\$645,101	\$661,228	\$677,759	\$694,703	\$712,070	\$729,872	\$748,119	\$766,822	\$785,993	\$805,642	\$825,783	\$846,428	\$867,589	\$889,278	\$911,510	\$934,298	\$957,656	\$981,597
Gross Potential Income	\$1,781,348	\$1,825,882	\$1,871,529	\$1,918,317	\$1,966,275	\$2,015,432	\$2,065,817	\$2,117,463	\$2,170,399	\$2,224,659	\$2,280,276	\$2,337,283	\$2,395,715	\$2,455,608	\$2,516,998	\$2,579,923	\$2,644,421	\$2,710,531
Vacancy	\$89,067	\$91,294	\$93,576	\$95,916	\$98,314	\$100,772	\$103,291	\$105,873	\$108,520	\$111,233	\$114,014	\$116,864	\$119,786	\$122,780	\$125,850	\$128,996	\$132,221	\$135,527
Effective Gross Income	\$1,692,280	\$1,734,587	\$1,777,952	\$1,822,401	\$1,867,961	\$1,914,660	\$1,962,527	\$2,011,590	\$2,061,879	\$2,113,426	\$2,166,262	\$2,220,419	\$2,275,929	\$2,332,827	\$2,391,148	\$2,450,927	\$2,512,200	\$2,575,005
Expenses																		
Property Management	\$111,398	\$114,740	\$118,182	\$121,728	\$125,380	\$129,141	\$133,015	\$137,006	\$141,116	\$145,349	\$149,710	\$154,201	\$158,827	\$163,592	\$168,500	\$173,555	\$178,761	\$184,124
Real Estate Taxes	\$18,357	\$18,724	\$19,099	\$19,481	\$19,871	\$20,268	\$20,673	\$21,087	\$21,509	\$21,939	\$22,377	\$22,825	\$23,282	\$23,747	\$24,222	\$24,707	\$25,201	\$25,705
Property Insurance	\$54,459	\$56,365	\$58,338	\$60,380	\$62,493	\$64,680	\$66,944	\$69,287	\$71,712	\$74,222	\$76,820	\$79,508	\$82,291	\$85,171	\$88,152	\$91,238	\$94,431	\$97,736
Operating Expenses	\$960,952	\$994,586	\$1,029,396	\$1,065,425	\$1,102,715	\$1,141,310	\$1,181,256	\$1,222,600	\$1,265,391	\$1,309,679	\$1,355,518	\$1,402,961	\$1,452,065	\$1,502,887	\$1,555,488	\$1,609,930	\$1,666,278	\$1,724,597
AHSC Debt Service	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360	\$39,360
Social Services & Social Services	\$185,663	\$191,233	\$196,970	\$202,879	\$208,966	\$215,235	\$221,692	\$228,343	\$235,193	\$242,249	\$249,516	\$257,002	\$264,712	\$272,653	\$280,833	\$289,258	\$297,935	\$306,873
Replacement Reserve	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
Total Expenses	\$1,412,190	\$1,457,008	\$1,503,345	\$1,551,253	\$1,600,784	\$1,651,994	\$1,704,940	\$1,759,682	\$1,816,280	\$1,874,798	\$1,935,301	\$1,997,857	\$2,062,536	\$2,129,411	\$2,198,555	\$2,270,047	\$2,343,966	\$2,420,396
NOI:	\$280,090	\$277,579	\$274,607	\$271,148	\$267,177	\$262,666	\$257,587	\$251,908	\$245,600	\$238,629	\$230,961	\$222,561	\$213,393	\$203,417	\$192,593	\$180,880	\$168,234	\$154,609
Hard Debt Service:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Available Cash Flow:	\$280,090	\$277,579	\$274,607	\$271,148	\$267,177	\$262,666	\$257,587	\$251,908	\$245,600	\$238,629	\$230,961	\$222,561	\$213,393	\$203,417	\$192,593	\$180,880	\$168,234	\$154,609

Debt Service Coverage
Cash Flow Waterfall

LP Asset Management Fee Payment																		
Available CF:	\$280,090	\$277,579	\$274,607	\$271,148	\$267,177	\$262,666	\$257,587	\$251,908	\$245,600	\$238,629	\$230,961	\$222,561	\$213,393	\$203,417	\$192,593	\$180,880	\$168,234	\$154,609
GP Asset Management Fee Payment	\$39,785	\$40,979	\$42,208	\$43,474	\$44,778	\$46,122	\$47,505	\$48,931	\$50,398	\$51,910	\$53,468	\$55,072	\$56,724	\$58,426	\$60,178	\$61,984	\$63,843	\$65,759
Available CF:	\$240,305	\$236,600	\$232,399	\$227,674	\$222,399	\$216,545	\$210,081	\$202,977	\$195,201	\$186,718	\$177,493	\$167,490	\$156,669	\$144,991	\$132,415	\$118,896	\$104,390	\$88,850
Deferred Developer Fee																		
Available CF:	\$240,305	\$236,600	\$232,399	\$227,674	\$222,399	\$216,545	\$210,081	\$202,977	\$195,201	\$186,718	\$177,493	\$167,490	\$156,669	\$144,991	\$132,415	\$118,896	\$104,390	\$88,850
AHSC																		
Interest 3%	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144	\$281,144
Balance	\$17,838,168	\$18,027,037	\$18,217,546	\$18,409,897	\$18,604,305	\$18,800,997	\$19,000,209	\$19,202,192	\$19,407,208	\$19,615,532	\$19,827,453	\$20,043,276	\$20,263,319	\$20,487,917	\$20,717,419	\$20,952,194	\$21,192,625	\$21,439,118
Share of Cash Flow Payment:	\$93,719	\$92,274	\$90,636	\$88,793	\$86,736	\$84,452	\$81,932	\$79,161	\$76,128	\$72,820	\$69,222	\$65,321	\$61,101	\$56,547	\$51,642	\$46,370	\$40,712	\$34,652
Available CF:	\$146,586	\$144,326	\$141,763	\$138,881	\$135,663	\$132,092	\$128,149	\$123,816	\$119,073	\$113,898	\$108,271	\$102,169	\$95,568	\$88,445	\$80,773	\$72,527	\$63,678	\$54,199
City of Oroville Impact Fee																		
Interest 3%	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065	\$25,065
Balance	\$1,579,464	\$1,595,065	\$1,610,835	\$1,626,793	\$1,642,962	\$1,659,365	\$1,676,027	\$1,692,973	\$1,710,230	\$1,727,826	\$1,745,791	\$1,764,157	\$1,782,955	\$1,802,221	\$1,821,989	\$1,842,298	\$1,863,188	\$1,884,699
Share of Cash Flow Payment:	\$9,612	\$9,464	\$9,296	\$9,107	\$8,896	\$8,662	\$8,403	\$8,119	\$7,808	\$7,469	\$7,100	\$6,700	\$6,267	\$5,800	\$5,297	\$4,756	\$4,176	\$3,554
Available CF:	\$136,974	\$134,862	\$132,467	\$129,774	\$126,767	\$123,430	\$119,746	\$115,697	\$111,265	\$106,429	\$101,171	\$95,469	\$89,301	\$82,645	\$75,476	\$67,771	\$59,503	\$50,645
State HOME																		
Interest 3%	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272
Balance	\$ 3,321,773	\$ 3,357,483	\$ 3,393,486	\$ 3,429,821	\$ 3,466,524	\$ 3,503,638	\$ 3,541,204	\$ 3,579,267	\$ 3,617,874	\$ 3,657,075	\$ 3,696,922	\$ 3,737,470	\$ 3,778,775	\$ 3,820,897	\$ 3,863,899	\$ 3,907,848	\$ 3,952,812	\$ 3,998,864
Share of Cash Flow Payment:	\$ 16,821	\$ 16,562	\$ 16,268	\$ 15,937	\$ 15,568	\$ 15,158	\$ 14,706	\$ 14,208	\$ 13,664	\$ 13,070	\$ 12,425	\$ 11,724	\$ 10,967	\$ 10,149	\$ 9,269	\$ 8,323	\$ 7,307	\$ 6,220
Available CF:	\$ 120,153	\$ 118,300	\$ 116,199	\$ 113,837	\$ 111,199	\$ 108,272	\$ 105,041	\$ 101,489	\$ 97,601	\$ 93,359	\$ 88,747	\$ 83,745	\$ 78,334	\$ 72,496	\$ 66,207	\$ 59,448	\$ 52,195	\$ 44,425
Cash Flow to Borrower	\$120,153	\$118,300	\$116,199	\$113,837	\$111,199	\$108,272	\$105,041	\$101,489	\$97,601	\$93,359	\$88,747	\$83,745	\$78,334	\$72,496	\$66,207	\$59,448	\$52,195	\$44,425

55 Year Cash Flow Projection
 Project: Jamboree Oroville Family Housing

	Year 52	Year 53	Year 54	Year 55	Total
Income					
Gross Potential Rental Income	\$1,772,158	\$1,816,462	\$1,861,873	\$1,908,420	
Section 8 Subsidy Income	\$1,006,137	\$1,031,290	\$1,057,073	\$1,083,499	
Gross Potential Income	\$2,778,295	\$2,847,752	\$2,918,946	\$2,991,920	
Vacancy	\$138,915	\$142,388	\$145,947	\$149,596	
Effective Gross Income	\$2,639,380	\$2,705,364	\$2,772,999	\$2,842,324	

Expenses					
Property Management	\$189,648	\$195,337	\$201,197	\$207,233	
Real Estate Taxes	\$26,219	\$26,743	\$27,278	\$27,824	
Property Insurance	\$101,157	\$104,697	\$108,362	\$112,155	
Operating Expenses	\$1,784,958	\$1,847,432	\$1,912,092	\$1,979,015	
AHSC Debt Service	\$39,360	\$39,360	\$39,360	\$39,360	
Social Services & Social Services	\$316,080	\$325,562	\$335,329	\$345,389	
Replacement Reserve	\$42,000	\$42,000	\$42,000	\$42,000	
Total Expenses	\$2,499,422	\$2,581,132	\$2,665,618	\$2,752,975	

NOI:	\$139,958	\$124,233	\$107,380	\$89,348	
Hard Debt Service:	\$0	\$0	\$0	\$0	

Available Cash Flow:	\$139,958	\$124,233	\$107,380	\$89,348	
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Debt Service Coverage

Cash Flow Waterfall

LP Asset Management Fee Payment					
Available CF:	\$139,958	\$124,233	\$107,380	\$89,348	

GP Asset Management Fee Payment	\$67,731	\$69,763	\$71,856	\$74,012	
Available CF:	\$72,227	\$54,469	\$35,524	\$15,336	

Deferred Developer Fee Available CF:	\$72,227	\$54,469	\$35,524	\$15,336	
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AHSC					
Interest 3%	\$281,144	\$281,144	\$281,144	\$281,144	
Balance	\$21,692,093	\$21,951,994	\$22,219,284	\$22,494,446	
Share of Cash Flow Payment:	\$28,169	\$21,243	\$13,854	\$5,981	
Available CF:	\$44,059	\$33,226	\$21,670	\$9,355	

City of Oroville Impact Fee					
Interest 3%	\$25,065	\$25,065	\$25,065	\$25,065	
Balance	\$1,906,875	\$1,929,761	\$1,953,405	\$1,977,857	
Share of Cash Flow Payment:	\$2,889	\$2,179	\$1,421	\$613	
Available CF:	\$41,169	\$31,048	\$20,249	\$8,742	\$211,158

State HOME					
Interest 3%	\$ 52,272	\$ 52,272	\$ 52,272	\$ 52,272	
Balance	\$ 4,046,080	\$ 4,094,539	\$ 4,144,323	\$ 4,195,521	
Share of Cash Flow Payment:	\$ 5,056	\$ 3,813	\$ 2,487	\$ 1,074	
Available CF:	\$ 36,114	\$ 27,235	\$ 17,762	\$ 7,668	

Cash Flow to Borrower	\$36,114	\$27,235	\$17,762	\$7,668	
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**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: BILL LAGRONE, DIRECTOR OF PUBLIC SAFETY

**RE: WEED ABATEMENT PROGRAM AND PUBLIC PROPERTY
CLEANING UPDATE (PRESENTATION PROVIDED BY CITY
WORKS)**

DATE: DECEMBER 5, 2017

SUMMARY

The Council will provide direction for the continuation and or modification of the weed abatement services and other community cleaning services, currently provided via contract with the Hope Center.

BACKGROUND

Since October of 2016 the Public Safety Department has partnered with the Hope Center to provide weed abatement and community cleaning services. The Hope Center is a local resource homeless individuals currently use. The Hope Center has incorporated this job skill training, into their rehabilitation and recovery segment of their ministry. There is a need for those in a recovery program to have meaningful work, meaningful involvement in their Community. An additional benefit of using this type of labor is the personal ownership of problems created by transients.

Funding for the project comes from two primary sources. The first source is money received as part of AB109 prison realignment community impact mitigation. This money can only be used to address the issues created by the transients with a criminal history. The funding received this fiscal year was \$30,291.00, approximately \$8,000.00 was committed to fund a homeless advocate with the other cities and Butte County. The balance \$22,291.00 can be used to fund this program.

The second source of funding is contained within the Operational budget of the Public Safety Department for weed abatement. Every year in the spring, the Oroville Fire Department Inspector spends many hours identifying potential vegetation fire risks throughout the City.

Once the properties are identified, the owner of the property is sent a courtesy letter asking the owner to abate the potential problem. Most owners have either already abated the problem or comply with the request. However, some properties do not get cleaned, some of the properties are privately owned, some are publicly owned. Once all attempts to gain voluntary compliance have failed, another process is initiated to clean the property of the potential fire risk. The process ultimately culminates with the Fire Department eliminating the risk.

The Fire Department, in the past, has utilized several resources for this purpose. Those resources include the use of the City Parks Department and the Sheriffs Work Alternative Program (SWAP). Both options have worked, but only marginally. The City Parks Department does not have adequate staffing to handle this extra duty. The SWAP requires the Fire Department to have an employee on overtime to facilitate their services. The City funded this project with \$14,500.00. This year to date \$8,609.68 has been expended leaving a balance of \$5,890.32 available.

The two accounts have a combined total of \$28,181.32 available to fund this project.

The Hope Center is currently providing One (1) Supervisor and One (1) Worker @ \$32.00 per hour or One (1) Supervisor and Two (2) Workers @ \$42.00 per hour, each additional Worker is \$10.00 per hour.

The program has been monitored by the Fire Inspector and a Municipal Law Enforcement Officer to ensure the work is being accomplished in a timely manner. All reports have been positive. All work has been accomplished in a timely manner and has met and most often exceeded expectations. Several photographs depicting before and after are attached for your review.

The Hope Center has provided quarterly billings. The quarterly billings are all supported with back up documentation. The backup documents indicated the money was used for labor, equipment and program materials. After reviewing the documents, it is staff's opinion that all monies were used properly for this project.

Staff believes this is a worthy project and best maximizes the minimal funding that is available for these types of activities. Staff is wanting to ensure this program is equally available to all in the Community. As this program has evolved there has been some question as to how the current service provider was selected and did the selection process allow equal access to all potential service providers. The current service provider was selected due to accessibility and use of the transient population. Staff initiated the contact due to the appearance that the current provider provided the largest amount and most frequent service to the target population.

DISCUSSION

To ensure the best possible result, equal access and maximum benefit from this limited resource, some changes to the program have been suggested.

The first suggested change is oversight from a committee or commission. It has been suggested that a Public Safety Committee comprised of (2) two Council persons and (3) Community members provided oversight for this program. Process and selection of committee members will be left to the Council's discretion.

The second suggestion is the release of a request for proposal for this program. The request for proposal outlines the essential duties the City needs accomplished and the resources the City has available for those duties. The idea is to allow the service provider to design their proposal to meet our need and best benefit those in their program. A suggested request for proposal and a sample agreement have been attached for review and consideration.

FISCAL IMPACT

There will be no additional cost to the General Fund. The monies for this project already exist in the Public Work's Department's budget.

Weed abatement	3001 - 7135	\$28,181.32
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RECOMMENDATIONS

1. Provide Staff direction; or
2. Authorize release of Request for Proposals

ATTACHMENTS

A – Request for Proposal
B – Sample Agreement

PROGRAM SCOPE:

These specifications are intended to describe the requirements for the Oroville Police Department Homeless outreach program, commonly referred to as “City Works”. The City desires a program that will address the transient population in a holistic manner.

The City desires a program that includes treatment, counseling, training, education, Homeless outreach teams, outreach to high risk youth and violence prevention. The City requires a work program for cleaning in public places, weed abatement and other various projects as assigned. The City requires the provider to work closely with and under the direction of Public Works Supervisors and Municipal Law Enforcement Officers.

The City recognizes the best approach is to allow professionals to design a program and system that will address all the criteria. It is not the desire of the City to participate in the formulation of the program.

This request will outline the resources the City has available and the potential resources available. The proposer will be asked to formulate a program within the confines of the listed resources and prepare a timeline for implementation. No other resources other than those listed are available.

Once finalist for this funding are identified the finalist will be asked to present their concepts and programs that will meet the needs of our transient Citizens.

COMPLIANCE:

Quarterly reports will be required. Reports shall include photographs of work performed, expenditures and wages paid to employees. The City will require proposer to establish a budget as part of their program. The City will review the documentation to ensure all monies were properly utilized for this program. The City requires the proposer track number of individuals services are provided. Any other use of monies will result in immediate termination of the agreement.

Application will include hourly rates for services provided to City. Rates will be broken down in hourly rate paid to clients and hourly rate for cost of operation. See sample agreement for additional details

REQUIREMENTS:

Proposer must demonstrate they are financial stable and able to provide services. Proposer shall provide documentation of financial stability to include annual revenue, annual expenditures, current staffing and pay scale for all members of the organization. This will assist the City with determining the financial stability of the proposer.

AGREEMENT FOR COMMUNITY CLEANING AND WEED ABATEMENT PROJECTS BETWEEN

CITY OF OROVILLE

AND

THE PROPOSER

This is an agreement between the City of Oroville (Hereinafter referred to as "City"), and The Proposer (Hereinafter referred to as "Service Provider"). In consideration of the services rendered, the sum to be paid and each and every covenant and condition contained herein, the City and Service Provider agree as follows:

RECITALS

- A. SERVICE PROVIDER is experienced and competent to perform the services which will be required by this Agreement under the terms and conditions described herein.
- B. SERVICE PROVIDER possess the skill, the experience, ability, background and knowledge to provide the services described in this Agreement under the terms and conditions described herein.
- C. CITY desires to retain SERVICE PROVIDER to render professional services as set forth in the Agreement.

AGREEMENT

1. Definitions

- A. "Community Cleaning": Community Cleaning includes, but is not limited to, activities such as those listed in Attachment A.
- B. "Weed Abatement": Weed Abatement includes, but is not limited to, activities such as those listed in Attachment A.
- C. "Community Cleaning / Weed Abatement Program": Any effort, or collection of efforts, focused on Community Cleaning / Weed Abatement, as defined above.

2. **TERMS & TERMINATION of AGREEMENT-** This agreement shall take effect XXXXXX and shall continue unless terminated by either party at any time with thirty (30) days written notice.

3. **COMPENSATION-**

- a. Compensation rates as are set forth in Attachment B and incorporated herein by this reference
- b. At or near the end of each month, SERVICE PROVIDER shall submit to CITY an invoice for serviced provided during the preceding month. The invoice shall include a brief description of the work performed, the dates of work, the number of hours worked, location of work performed, and payments. City shall pay the invoice within 30 days of its receipt.
- c. In no event shall the total compensation and cost payable to SERVICE PROVIDER under this Agreement exceed the sum of XXXXXXXX unless specifically approved in advance and in writing by the CITY.

4. **STATUS OF RELATIONSHIP-** It is the intent of both parties under this agreement that SERVICE PROVIDER, its agents and employees, shall be independent contractors and not relationship between the parties to this agreement.

5. **INDEMNIFICATION** – Each party shall indemnify the other as follows: Indemnitor shall defend, indemnify, save and hold harmless Indemnitee, its officers, agents, and employees against any and all cost, losses, liabilities, expenses (including reasonable attorneys’ fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with any claims arising out of the performance of this Agreement, unless the claim arises from the gross negligence or willful misconduct of Indemnitee as determined by the Court or other forum of competent jurisdiction. The Indemnitor’s duty to defend, indemnify, save and hold harmless indemnitee shall arise immediately upon tender of any matter or claim potentially covered by the indemnitor’s obligation to defend, indemnify, and save and hold harmless indemnitee under this Agreement.

The provision shall be in addition to any rights to defense, being held harmless, and/or indemnification that indemnitee may have under the laws and shall survive and remain in effect following the termination of this Agreement. Should any part of this provision be determined to be unenforceable, the parties agree that the remainder of the provision shall apply to the maximum extent permitted by law.

6. **INSURANCE** –

- a. SERVICE PROVIDER, at SERVICE PROVIDER’s own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.

- i. Workers' Compensation Coverage. SERVICE PROVIDER shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees, if any, in accordance with the laws of the State of California. In addition, SERVICE PROVIDER shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. SERVICE PROVIDER shall provide thirty (30) days written notice of nonrenewal of any Workers' Compensation policies. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by SERVICE PROVIDER for CITY.
 - ii. General Liability Coverage. SERVICE PROVIDER shall maintain commercial general liability insurance no less broad than ISO form CG 00 01 in an amount not less than one million dollars (1,000,000.00) per occurrence for bodily injury, personal injury and property damage.
 - iii. Automobile Liability Coverage. SERVICE PROVIDER shall maintain automobile liability insurance of \$500,000.00 and Umbrella Policy \$500,000.00 (Combined \$1,000,000.00 coverage)
- b. Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing and AM Best's rating of no less than A: VII and shall name the City as an additional insured.
- c. Deductibles and Self-Insured Retentions. The SERVICE PROVIDER shall be responsible for all deductibles in all of SERVICE PROVIDER's insurance policies.
- d. Certificates of Insurance. SERVICE PROVIDER shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. SERVICE PROVIDER shall not commence work under this contract until all insurance required under this section has been approved by CITY as to form, amount and carrier, nor shall SERVICE PROVIDER allow any subcontractor to commence work on any subcontract until all similar insurance required and reasonably consistent limits of the subcontractor has been so obtained and approved.
- e.

7. DISPUTE RESOLUTION –

- a. The parties agree that any and all disputes, claims or controversies arising out of relating to this Contract shall be submitted to Judicial Arbitration and Mediation Services, Inc. (JAMS), or its successor, for mediation, and if the matter is not resolved through mediation, then it shall be submitted to JAMS, or its successor, for final and binding arbitration pursuant to the arbitration clause set forth above. Either party may commence mediation by providing to JAMS and the other party a written request for mediation setting forth the subject of the dispute and the relief requested. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Either party may initiate arbitration with respect to the matters submitted to mediation by filing a written demand for arbitration at any time following the initial mediation session or 45 days after the date of filing the written request for mediation, whichever occurs first. The mediation may continue after the commencement of arbitration if the parties so desire. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. The provision of this Mediation and Arbitration of Disputes provision may be enforced by any Court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all cost, fees and expenses including attorneys' fees, to be paid by the party against whom enforcement is ordered.
- b. Subject to section (a) above, any dispute, claim or controversy arising out of or relating to this Contract or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of the agreement to arbitrate, shall be determined by arbitration in Sacramento before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Each party shall pay one-half of all arbitration costs with the understanding that the arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.

8. **ATTORNEY'S FEES**- In the event of any controversy, claim or dispute between the parties hereto arising out of or relating to this Agreement or the interpretation, performance, or breach thereof, the prevailing party shall be entitled to recover from the other party reasonable fees and expenses (including attorneys' fees) and cost incurred therein or in the enforcement or collection of any judgment or award rendered therein.

SAMPLE

ATTACHMENT A

SCOPE OF WORK

The scope of this work for this Agreement includes, without limitation, the following task:

1. City Park grounds keeping such as weeding, watering, cleaning (to include restrooms) and any other function mutually agreed upon for care of park facility
2. Street gutter cleaning to include the removal of debris, weeds, or buildup of excess of dirt
3. Alley maintenance to include weed removal, debris removal and any other activity mutually agreed upon
4. Fire Department weed abatement projects
5. City owned property weed abatement projects
6. Graffiti removal
7. Public area/ Public Parking lot clean up
8. Any other duty that would benefit the City of Oroville and be mutually beneficial and agreeable to the Proposer

ATTACHMENT B

FEE SCHEDULE

This Contract Shall NOT exceed XXXX

- | | |
|---|-------------------------|
| 1. One (1) Supervisor and One (1) Worker | \$X per hour |
| 2. One (1) Supervisor and Two (2) Workers | \$X per hour |
| 3. Each additional Worker | \$X per hour per Worker |

SAMPLE