



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

DECEMBER 19, 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. 4)

RECONVENE TO OPEN SESSION

OPEN SESSION (6:30 P.M.)

PLEDGE OF ALLEGIANCE

PROCLAMATION / PRESENTATION

Presentation from IT Manager, Tyson Pardee: *Live Streaming Capabilities of City of Oroville webpage.*

CONSENT CALENDAR

1. APPROVAL OF THE DECEMBER 5, 2017 REGULAR MEETING MINUTES OF THE OROVILLE CITY COUNCIL – minutes attached

Administration Department

2. CONSIDER AND APPROVE IMPLEMENTING A 2% ADMINISTRATIVE FEE TO ADMINISTER RETIREE INSURANCE – staff report

Council may consider approving implementing a 2% administrative fee to administer retiree insurance. **(Liz Ehrenstrom, Human Resource Manager).**

Council Action Requested: **Approve adding a 2% administrative fee to retiree's monthly insurance premiums to help cover the costs of issuing monthly statements and staff time to reconcile accounts.**

3. FINAL STEP TO AMEND THE CALPERS CONTRACT FOR EMPLOYEES SHARING ADDITIONAL COST – staff report

Council may consider approving the final Amendment to the CalPERS contract for employees sharing additional cost. **(Liz Ehrenstrom, Human Resources Manager).**

Council action requested: **Approve the Amendment to Contract Between the California Public Employer's Retirement System and the City of Oroville for Employees Sharing Additional Costs.**

Finance

4. INVESTMENT POLICY ADOPTION FOR 2018 – staff report

The Council will consider adopting the 2018 Investment Policy for the City of Oroville. **(Karolyn Fairbanks, City Treasurer).**

Council action requested: **Adopt Resolution No. 8675 - A RESOLUTION OF THE OROVILLE CITY COUNCIL ADOPTING THE INVESTMENT POLICY FOR THE CITY OF OROVILLE FOR 2018.**

Public Safety

5. AGREEMENT WITH ABC NICKS PIONEER TOWING – staff report

The Council will consider an Agreement with ABC Nicks Pioneer Towing to provide Abandoned Vehicle Abatement (AVA) towing services within the incorporated areas of the City of Oroville and any future annexed areas. **(Bill LaGrone, Director of Public Safety).**

Council action requested: **Adopt Resolution No. 8676 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH ABC NICKS PIONEER TOWING TO PROVIDE ABANDONED VEHICLE ABATEMENT TOWING SERVICES – (Agreement No. 3240).**

PUBLIC HEARINGS - none

REGULAR BUSINESS

Administration Department

6. CONSIDER AND APPROVE THE JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF AIRPORT MANAGER/ECONOMIC DEVELOPMENT COORDINATOR – staff report

Council will consider approving the revised job description and salary range for the Airport Manager/Economic Development Coordinator position. **(Donald Rust, Acting City Administrator)**

Council action requested: **Adopt Resolution No. 8677 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF AIRPORT MANAGER/ECONOMIC DEVELOPMENT COORDINATOR.**

Community Development Department

7. **SALE OF CITY OWNED PROPERTY LOCATED BEHIND THE NORHTWEST SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS (SPCA) IDENTIFIED AS APN:035-400-022 OFF S. 5TH AVENUE – staff report**

The Council may consider the sale of a City-owned property located behind the Northwest SPCA and identified as APN:035-400-022 off S. 5th Avenue. **(Donald L. Rust, Community Development Director).**

Council action requested: **Provide staff direction.**

8. **CITY INCENTIVES FOR REBUILDING AND ELIMINATION OF HAZARDOUS AND BLIGHTED PROPERTIES – staff report**

The Council may consider providing incentives for rebuilding and elimination of hazardous and blighted properties. **(Donald L. Rust, Community Development Director).**

Council action requested: **Provide direction, as necessary.**

9. **JAMBOREE HOUSING – OROVILLE APARTMENTS AFFORDABLE HOUSING DEVELOPMENT – staff report**

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. **(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 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.**

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

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

CORRESPONDENCE

- Letter from John Kiely, RE: Lake Oroville Dam – Kelly Ridge
- Letter from Steve Christensen, RE: Jamboree Housing Staff Report

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 Public Safety Mid-Managers 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, January 2, 2018, 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
DECEMBER 5, 2017 – 5:30 P.M.**

The agenda for the December 5, 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 Friday, December 1, 2017, at 9:50 a.m.

The December 5, 2017 regular meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 5:32 p.m.

ROLL CALL

Present: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Absent: None

Staff Present:

Donald Rust, Assistant City Administrator
Scott Huber, City Attorney
Dawn Nevers, Assistant Planner

Bill LaGrone, Director of Public Safety
Karolyn Fairbanks, Treasurer

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Linda Dahlmeier.

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

Bryan Brown - Item No. 4

PROCLAMATION / PRESENTATION

Jessica McKenzie, VP Development of Organic Grace, gave a presentation relating to the Inland Cannabis Farmers and the economic opportunity of commercial cannabis.

Larry Hayden, City Works, gave a presentation regarding the Weed Abatement Program with additional comments provided by Justin King, Outreach Pastor of the Hope Center and Daniel Carrillo, former program participant.

CONSENT CALENDAR

A motion was made by Vice Mayor Goodson, seconded by Council Member Thomson, to approve the following Consent Calendar:

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

Administration Department

2. CONSIDER AND APPROVE THE REVISED JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF DEPUTY CITY CLERK – staff report

Council considered 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: **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.**

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

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

PUBLIC HEARINGS - None

REGULAR BUSINESS

Finance

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

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

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

Approve \$91,549.20 for transfer to the City’s Pension Trust Account now.

The motion was passed by the following vote:

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

Community Development Department

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

Staff requested this item to be continued to the December 19, 2017 regular meeting of the Oroville City Council for consideration.

Public Safety

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

The Council provided 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)**

Bryan Brown expressed concern for the existing condition of the city parks.

Bill Speer, John Paul Mitchell, Basil DeAnda, and Kevin Thompson spoke in support of the Hope Centers efforts.

David Goodson and Annie Terry requested inclusion for all entities in the process of the program.

Following discussion, to Council provided direction to staff, to:

Meet with the interested entities to establish a hiring panel to interview and incorporate the individual in the program.

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS

Council Member Draper reported on the following:

- November 30th attendance to the Butte County Water Advisory Committee and Supplemental Benefits Funds meeting, also attended by Mayor Dahlmeier.

Mayor Dahlmeier reported on the following:

- Thanksgiving
- Attendance to the Annual Downtown Tree Lighting and YMCA fundraiser dinner.

Council Member Thomson

- Attended the CalWater Treatment Facility tour.

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

Don Rust reported on the following:

- RFPs received for Rio d' Oro annexation. Requested (3) Council volunteers to review and participate in the consultant interviews. Council Members Thomson, Hatley and Vice Mayor

- Goodson volunteered.
- CalWater Study will be moving forward by a local engineering firm for less than \$30,000.
- League of California Cities conference on January 17 – 19, 2018

Scott Huber reminded the City Council and audience of the public forum process.

CORRESPONDENCE

- Letter from Steve Christensen
- Email correspondence from Bobby O'Reiley

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

Tracy Reynolds concurred with remarks made by City Attorney Scott Huber and added her observations of the lack of decorum at previous council meetings and encouraged improvement.

Bill Speer discussed his experiences and observations in the community and additionally spoke in opposition of cannabis.

John Mitchell expressed thanks to City Attorney, Scott Huber, discussed the observation of the division amongst the Council, and spoke in opposition of cannabis.

Matt Murry, DWR, announced an upcoming community meeting hosted by DWR to be held on Wednesday, December 6th at 6:00 p.m. at the Municipal Auditorium, answered questions from the Council and additionally affirmed that he personally has no concern with the concrete cracking recently found in the new sections of the spillway.

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: 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.

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

ADJOURNMENT

The meeting was adjourned at 9:10 p.m. A regular meeting of the Oroville City Council will be held on Tuesday, December 19, 2017, at 5:30 p.m.

Donald Rust, Acting City Clerk

Linda L. Dahlmeier, Mayor

OROVILLE CITY COUNCIL

TO: MAYOR AND COUNCIL MEMBERS

**FROM: LIZ EHRENSTROM, HUMAN RESOURCE MANAGER
DONALD RUST, ASSISTANT CITY ADMINISTRATOR**

**SUBJECT: CONSIDER AND APPROVE IMPLEMENTING A 2%
ADMINISTRATIVE FEE TO ADMINISTER RETIREE INSURANCE**

DATE: DECEMBER 5, 2017

SUMMARY

Council may consider approving implementing a 2% administrative fee to administer retiree insurance.

DISCUSSION

Employees who retire from the City of Oroville may continue to purchase medical, dental, vision and a death benefit through CIGNA, from the City, usually at their own cost. Normally, the staff in Finance will reconcile retiree insurance accounts periodically, but due to a shortage in staff this has not been done in some time. Staff is trying to reconcile all accounts by the middle of December. In starting the process, it is clear that monthly reconciliations are a must. There are several retirees that have missed payments, paid the wrong amount or do not realize what insurance policies they have. Staff is trying to implement a process where retirees know each month what the status of their account is and would like to begin the issuance of monthly statements beginning with the new year. The plan is to begin issuing monthly statements for January 2018. Statements would be issued on the 15th of each month for the upcoming monthly premium amount owed and any outstanding balances. If approved, the first statements would be mailed December 15th for January 2018. Staff would then reconcile these accounts each month to prevent over/under payments and to alert the retiree if or when that occurs. However, this will take more of staff's time and resources. Staff is recommending adding a 2% administrative fee to retiree's monthly premiums to help pay for this new process. Staff is requesting Council review and consider approving a 2% administrative fee for retirees, which would become effective January 2018.

FISCAL IMPACT

Council Action Requested: Approve adding a 2% administrative fee to retiree's monthly insurance premiums to help cover the costs of issuing monthly statements and staff time to reconcile accounts.

ATTACHMENTS

None

OROVILLE CITY COUNCIL

TO: MAYOR AND COUNCIL MEMBERS

FROM: LIZ EHRENSTROM, HUMAN RESOURCE MANAGER

SUBJECT: FINAL STEP TO AMEND THE CALPERS CONTRACT FOR EMPLOYEES SHARING ADDITIONAL COST

DATE: DECEMBER 19, 2017

SUMMARY

Council may consider approving the final Amendment to the CalPERS contract for employees sharing additional cost.

DISCUSSION

As you are aware, City staff is in the process of amending the contract between the City of Oroville and the California Public Employer's Retirement System (CalPERS) to allow employees to share in additional cost towards the employer's contribution. The City must amend its contract with CalPERS to allow the reporting of these additional amounts pursuant to the Public Employees' Retirement Law. The proposed change is:

"To provide section 20516 (Employees Sharing Additional Cost) of 3% for classic and PEPRAs Sworn and Non-Sworn members in the Oroville Police Officer's Association."

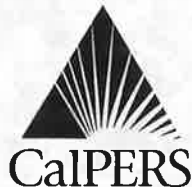
The first reading of the Ordinance to establish this amendment was heard on October 17, 2017 and the second reading was heard on November 7, 2017. The Ordinance was effective on November 7, 2017. The attached Amendment to Contract is the final step in the process. Staff is recommending approval of the Amendment to Contract between the City and CalPERS.

FISCAL IMPACT –

Council Action Requested: **Approve the Amendment to Contract Between the California Public Employer's Retirement System and the City of Oroville for Employees Sharing Additional Costs.**

ATTACHMENTS:

Amendment to Contract



California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

**Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Oroville**

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 1, 1961, and witnessed October 3, 1960, and as amended effective October 1, 1968, October 1, 1973, December 27, 1976, January 5, 1977, April 16, 1979, March 3, 1980, May 25, 1981, August 1, 1983, January 6, 1992, July 1, 1993, April 24, 1995, September 22, 1995, September 6, 1999, December 25, 2000, April 29, 2002 and August 14, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 15 are hereby stricken from said contract as executed effective August 14, 2017, and hereby replaced by the following paragraphs numbered 1 through 15 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1961 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

NO ADDITIONAL EXCLUSIONS

6. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service prior to March 31, 1979, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Supplemental to Federal Social Security).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2% at age 57 Full).
10. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - b. Section 21319 (One-Time 15% Increase for Local Miscellaneous Members Who Retired or Died Prior to July 1, 1971). Legislation repealed said Section effective January 1, 2002.
 - c. Section 20020.1 ("Local Police Officer" shall include employees of a police department who were employed to perform identification or communication duties on August 4, 1972 and who elected to be local safety members within six months of January 5, 1977). Legislation repealed said Section effective January 1, 1985.
 - d. Section 21151 (Industrial Disability Retirement For Local Miscellaneous Members).

- e. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
- f. Section 21427 (Improved Nonindustrial Disability Allowance).
- g. Section 21574 (Fourth Level of 1959 Survivor Benefits).
- h. Section 21325 (One-Time 3% to 15% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
- i. Section 21326 (One-Time 1% to 7% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to July 1, 1974). Legislation repealed said Section effective January 1, 2002.
- j. Section 20042 (One-Year Final Compensation) for classic members only
- k. Section 20903 (Two Years Additional Service Credit).
- l. Section 21024 (Military Service Credit as Public Service) for local police members only.
- m. Section 20965 (Credit for Unused Sick Leave).
- n. Section 20516 (Employees Sharing Cost of Additional Benefits):

From and after August 14 2017, 5% for classic local miscellaneous members in the Unrepresented Miscellaneous Management Unit.

From and after August 14 2017, 3% for classic local safety members in the Unrepresented Safety Management Unit.

From and after the effective date of this amendment to contract, 3% for local miscellaneous and local police members in the Oroville Police Officers' Association.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

11. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on December 27, 1976. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
12. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
13. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
14. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

15. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF OROVILLE

BY _____
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS
FROM: KAROLYN J. FAIRBANKS, CITY TREASURER
RE: INVESTMENT POLICY ADOPTION FOR 2018
DATE: DECEMBER 19, 2017

SUMMARY

The Council will consider adopting the 2018 Investment Policy for the City of Oroville.

DISCUSSION

California Government code states that the Treasurer may annually render to the City legislative body a Statement of Investment Policy for consideration at a public meeting. There are no changes from 2017 Policy.

FISCAL IMPACT

None

RECOMMENDATION

Adopt Resolution No. 8675 - A RESOLUTION OF THE OROVILLE CITY COUNCIL ADOPTING THE INVESTMENT POLICY FOR THE CITY OF OROVILLE FOR 2018.

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ATTACHMENTS

Resolution No. 8675
A - 2018 Investment Policy

**CITY OF OROVILLE
RESOLUTION NO. 8675**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL ADOPTING THE
INVESTMENT POLICY FOR THE CITY OF OROVILLE FOR 2018**

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

- a. The Council hereby adopts the Investment Policy for 2018. A copy of the Policy is attached hereto as Exhibit "A."
- b. 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 19, 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

City of Oroville
Statement of Investment Policy
2018

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City of Oroville

Statement of Investment Policy

- 1.0_ Policy:** The City of Oroville (the City) shall invest public funds in such a manner as to comply with all federal, state and local statutes; insure prudent money management; provide for daily cash flow requirements; and meet the objectives in priority order of safety, liquidity and return on investments.
- 2.0 Scope:** This Investment Policy covers all financial assets under the direct authority of the City. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the state of California. The covered funds, and any new funds created by the City, unless specifically exempted by this policy, are defined in the City's Comprehensive Annual Financial Report.
- 3.0 Prudence:** The standard of prudence to be used shall be the prudent investor standard and shall be applied in the context of managing the overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
- 3.1 Any investment official exercising his or her assigned authority with due diligence and prudence in accordance with the written procedures and the Investment Policy will not be held personally liable for any individual investment losses or for total portfolio losses provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
- 4.0 Objectives:** The primary objectives of investment activities in order of priority shall be:
- 4.1 *Safety:* Safety of principal is the prime objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- 4.2 *Liquidity:* The City's investment portfolio shall be structured in a manner which strives to time the maturity of securities with cash requirements to remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated.

4.3 *Return on Investments:* The City shall attempt to obtain a reasonable return after basic requirements of safety and liquidity have been met.

5.0 Delegation of Authority: Authority to manage the investment program is derived from the City Charter, City Code and the Government Code of the State of California. Management responsibility for the investment program is hereby delegated to the Treasurer who shall be responsible for all transactions undertaken and shall establish a system of controls and procedures. The City Council shall appoint someone to act only in the absence of the Treasurer. The Treasurer has the authority to sign all contracts related to the investment of public funds.

5.1 *Investment Procedures:* The Treasurer shall establish written procedures for the operation of the investment program consistent with this investment policy. The procedures should include reference to safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer and approved by the legislative body.

6.0 Ethics and Conflicts of Interest: Officers, employees, elected and appointed officials involved in the investment process shall act responsibly as custodians of the public trust; avoid any transaction that might impair the public confidence or the City's ability to serve the citizens; refrain from personal business activities that could conflict with proper execution of the investment program or could impair their ability to make impartial investment decisions and abide by the City's adopted Conflict of Interest Code incorporated by reference into this Investment Policy.

7.0 Authorized Financial Dealers and Institutions: To promote the optimum yield on the investment of City funds, investment procedures shall be designed to encourage competitive bidding on transactions from approved financial institutions or broker-dealers.

7.1 All broker/dealers who desire to become qualified for investment transactions must supply the following:

7.1.1 Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

7.1.2 Proof of FINRA certification

7.1.3 Proof of state registration

- 7.1.4 Completed broker/dealer questionnaire (Not applicable to Certificate of Deposits)
 - 7.1.5 Certification of having read and understood and agreeing to comply with the City's investment policy
 - 7.1.6 Evidence of adequate insurance coverage
- 7.2 All financial institutions who desire to become depositories
Must supply the following:
- 7.2.1 Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
 - 7.2.2 Proof of state registration
 - 7.2.3 Certification of having read and understood and agreeing to comply with the City's investment policy
 - 7.2.4 Evidence of adequate insurance coverage

.8.0 Authorized Investments: The Treasurer may invest city funds in the following instruments as specified under Section 53601 et seq., of the California Government Code, as now read or hereafter amended, and as further limited in this policy. In the case of bond proceeds permissible investments are limited to those specified in the bond documents in accordance with Section 5922 of the Government Code or other applicable laws. Investments in Deferred Compensation funds are limited to those investments allowed under Section 53609 of the Government Code.

- 8.1 Except as provided above, the following investments are Authorized, as further limited herein:
- 8.1.1 Obligations of the U.S. Government, its agencies, or Instrumentalities – Maximum 100%
 - 8.1.2 Time Certificates of Deposits - Maximum 30%. Deposits should not exceed two year maturity. Deposits will be collateralized or insured in accordance with the investment policy and placed with nationally or state chartered banks, a savings association and/or a state or federal credit union, not to exceed \$1,000,000 with one institution.
 - 8.1.3 Local government investment pools - Maximum 100%. Investments will be made in accordance with laws and regulations governing these funds.
 - 8.1.4 Repurchase agreements - Maximum 20%. Must be fully Collateralized at 110%, have a maturity of no more than ten days, and will only be with primary dealers of the Federal Reserve Bank who have long term debt rated at AAA by Moody's or Standard and Poor.
 - 8.1.5 Passbook Savings Account Demand Deposits - Maximum 50%. Deposits must be insured if under FDIC limit allowed by law, collateralized if over that limit, and not exceed \$1,000,000 with one institution.
 - 8.1.6 SEC Registered Money Market/Mutual Funds - Maximum

15%. Funds must consist of instruments permitted under Sections 53601 and 53635 of the Government Code.

8.1.7 Bankers' Acceptance - Maximum 30% and have a maturity of no longer than 180 days.

8.1.8 Investments held separately. Investment of bond funds will be made in conformance with the trust indenture for each issue. Such funds will be held separately when required.

8.2 If repurchase agreements are legal and authorized by policy, a Master Repurchase Agreement must be signed with the bank or dealer.

9.0 Review of Investment Portfolio: The securities held by the City must be in compliance with Section 8.0 Authorized and Suitable Investments at the time of purchase. To assure subsequent compliance, the Treasurer shall at least quarterly review the portfolio to identify any securities that do not comply and establish procedures to report to the City critical incidents of noncompliance.

10.0 Investment Pools/Mutual Funds: Governmental sponsored pools and/or mutual funds should be carefully reviewed prior to investing and should be monitored on an ongoing basis. Requisite information on the pool includes a statement of investment policy and objectives, a list of allowable investments, disclosure regarding settlement and safeguarding of investments, description of securities pricing (fair value) and whether GASB 31 compliant, an explanation of interest calculations and distributions plus fee disclosures, deposit and withdrawal restrictions, and disclosure of audit findings and reports.

11.0 Collateralization: Investments in time certificates of deposit shall be fully insured up to the maximum allowed by law by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, or the Federal Savings and Loan Insurance Corporation, as appropriate. Investments in time certificates of deposit in excess of the maximum amount allowed by law shall be properly collateralized. Section 53652 of the California Government Code requires that the depository pledge securities with market value of at least 10% in excess of the City's deposit as collateral in government securities. The City Treasurer is responsible for entering into deposit contracts with each depository. Collateral for investments in Repurchase agreements must consist of U. S. Treasury obligations or U. S. Agency obligations. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest.

12.0 Safekeeping and Custody: All security transactions, including collateral for repurchase agreements shall be conducted on a delivery versus payment (DVP) basis. Securities will be held by a third party custodian, or in the case of bond proceeds the Trustee, designated by the Treasurer and evidenced by safekeeping receipts.

13.0 Diversification: The purpose of diversification is to reduce the overall

portfolio risks while attaining market average rates of return. The maximum allowable percentage of investments in any one category will be diversified as required by law, or as provided by this policy, whichever is lower. In addition, with the exception of U.S. Treasury securities and the Local Agency Investment Fund, no more than 50% of the total portfolio will be vested in a single security type or with a single financial institution (excluding demand deposits and bond proceeds if allowed by the bond trustee).

- 14.0 Maximum Maturities:** No investment shall be made with a maturity of more than three (3) years unless the Governing Body specifically authorizes the investment. As a general rule the City will not invest in securities maturing more than two (2) years from date of purchase unless they represent reserve funds or other monies set aside to satisfy long term needs such as capital accumulation funds. To the extent possible, investment maturities will be matched against anticipated cash flow requirements.
- 15.0 Internal Control:** The City shall establish an annual process of independent review by the external auditor. This review will provide internal control by assuring compliance with policies and procedures.
- 16.0 Performance Standards:** The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles commensurate with the investment risk constraints and the cash flow needs. The basis used by the Treasurer to determine whether market yields are being achieved shall be to identify a comparable benchmark to the portfolio investment duration.
- 17.0 Reporting:** The Treasurer shall provide a monthly report to the City Council regarding investment activity and returns on all portfolios which provide a clear picture of the status of the current investment portfolio. The report shall include: Type of investment, issuer, purchase date, date of maturity, amount of deposit or cost of the investment, face value of securities, current market value of securities, rate of interest and interest earnings. If any of the funds are managed by a contracted party, a description shall be included in the report. The report shall be reviewed and signed by the Treasurer, the Director of Finance and the City Administrator.
- 18.0 Investment Policy Adoption:** In accordance with Section 53646(a) of the California Government Code, the Treasurer may render annually to the City legislative body a Statement of Investment Policy for consideration at a public meeting. The City's Investment policy and any modifications shall be adopted by Resolution of the Oroville City Council. Any State Law changes during the year are automatically incorporated into this policy.
- 19.0 Glossary:** Because this policy is available to the public as well as the

governing body, a glossary of related terminology is a part of the policy.

Glossary

Accrued Interest. Interest earned but not yet received.

Agencies. Federal Agency securities and/or Government-sponsored enterprises.

Arbitrage. Generally, transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a difference in prices in the two markets.

Asked. The price at which securities are offered.

Bankers' Acceptances (BA's). A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Basis point. One basis point is one hundredth of one percent (.01).

Benchmark. A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Bid. The price offered by a buyer of securities.

Bond. A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows including periodic interest payments and a principal repayment.

Bond Equivalent Yield (BEY). An annual yield, expressed as a percentage, describing the return provided to bond holders. A bond equivalent yield is double the simple interest, semiannual yield.

Book value. The value at which a debt security is shown on the holder's balance sheet. Book value is the cost less amortization of premium or accretion of a discount.

Broker. A broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD). A deposit of funds in a bank or savings and loan association for a specified term that earns interest at a specified rate or rate

formula.

Collateral. Securities, evidence of deposit or other property, which a borrower pledges for repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper. Unsecured short-term promissory notes issued by corporations, with maturities ranging from 2 to 270 days, which may be sold on a discount basis or may bear interest. Firms with lower ratings or without well known names usually back their commercial paper with guarantees or bank letters of credit.

Comprehensive Annual Financial Report (CAFR). The official annual financial report of the City. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Corporate Medium Term Notes. Unsecured promissory notes issued by corporations operating within the United States. The notes are in the one to five year maturity range.

Coupon. The annual rate of interest that a bond's issuer promises to pay the bond holder on the bond's face value. Also, a certificate attached to a bond evidencing interest due on a payment date.

Credit Risk. The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return). The interest paid on an investment expressed as a percentage of the current price of the security. Current yield is only accurate for investments purchased at par.

Custody. The service of an organization, usually a financial institution, of holding (and reporting) a customer's securities for safekeeping. The financial institution is known as the custodian.

Dealer. A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account -

Debenture. A bond secured only by the general credit of the issuer.

Delivery versus Payment (DVP). Delivery of securities with a simultaneous exchange of money for the securities.

Derivatives. Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor; or financial contracts based upon noticed amounts whose

value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

Discount. The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

Discount Securities. Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, (e.g., U. S. Treasury Bills).

Diversification. Dividing investment funds among a variety of securities, offering independent returns.

Duration. A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

Federal Credit Agencies. Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g. S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC). A federal agency that insures bank deposits, currently up to \$250,000 per entity. Federal Funds Rate. The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB). Government sponsored wholesale banks which lend funds and provide correspondent banking service to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal National Mortgage Association (FNMA or Fannie Mae). A federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation and assumes and guarantees that all security holders will receive timely payment of principal and interest. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are highly liquid and are widely accepted.

Federal Open Market Committee (FOMC), Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of

Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System. The central bank of the United States which consists of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members.

Government National Mortgage Association (GNMA or Ginnie Mae). Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages.

Interest Rate. The annual yield earned on an investment, expressed as a percentage.

Liquidity. The quality of an asset that permits it to be converted quickly into cash without a significant loss in value.

Local Agency Investment Fund (LAIF). A special fund in the State Treasury which local agencies may use to deposit funds for investment and for reinvestment. Each agency is currently limited by LAIF to an investment of \$50 million.

Marketability. The measure of ease with which a security can be sold in the secondary market.

Market Risk. Defined as market value fluctuations due to overall changes in the general level of interest rates structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement. A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower

Maturity Date. The date upon which the principal or stated value of an investment becomes due and payable.

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Mutual Fund. An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the Securities and Exchange Commission (SEC) disclosure guidelines.

Offer. The price asked by a seller of securities.

Open Market Operations. Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Portfolio. Collection of securities held by an investor.

Primary Dealer. A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks, and a few unregulated firms.

Principal. The face amount or par value of a debt instrument.

Prudent Person Standard. A standard of conduct where a person acts with care, skill, prudence, and diligence when investing or reinvesting.

Qualified Public Depositories. A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of the state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

Rate of Return. The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (RP or REPO). A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security buyer in effect lends the seller money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

Reverse Repurchase Agreement (Reverse REPO). A reverse-repurchase agreement involves investor borrowing cash from a financial institution in

exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

Safekeeping. A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Securities & Exchange Commission (SEC). Agency created by Congress to protect investors in securities transaction by administering securities legislation.

Secondary Market. A market made for the purchase and sale of outstanding issues following the initial distribution.

Treasury Bills. A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

Treasury Bonds. Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. government and having initial maturities of more than ten years.

Treasury Notes. Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to ten years.

Trustee. A Bank designated as the custodian of funds and the official representative for bondholders. In this capacity, the trustee is responsible for enforcing the bondholder's contract with the issuer.

Uniform Net Capital Rule. Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

Yield. The rate of annual income return on an investment, expressed as a percentage. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: BILL LAGRONE, DIRECTOR OF PUBLIC SAFETY
PUBLIC SAFETY DEPARTMENT**

RE: AGREEMENT WITH ABC NICKS PIONEER TOWING

DATE: DECEMBER 19, 2017

SUMMARY

The Council will consider an Agreement with ABC Nicks Pioneer Towing to provide Abandoned Vehicle Abatement (AVA) towing services within the incorporated areas of the City of Oroville and any future annexed areas.

DISCUSSION

The City of Oroville, as a jurisdictional member of Butte AVA Program Service Authority encompassing only those areas within the City limits of Oroville, began towing abandoned vehicles in December of 2003.

Funds for the AVA Program are generated from a \$1 dollar registration fee collected by the State of California. Each quarter, after the State takes out their administrative fee, the registration funds are sent to the County AVA Joint Powers Authority (JPA) for distribution to the participated jurisdictions (Biggs, Chico, Gridley, Oroville, Paradise, and Butte County). The County receives an administrative fee for staff support (Development Services, County Council, and Auditor's Office) to the County AVA JPA Program (all jurisdictions) and the remaining funds are divided in half. One-half of the funds are paid to each jurisdiction solely based on their percentage population. The remaining half of the funds are paid to each jurisdiction based upon the number of tows. AVA funds are intended to help jurisdictions recover the costs of the Program. Eligible costs include staff time and expenses related to the Program.

Currently, there are five (5) towing companies on a rotational list that the Code Enforcement Division and Police Department contact to tow abandoned vehicles that qualify for the AVA Program. Having five (5) towing companies on a rotational list it is very intensive on staff time due to trying to contact five (5) different companies, trying to consistently collect required documents and forms from different towing companies, billing for five (5) different companies, etc. Having a single towing company for the AVA Program will help provide an efficient code enforcement process and help improve enforcement related to the AVA Program.

The formal proposal advertisement and submission procedures were utilized with the Request for Proposal (RFP) advertised in the Oroville Mercury Register on October 28, 2017 and November 9, 2017. The RFP was also posted on the city website and the complete RFP packet was hand delivered to all local towing companies.

One (1) formal bid was received on November 14, 2017 and opened. The bid was reviewed for technical merit and was found to be qualified. The bid received was from ABC Nicks Pioneer Towing. The attached price spreadsheet (Attachment C) indicates the charges and payments due for applicable towing occurrences provided by ABC Nicks Pioneer Towing.

The selected towing company will provide towing and cleanup services for standard vehicles, oversize vehicles, travel trailers, motor homes, and large parts (engines, transmissions, etc) related to the City's AVA Ordinance.

FISCAL IMPACT

Additional revenue to 001-4670-1450

RECOMMENDATIONS

Adopt Resolution No. 8676 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH ABC NICKS PIONEER TOWING TO PROVIDE ABANDONED VEHICLE ABATEMENT TOWING SERVICES – (Agreement No. 3240).

ATTACHMENTS

- A - AVA Towing Services Specified & Price Spreadsheet (Exhibit A)
- B - Resolution No. 8676
- C - Agreement No. 3240
- D - Public Notice Ad

All proposals shall be effective a minimum of 21 days from the proposal submittal due date of

Ownership Information

Name of Legal Owner(s): NIKI CEE EVANS
Structure of Business: Sole Proprietorship Corporation

Other: _____

Legal Name of Business: ABC NICKS PIONEER TOWING

Firm's Federal Tax ID No.: 68-0307387

How long have legal owner(s) owned business: 15+ Years _____ Months

Do owners participate in the day-to-day running of the business Yes No
If No, please explain level of involvement _____

Contact Information for person authorized to make representations for the firm, and sign any subsequent contract on behalf of the firm. If there is more than one person, please include that information in an attachment labeled "Contact Information."

Name: Karla Thompson Phone: 530 534 8693

Address: 4280 UNICOW BLVD 2nd Phone: _____

City: ORVILLE State: CA Zip: 95946

Email: abenicksioneer towing@sbcglobal.net

Subcontractors Does your firm use subcontractors? Yes No
If yes, please supply as an attachment, a list of subcontractors with their business names, addresses, phone numbers and contact persons. Use an attachment labeled, "Subcontractors."

Financial Interest Is this towing directly involved in the towing-related business of any other operator within the City? Yes No
If yes, please explain: _____

Is this towing business directly involved in any recycling/salvage scrap metal business?
 Yes No If yes, please explain: Nicks Auto Dismantling

(use additional, attached pages if necessary, labeled "Recycling/Salvage")

RFP Required Information/Responses

Disposal of vehicles Do you receive payment for scrapping vehicles? Yes No
Please disclose in an attachment labeled, "Disposal of Vehicles", the name and addresses, and phone numbers of businesses you have utilized in the past 24 months to utilize to dispose of junked vehicles.

NOTE: On-site inspection of the facilities listed below may be performed by the City.

2. **Business Office Information**

Company Name: NICKS AUTO DISMANTLING
Street Address: 4780 LINCOLN BLVD.
Mailing Address: POB 1128
City: OROVILLE State: CA Zip: 95966
Telephone No: 530 534 1653 Telephone No. (2) _____
Fax Number: 530 534 8690 Email address: nicksautos@att.net.
Business Office Days/Hours of operation: M-F 8-12 / 1-5

If the office is closed for lunch, please indicate that time: 12:00pm Shall not be less than 8-5, Monday through Friday, except for the following City-recognized holidays: New Year's Day, Martin Luther King Day, President's Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and the day following, Christmas Day)

3. **Primary Storage Facility Information** (Normally at the same location as the business address. If not at the same location, there shall be no charge for any additional distance traveled to and from a secondary location. The vehicle and/or personal property shall be released at the primary storage facility or place of business upon request of the registered owner or a person having a legal entitlement to the vehicle and/or property.)

Street Address: 4780 LINCOLN BLVD
City: OROVILLE State: CA Zip: 95966
Telephone No: 530 534 8693 Fax Number: 530 534 8690
Vehicle Capacity: 150 Zoning: H1
Hours of Operation: M-F 8-5 closed 12pm - 1pm lunch (<https://assr.parcelquest.com/Home> "parcel lookup")

Check if the use of the property as a storage facility is permitted by zoning and/or permit
Use additional paper if necessary, attach and label it "Storage Facility Permitted".

Please explain: _____

Is this facility owned or on a month-to-month rental or leased. If leased, when does the lease expire? _____

RFP Required Information/Responses

Do other tow companies utilize this space? Yes No

4. **Secondary Storage Facility Information**

Street Address: 4638 PACIFIC HEIGHTS
 City: OROVILLE State: CA Zip: 95965
 Telephone No: 534-9470 Fax Number: 532-4838
 Vehicle Capacity: 100 Zoning: LT COMMERCIAL & MFG.
 Hours of Operation: M-F 8-5 (www.buttecounty.net/dds "parcel lookup")

Check if the use of the property as a storage facility is permitted by zoning and/or permit
 Use additional paper if necessary, attach and label it **"Secondary Storage Facility Permitted"**.

Please explain: _____

Is this facility owned or on a month-to-month rental or leased. If leased, when does the lease expire? _____

Do other tow companies utilize this space? Yes No

5. **Tow Truck Drivers** Tow truck drivers shall be at least 18 years of age and shall possess the proper class license and endorsements for the towed and towing vehicle. Please attach additional sheet with information if you have additional employees who you propose to work under this program, label it "Tow Truck Drivers".

<u>Full Legal Names</u>	<u>Years of For-Hire Towing Experience</u>	<u>City of Residence</u>	<u>Completed Approved Tow Truck Driver Training Program</u>	
<u>NIKI LEE EVANS</u>	<u>20+</u>	<u>Berrucreek</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<u>NORMAN SCOTT LAWLEY</u>	<u>20+</u>	<u>OROVILLE</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<u>ALFONSO B RONES</u>	<u>3</u>	<u>OROVILLE</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<u>WENDY LYN RHODS</u>	<u>5</u>	<u>OROVILLE</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

6. **Annual Random Drug Testing Program.** Please attach information, and label it "Annual Random Drug Testing Program", on how this program is conducted, including procedures followed when tests come back positive.

7. **Tow Truck Classifications.** An operator shall equip and maintain tow trucks covered under this proposal with the provisions set forth in the California Vehicle Code, Title 13 of the California code of Regulations (Title 13) as required by their participation in the California Highway Patrol (CHP) Tow Service Agreement. Good standing in the CHP rotation and

RFP Required Information/Responses

adherence to those requirements in the delivery of proposed services for the AVA program is a mandatory requirement of this proposal and subsequent contract. The operator shall not dispatch a tow truck that has not been inspected and approved by the CHP.

Towing firm(s) shall maintain a sufficient number of tow trucks to conduct business and meet response times. Sufficient numbers of tow trucks shall be required by City of Oroville based on towing firm(s) volume of business in the tow districts they are bidding on. At least one (1) tow truck shall be a car carrier. Any tow truck which is not capable of providing continuous air to the towed vehicle shall be rated as a Class A tow truck.

Please provide the following information relative to tow trucks (as defined by the CHP Tow Service Agreement), inspected and approved for current use on an active CHP rotation. If you have more equipment than can be listed here, please list additional vehicles on an attachment labeled, "Tow Truck Classifications".

<u>Quantity</u>	<u>Year</u>	<u>Mileage</u>	<u>Class</u>	<u>Carrier</u>	<u>Capacity in Number of Vehicles</u>	<u>Location of Active CHP Rotation*</u>
<u>1</u>	<u>05 GMC</u>		<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input checked="" type="checkbox"/> Yes	<u>2</u>	<u>Oroville</u>
<u>1</u>	<u>05 GMC</u>		<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input type="checkbox"/> Yes	<u>1</u>	<u>Oroville</u>
<u>1</u>	<u>07 INT</u>		<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input type="checkbox"/> Yes	<u>1</u>	<u>Oroville</u>
<u>1</u>	<u>07 INT</u>		<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input type="checkbox"/> Yes	<u>1</u>	<u>Oroville</u>
			<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input type="checkbox"/> Yes		
			<input type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D	<input type="checkbox"/> Yes		

*List all tow vehicles that may be available for tows in the City of Oroville, they must be on an active CHP rotation.

8. **Certifications/Awards/Recognitions** Please list and provide copies of any certifications, awards, special qualifications and/or forms of recognitions held by your firm in regards to staff, equipment and/or services that speak to the qualifications, experience, and or performance of services. As necessary, please explain the significance of any such documents. Please label these attachments with a cover sheet labeled, "Certifications/Awards/Recognitions".
9. **Current Rates** Please provide your two retail hourly rates as supplied to the CHP for purposes of entering their Tow Service Agreement rotation, both calls originating during normal business hours and after business hours for each of the tow areas. These are the rates you would charge a private party who comes to claim their vehicle prior to obtaining a junk slip. Include and itemize storage rates. Please provide this information on an attachment labeled "Current Rates".
11. **Response Time** Upon receiving a call from a code enforcement officer or Oroville Police Department dispatch, please indicate your maximum response time to requests for towing of abandoned vehicles.

“Priority” Tow (See Page 4 for definition) Maximum Response Times:

Oroville Priority 45 minutes

12. **“Scheduled” Tow Maximum Response Times**

If tows were scheduled for certain days of the week, or you were to be given advance notice, how would this enable you to provide tow services for scheduled dates and times? Please provide detail, as to how much advance notice would be required, etc., for you to provide scheduled tow services. Oroville Scheduled Tows _____ Hours 1 Days in advanced

The City of Oroville reserves the right to make multiple awards and/or purchase subject services on the open market if necessary, to provide for timely removal of vehicles in the event the primary Contractor(s) fails to perform within the required time.

The City of Oroville reserves the right to authorize a time extension to Contractor(s) for vehicle removal and recovery services.

13. **Disciplinary Action** Please disclose by marking the box(es) below any of the following disciplinary actions taken against an operator by the CHP in the last twelve months.

- First violation –letter of written reprimand
- Second violation – 1 to 30 day suspension
- Third violation – 60-90 day suspension
- Fourth violation – termination of CHP Tow Service Agreement

For any violation marked above, please provide a detailed explanation of the violation(s), length of suspension/termination, and corrective action taken to resolve cause of violation.

Please label the attachment as “Disciplinary Action.”

14. **Contractor Capabilities** Provide information for the Background and Experience in no more than six pages entitled, “Contractor Capabilities.” Submit with the subheading of Background and Experience your firm’s background, and its organizational structure, include names and titles. Describe the firm's demonstrated experience in providing similar services.

15. **Proposed Rates** Prices and cash discounts are to be firm. Please be sure to include any towing “rebates”, or other price breaks you are willing to provide. However, in the case of an announced price decrease, such decrease shall be passed on to the City. In the event of a price decline or if the Contractor contracts with another government entity for the same service at lower prices than offered herein, with other terms and conditions being equal, then supplier shall immediately extend those same lower prices to the City.

16. **Community Benefit Programs** Please, describe in an attachment labeled, “Community Benefit Programs” your proposal for programs and/or services to benefit Butte City in the form of special programs or events such as “Amnesty” programs, “free” or “reduced-cost” “Neighborhood cleanup” tows to vehicle owners. Describe these programs and indicate the frequency in which you would provide these programs.

Attachment I Proposed Tow Charges

Note: Do not include storage fees in tow charges

STANDARD TOWS (See Page6)

Attachment 1 – Proposed Tow Charges								
	Standard Tows "Scheduled"	"Priority"	Oversize Tows "Scheduled"	"Priority"	Motor-homes "Scheduled"	"Priority"	Travel Trailers "Scheduled"	"Priority"
Single / Standard Vehicle	\$ 125.00	\$ 125.00						
Capacity / Multi vehicle Carrier	No. _____ \$	No. _____ \$						
Up to 25'			\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00
26' – 30'			\$	\$	\$	\$	\$	\$
31' – 35'			\$	\$	\$	\$	\$	\$
36' and Over			\$	\$	\$	\$	\$	\$
<u>Large Parts</u>	\$ 25.00							
Engines, transmissions, etc., not able to lift manually If you are on site for towing and there are additional large parts from vehicles, not belonging to the vehicles you are towing:								
<u>STORAGE FEES (for RFP)</u>			\$ 25.00	Per Day	\$ 375.00	Per 15 day period		
<u>Charges for towing City owned vehicles</u>			\$ 225		Storage per day		\$ 25.00	

Priority Tows are those which must be done in the shortest time possible after receiving notification of the tow.

Scheduled Tows would be those that can be scheduled for a certain day of the week, or on a certain date.

**Exhibit A
CITY OF OROVILLE
NON-COLLUSION DECLARATION**

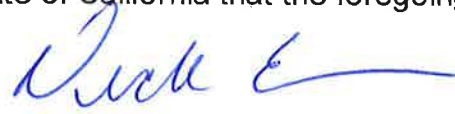
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH RFP

I, NICK EVANS, am the
owner (Name) of ABC NICKS PIONEER TOWING
(Position/Title) (Company)

the party making the foregoing bid attests that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

11/7/2017
(Date)


(Signature)

ATTACHMENT I

STANDARD INSURANCE REQUIREMENTS

A. INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employee's Liability Insurance.
4. Errors and Omissions Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as additional insured(s) as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

**CITY OF OROVILLE
RESOLUTION NO. 8676**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING
THE MAYOR TO EXECUTE AN AGREEMENT WITH ABC NICKS PIONEER TOWING TO
PROVIDE ABANDONED VEHICLE ABATEMENT TOWING SERVICES**

(Agreement No. 3240)

WHEREAS, the City of Oroville has received a bid for providing Abandoned Vehicle Abatement (AVA) towing services; and

WHEREAS, whereas ABC Nicks Pioneer Towing submitted the only bid.

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

1. ABC Nicks Pioneer Towing is awarded the contract to provide Abandoned Vehicle Abatement (AVA) towing services within the incorporated areas of the City of Oroville and any future annexed areas.
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 19, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Don Rust, City Clerk

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into as of December 19, 2017 by and between the **City of Oroville** ("City") and **ABC Nicks Pioneer Towing** ("Consultant").

RECITALS

- A. The Consultant is specially trained, experienced and competent to provide services relating to Abandoned Vehicle Abatement (AVA), and
- B. The Consultant possesses the skill, experience, ability, background, license, certification, and knowledge to provide the services described in this Agreement in accordance with the terms and conditions described herein.
- C. City desires to retain Consultant to render the professional services as set forth in this Agreement.

AGREEMENT

1. Scope of Services. The Consultant shall furnish the following services in a professional manner:

Consultant shall perform the Abandoned Vehicle Abatement (AVA) services described on Exhibit "A" which is attached hereto and incorporated herein by reference. Consultant shall provide such professional services at the time, place, and in the manner specified in Exhibit "A," subject to the direction of the City.
2. Time of Performance. The services shall commence upon execution of this Agreement, and shall continue for a period of **3 years**, or until the funds authorized by this Agreement have been depleted.
3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit "A", which is attached hereto and incorporated herein by reference. Payment by City

under this Agreement shall not be deemed a waiver of defects in Consultant's services, even if such defects were known to the City at the time of payment.

4. Method of Payment. Consultant shall submit invoices on the last Friday of each month for services rendered. Consultants bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. Invoices with junk slips dated over 10 days from submission of the invoice are considered late and late invoices will not be honored. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff.
5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of Consultant's services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without prior written authorization from City.
6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, Consultant shall be entitled to compensation for services properly performed up to the effective date of termination.
7. Ownership of Documents. All plans, studies, documents, and other writings prepared by and for Consultant, its officers, employees, and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to

use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents, and other writings to City within three (3) days after written request.

8. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in documents or works of authorship fixed in any tangible medium of expression including, but not limited to, data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subcontractors to agree in writing that City is granted a nonexclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which may be provided to Consultant by City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

9. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of the Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the

performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television, or radio production or other similar medium without the prior written consent of City.

10. Consultant's Books and Records

- a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, expenditures, and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
- b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of termination or completion of the Agreement.
- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Finance Director, or a designated representative of these officers. Copies of such documents shall be

provided to the City for inspection at 1735 Montgomery Street, Oroville, California when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment, or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that documents be maintained by City Hall.

11. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

12. Interest of Consultant. Consultant (including principals, associates, and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or any City official, other than normal agreement monitoring; and
 - b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation, or counsel. (FPPC Reg. 18700(a)(2).)
13. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.
14. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.
15. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance, and approvals which are required by the City for its business.
16. Indemnity. Consultant agrees to defend, indemnify, and hold harmless the City, its officers, officials, agents, employees, and volunteers from and against

any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs and expenses in connection therein), arising from its performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising from the sole negligence or willful misconduct of the City, its officers, agents, employees, or volunteers.

17. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the Agreement, the insurance coverage and policies as set forth in Exhibit "B" attached hereto.
18. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: **Don Rust**
 City of Oroville
 1735 Montgomery Street
 Oroville, CA 95965-4897

If to Consultant: **ABC Nicks Pioneer Towing**
 Attn: Nick Evans
 4280 Lincoln Street
 Oroville, CA 95965-4897

19. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations are superseded in total by this Agreement.

20. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.
21. Assignments and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience, and competence of Consultant. Assignments of any or all rights, duties, or obligations of the Consultant under this Agreement will be permitted only with the express prior written consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.
22. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
23. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
24. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Butte, or in the United States District Court, Eastern District of California.

25. Litigation Expenses and Attorney's Fees. If either party to this Agreement commences any legal action against the other part arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorney's fees.
26. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to American Arbitration Association (AAA) or its successor interest. AAA shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by AAA and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.
27. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
28. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority, to make this Agreement and to bind each respective party.

29. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

30. Equal Opportunity Employment. Consultant represents that is and equal opportunity employer and it shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF OROVILLE

ABC NICKS PIONEER TOWING

By: _____
Linda L. Dahlmeier, Mayor

By: _____
Nick Evans

Title: _____

APPROVED AS TO FORM:

By: _____
Scott E. Huber, City Attorney

Business License #: _____

Tax ID No.: _____

ATTEST:

By: _____
Donald Rust, City Clerk

Attachments: Exhibit A – Scope of Services and Schedule of Charges
Exhibit B – Insurance Requirements

Chico Enterprise-Record

400 E. Park Ave.
Chico, Ca 95928
530-896-7702
erlegal@chicoer.com

3520910

CITY OF OROVILLE
ACCOUNTS PAYABLE/IRENE
1735 MONTGOMERY ST
OROVILLE, CA 95965

**IN THE SUPERIOR COURT OF THE
STATE OF CALIFORNIA,
IN AND FOR THE COUNTY OF BUTTE**

In The Matter Of
Darinka carey public notice

AFFIDAVIT OF PUBLICATION

STATE OF CALIFORNIA }
 } **SS.**
COUNTY OF BUTTE }

The undersigned resident of the county of Butte, State of California, says:

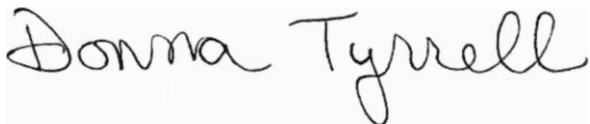
That I am, and at all times herein mentioned was a citizen of the United States and not a party to nor interested in the above entitled matter; that I am the principal clerk of the printer and publisher of

**The Chico Enterprise-Record
The Oroville Mercury-Register**

That said newspaper is one of general circulation as defined by Section 6000 Government Code of the State of California, Case No. 26796 by the Superior Court of the State of California, in and for the County of Butte; that said newspaper at all times herein mentioned was printed and published daily in the City of Chico and County of Butte; that the notice of which the annexed is a true printed copy, was published in said newspaper on the following days:

10/28/2017, 11/09/2017

Dated December 13, 2017
at Chico, California



(Signature)

Legal No. **0006051513**

PUBLIC NOTICE

INVITATION FOR REQUEST FOR PROPOSALS (RFP)

**CITY OF ROVILLE
1735 MONTGOMERY STREET
OROVILLE, CA 95965**

Sealed proposals for the work described in the specifications and documents entitled:

**City of Oroville (Jurisdictional) Abandoned Vehicle
Abatement Towing Services
(Only includes the area within the City limits)**

will be received at the City of Oroville, office of the City Clerk, 1735 Montgomery Street, Oroville, CA 95965 until:

NOVEMBER 14, 2017 AT 3:30 PM

The City of Oroville is seeking a firm to provide City-wide towing services for the Abandoned Vehicle Abatement and Nuisance Abatement programs, and the occasional towing of Department vehicles as the need arises. Please pickup submission requirements at the Oroville Police Department, 2055 Lincoln Street, Oroville CA 95966 or City Hall 1735 Montgomery Street, Oroville CA 95965.

Please submit questions to Officer Ron Belser, Oroville Police Department
530.538.2448 Ext 3055 or rbelser@oropd.org

Bill F. LaGrone, Chief
Oroville Public Safety
530-538-2451

Publish: October 28, 2017; November 9, 2017

OROVILLE CITY COUNCIL

TO: MAYOR AND COUNCIL MEMBERS

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

SUBJECT: CONSIDER AND APPROVE THE JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF AIRPORT MANAGER/ECONOMIC DEVELOPMENT COORDINATOR

DATE: DECEMBER 19, 2017

SUMMARY

Council will consider approving the revised job description and salary range for the Airport Manager/Economic Development Coordinator position.

DISCUSSION

Council shall consider approving the job description for the position of Airport Manager/Economic Development Coordinator. Staff is recommending the following salary schedule, which does not take into consideration the 4-hour per week furlough.

PROPOSED SALARY RANGE FOR DEPUTY CITY CLERK							
A	B	C	D	E	F	G	H
\$63,782.04	\$66,971.14	\$70,319.70	\$73,835.68	\$77,527.47	\$81,403.84	\$85,474.03	\$89,747.74

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

FISCAL IMPACT

No impact. Currently budgeted position.

RECOMMENDATION

Adopt Resolution No. 8677 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OROVILLE AUTHORIZING AND DIRECTING THE MAYOR TO APPROVE THE JOB DESCRIPTION AND SALARY RANGE FOR THE POSITION OF AIRPORT MANAGER/ECONOMIC DEVELOPMENT COORDINATOR.

ATTACHMENTS:

- A – Resolution No. 8677
- B - Airport Manager/Economic Development Coordinator Job Description

**CITY OF OROVILLE
RESOLUTION NO. 8677**

**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 AIRPORT
MANAGER/ECONOMIC DEVELOPMENT COORDINATOR**

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

1. The Mayor is hereby authorized and directed to approve the job description and salary range for the position of the Airport Manager/Economic Development Coordinator.
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 19, 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

AIRPORT MANAGER / ECONOMIC DEVELOPMENT COORDINATOR

DEFINITION

Under direction from the City Administrator, the Airport Manager / Economic Development Coordinator is responsible to manage, plan, organize and evaluate operations, construction, maintenance, line service, customer service, economic development and marketing activities, as they relate to the airport and economic development, for the City of Oroville; develop programs and strategies to maximize the use of airport properties for commercial and industrial use and perform related work as assigned. In addition, the position will assist with the coordination of all facets of the of grant funded Economic Development and Business Assistance Programs. Work closely with small businesses, financial institutions, and grant funding sources to implement the various economic development and programs and projects desired by the City.

SUPERVISION RECEIVED AND EXERCISED

Receives administrative general direction from the City Administrator, and assigned to the Administration Department.

EXAMPLES OF ESSENTIAL FUNCTIONS - *Essential functions may include, but are not limited to, the following:*

- Manage the overall direction, coordination and evaluation of the Oroville Municipal Airport in accordance with Federal Aviation Administration (FAA), federal, state and local laws and regulations.
- Plan and coordinate development activities for the Oroville Municipal Airport.
- Create and direct outreach for expansion programs, including maintaining liaison with various aviation and business associations.
- Develop and implement programs to encourage long-term private sector investment in airport properties.
- Prepare contracts/leases for airport facilities, including ground leases, building leases and airport permits.
- Prepare and present staff reports to City Council.
- Research and prepare grant proposals for airport construction and maintenance projects; such as runway and taxiway overlays, sewer and water improvements and master plan studies.
- Administer grants, maintain required records and submit reports to funding sources in a timely manner.
- Apply for grant reimbursement through the FAA DEHFI grant program.
- Resolve customer complaints and disputes; maintain liaison with community groups and others to maximize service delivery.
- Develop and implement a public relations marketing program for the airport and airport properties.

Adopted by Council:

CITY OF OROVILLE

- Confer and work closely with planning and engineering staff on the development and implementation of capital structures and increased marketing opportunities.
- Administer airport and industrial capital improvement programs, such as construction, land acquisition and development of airside and landscape facilities.
- Develop and monitor the airport budget; review monitor and analyze the activity of assigned revenue and expense accounts; update management staff; make recommendations regarding budget and program issues and implement appropriate cost recovery or expense reduction policies to maintain a balanced budget.
- Coordinate for 24-hour, 7-day emergency response; respond to such emergencies and direct activities.
- Monitor changes in legislation that may affect program operations; evaluate their effect upon program activities and recommend appropriate policy and procedure modifications.
- Confer with and represent the City in meetings with employees and departments, representatives from various governmental agencies, community, business, professional groups and the public.
- Conduct analytical studies; develop and review reports of findings, alternatives and recommendations; prepare or review a variety of narrative and/or statistical reports, correspondence, agenda items, policy papers, presentations and other written materials; maintain or direct the maintenance of accurate records and files.
- The position will exercise functional supervision over grant funded Economic Development and Business Assistance Programs and Projects.
- Communicate routinely with local business owners, development agents and business associations to promote appropriate development strategies.
- Coordinate special promotional events and implement improved public knowledge to targeted audiences.
- Develop and implement a business networking and reporting system that coordinates among property owners, real estate development agents, city management personnel, and those who can improve future economic and job development interest.
- Development and implement a public relations program to promote the airport, existing businesses and promote opportunities within the City of Oroville.
- Respond to inquiries regarding economic development opportunities, and meets with contractors, investors and interested parties to facilitate and streamline opportunities and work in correlation with City Departments in project review, permitting, tentative maps, etc.
- Comply with all City, Caltrans and FAA equipment and safety policies and procedures, and California Occupational Safety and Health Administration (CalOSHA) rules and regulations.
- Act as department representative in emergency or disaster response activities.

Adopted by Council:

MINIMUM QUALIFICATIONS

Knowledge of:

- Principles and practices of general aviation facility operation and service development.
- Economic development principles and terminology and finance practices, techniques and terminology.
- Law, regulations and rules governing state and federally-assisted economic development and business assistance programs, including FAA regulations.
- The role of general aviation in the aviation community and the needs of this specialized market.
- Principles and practices of contract negotiation and administration.
- Administrative principles and practices, including goal setting program development and implementation and evaluation.
- Principles of grant writing and administration.
- Techniques of developing and implementing effective marketing programs.
- Principles and practices of government budget development and administration, financial forecasting and analysis.
- Methods, principles and practices of effective conflict resolution.
- Effective negotiation and consensus development with individuals and organizations having a broad range of interests.
- Data sampling and statistical analysis techniques.
- The structure and content of the English language, including rules of composition and grammar.
- Administration procedures and systems, managing files and records, and other office procedures.
- Modern management and supervisory theories, principles and practices.

Skill in:

- Project management.
- Independently coordinating, overseeing and administering operational, marketing, capital improvement and maintenance programs as related to general aviation airport operations and related land development.
- Defining and analyzing programs and issues, identifying alternative solutions, projecting consequence of actions and implementation of recommendations.
- Developing and implementing goals objectives, policies, procedures and work standards.
- Independently performing professional analytical and programmatic work and carrying projects through, from data gathering to completion.
- Fostering constructive relationships with internal and external stakeholders.
- Conducting cost/benefit analysis.
- Maintaining accurate financial and operational records.
- Negotiating effective lease terms and administering contracts effectively.

Adopted by Council:

- Using tact, patience and courtesy in dealing with those contracted to perform the work.

Ability to:

- Collaborate on topics that are sensitive in nature, involving many stakeholders with competing interests.
- Listen carefully to what other people are saying, take time to understand the points being made, and ask questions as appropriate for clarification.
- Interpret, apply and explain complex federal, state and local laws related to the work.
- Communicate information and ideas in a manner others will understand.
- Make rational judgements and decisions in a timely manner particularly in situations involving potential risks.
- Interact with others and demonstrate sensitivity to their needs to establish and maintain a supportive and professional working relationship.
- Organize work, manage multiple projects/programs and meet critical deadlines.
- Prepare clear, concise and organized written reports, correspondence and other materials by compiling various sources of information into a professional document.

MINIMUM QUALIFICATIONS

Education: Bachelor's Degree from an accredited college or university with major coursework in business or public administration, aviation management, economics, finance or a closely related field.

Experience: Five (5) years of professional airport operations experience with extensive knowledge of FAA regulations. Additional direct experience in general aviation operations and/or possession of a valid Accredited Airport Executive (AAE) certification by the American Association of Airport Executives is desired.

Substitution: Any combination of education and experience that would allow for successful completion of the essential functions of the position.

Licenses and Certification:

- Possess and maintain a valid California Class C driver's license.
- Possession of a valid Pilot's License issued by the FAA is desirable.

Physical Demands:

The physical demands and work environment described here are representative of those that must be met by an employee to successfully perform the essential function of the job, with or without accommodation. Prospective employees must complete a pre-employment medical exam, which will measure the ability to:

Adopted by Council:

CITY OF OROVILLE

- See well enough to read fine print and view a computer screen; speak and hear well enough to understand, respond, and communicate clearly in person and on the telephone; independent body mobility sufficient to stand, sit, walk stoop and bend to access the work environment and a standard office environment; manual dexterity and sufficient use of hands, arms and shoulders to repetitively operate a keyboard and to write; and the ability to sit or walk for prolonged periods of time.
- Mobility to drive a motor vehicle to attend meetings or visit various work sites.

Work Environment:

- Generally, a typical office environment.
- May be required to travel to the airport and to various worksites or locations within the City.
- Occasionally may be required to travel for meetings or conferences outside normal business hours.

This class specification lists the major duties and requirements of the job. Incumbent may be expected to perform job-related duties other than those contained in this document.

Adopted by Council:

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

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

**RE: SALE OF CITY OWNED PROPERTY LOCATED BEHIND THE
NORHTWEST SOCIETY FOR THE PREVENTION OF CRUELTY
TO ANIMALS (SPCA) IDENTIFIED AS APN:035-400-022 OFF
SOUTH 5TH AVENUE**

DATE: DECEMBER 19, 2017

SUMMARY

The Council may consider the sale of a City-owned property located behind the Northwest Society for the Prevention of Cruelty to Animals (SPCA) and identified as APN:035-400-022 off South 5th Avenue.

DISCUSSION

The City of Oroville has received a request from Robert "Duke" Sherwood to purchase a City owned property located behind the Northwest SPCA. Mr. Sherwood previously purchased another 7-acre parcel adjacent to the property to recycle asphalt and concrete rubble and to use as a yard for his construction equipment. However, do the level of thefts and vandalism over the past several years, Mr. Sherwood has been unable to park equipment or store material on his property.

While attempts have been made to maintain the fences and gates, vandalism has continued making them not effective in keeping people out. Even automatic gates are now locked with a chain as a result of theft and vandalism.

Mr. Sherwood has outlined several recommendations to make the property safe and usable, which include: clean-up and removal of all interior fencing, steel posts and steel building material; leveling of all existing levees and dirt piles; and removal of all the brush that is growing. This will eliminate hiding places, camp sites and most importantly, open up a line of site from South 5th Avenue into the property.

Mr. Sherwood is interested in the purchase of the balance of this property if the purchase price reflected the work that needs to be done. Mr. Sherwood would be

looking for assurance from the Regional Water Quality Control Board that these improvements would be acceptable and that the City would still deem this property compatible for aggregate processing and allow concrete and asphalt recycling.

FISCAL IMPACT

Sale of the property at the appraised value, less the cost of an appraisal. Property appraisal has not been completed.

RECOMMENDATION

Provide staff direction.

ATTACHMENT

- A – Letter from Duke Sherwood
- B – Parcel Map
- C – Aerial



Duke Sherwood Contracting, Inc.

General Engineering Contractor #327827
495 Stimpson Road • Oroville, CA 95965 • (530) 533-2710

11-28-17

Dear Mayor and Councilmembers:

The 7 acre parcel that we are in the process of purchasing from the City is at the rear, or east portion, of the old olive treatment plant site. We originally purchased this site to recycle asphalt and concrete rubble and to use as a yard for our construction equipment. We were initially parking equipment and storing materials there as well. However in the last several years we have not been able to keep any equipment or materials at this site due to the thefts and vandalism. Our parcel is quite isolated being at the back of this large parcel with virtually no visibility. We have made improvements and are still recycling asphalt and concrete but found it necessary to have watchmen on site while the crushing equipment is on site.

We have attempted to maintain the fences and gates to both our property and the City's but we can repair a section of fence in the morning and in many instances it will be cut open before noon on the same day. As part of our original agreement we installed a very nice heavy industrial automatic gate for access and all of the openers and cylinders and batteries, etc. have been removed and replaced and removed and vandalized to the point that it is now locked with a chain and is no longer "automatic". Last year there were several homeless people living in the Kiwanis' building on the City's portion of the property. We demolished this building after discussing this issue with the City.

I realize that this problem is plaguing this entire area but I think there are steps that can be made to make the property safe and usable. All of the interior fencing, steel posts and steel building material need to be cleaned up and off hauled. All of the levees and dirt piles need to be knocked down and all of the brush that is growing needs to be removed. This will eliminate hiding places and camp sites. Most importantly it will open up a line of site from S 5th Ave. into the site. It was my understanding that the Regional Water Quality Board has released the City from the contamination issues from the treatment site but some of the monitoring wells need to remain in place. If this is the case the ponds could be compacted and filled which would essentially level this site.

We are interested in the purchase of the balance of this property if the purchase price reflected the work that needs to be done. This would give us much closer access to S. 5th Ave. which hopefully would give us a safer and more visible area for our equipment and materials to be stored. We would need assurance from the Regional Board that these improvements would be acceptable and that the City would still be deem this property compatible for aggregate processing and both concrete and asphalt batch plants.

Thank you for your time and consideration.

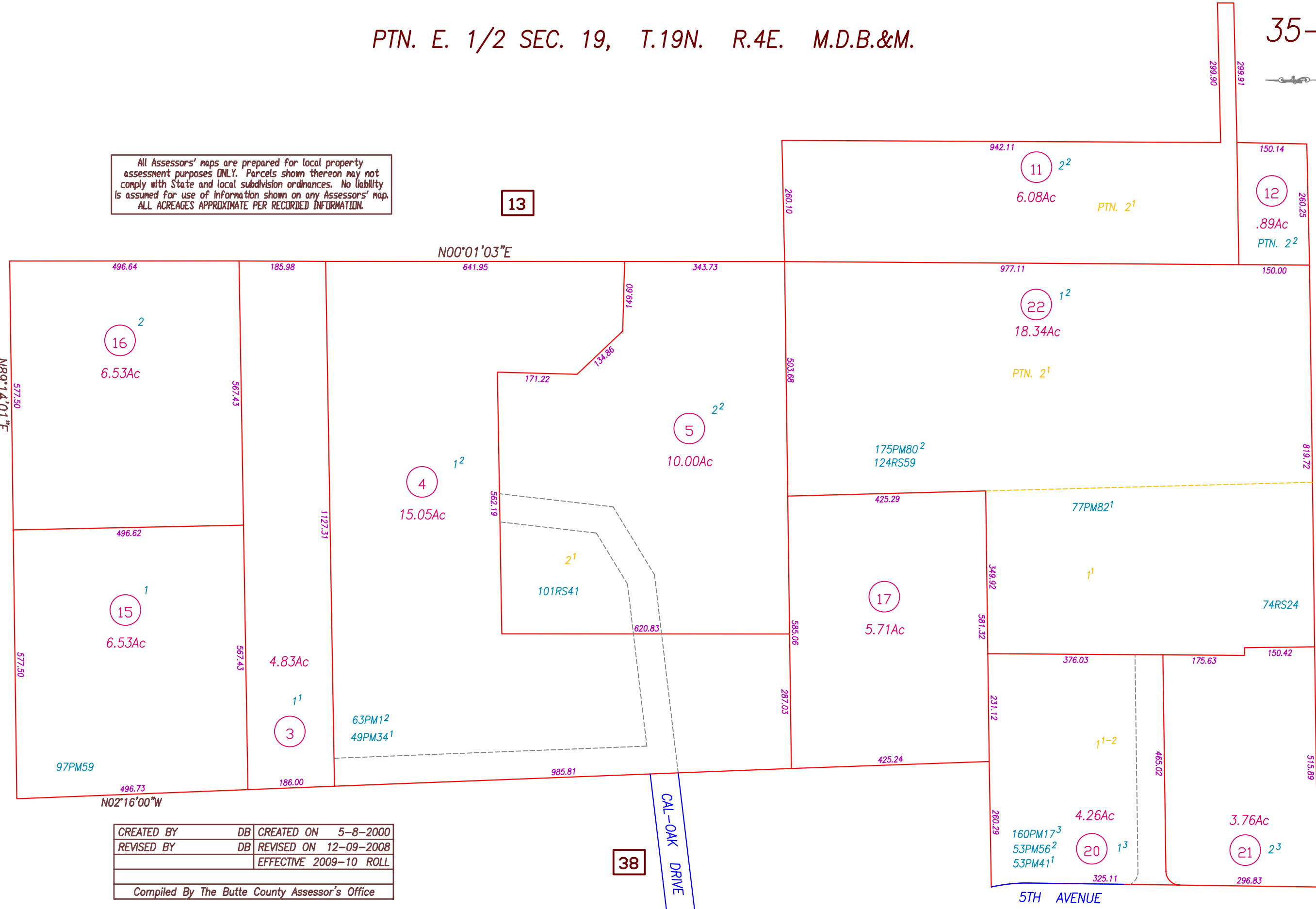
Robert "Duke" Sherwood

PTN. E. 1/2 SEC. 19, T.19N. R.4E. M.D.B.&M.

35-40



All Assessors' maps are prepared for local property assessment purposes ONLY. Parcels shown thereon may not comply with State and local subdivision ordinances. No liability is assumed for use of information shown on any Assessors' map. ALL ACREAGES APPROXIMATE PER RECORDED INFORMATION.



26

13

41

38

CREATED BY	DB	CREATED ON	5-8-2000
REVISED BY	DB	REVISED ON	12-09-2008
		EFFECTIVE	2009-10 ROLL
Compiled By The Butte County Assessor's Office			



**CITY OF OROVILLE
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

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

**RE: CITY INCENTIVES FOR REBUILDING AND ELIMINATION OF
HAZARDOUS AND BLIGHTED PROPERTIES**

DATE: DECEMBER 19, 2017

SUMMARY

The Council may consider providing incentives for rebuilding and elimination of hazardous and blighted properties.

DISCUSSION

At the September 19, 2017 Council meeting, there was a discussion about the different avenues that the City may pursue to support improving hazardous and blighted properties. Although several courses of action were discussed, one included the potential to reduce, waive, or defer City fees in an effort to help incentivize rebuilding and elimination of hazardous and blighted areas. The community at large could benefit from such assistance by restoring property values, and removing debris, hazardous materials, and blight.

Staff is looking for direction from the Council on the course of action that it would like staff to pursue, if any, in affording either a fee reduction, waiver, or deferral for any City fees and/or requirements to encourage rebuilding and elimination of hazardous and blighted properties. Some areas of consideration include, but are not limited to, the following:

- Demolition Fees
- Building Permit Fees (inspections, plan reviews, plan retention, etc.)
- Development Impact Fees, if applicable (law enforcement, fires suppression, storm drainage system, etc.)
- Other Fees/Requirements (Installation of curb/gutter/sidewalk if valuation is \$52,000 or more, grading permits, etc.)
- What definitions will be used to define what properties qualify? (e.g. hazardous or blighted)
- How will blight be defined? Or is another term/definition preferred?
- Some fees cannot be waived/reduced/deferred (State fees, SC-OR fees, school impact fees, etc.)

Staff was unable to find an example of a City that has reduced or waived fees for redevelopment of blighted properties. The only exception was Butte County, which approved fee waivers to assist Wall Fire victims. The fee waivers and streamlined services are available for any fires declared local emergencies during the 2017 CAL FIRE defined fire season. However, there were examples of Cities deferring fees until issuance of final building occupancy (e.g. Roseville, Sacramento, Fremont, Anaheim, Yuba County). Most deferral ordinances were passed with the purpose of encouraging development during difficult economic times.

FISCAL IMPACT

Undetermined at this time.

RECOMMENDATION

Provide direction, as necessary.

ATTACHMENTS

- A – Ordinance No. 1815- Master Fee Schedule: Planning / Building / Code Enforcement
- B – Public Works / Engineering Fees / Development Impact Fees
- C – Example of Permit Fees for Single Family Dwelling

**CITY OF OROVILLE
ORDINANCE NO. 1815**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE UPDATING
THE COMMUNITY DEVELOPMENT DEPARTMENT'S PORTION OF THE CITY'S
MASTER FEE SCHEDULE; CONSUMER PRICE INDEX ANNUAL ADJUSTMENTS**

THE COUNCIL OF THE CITY OF OROVILLE DO ORDAIN AS FOLLOWS:

PURPOSE AND FINDINGS

This Ordinance updates portions of the master fee schedule for the Community Development Department; this includes the Planning Division, Building Division, and Code Enforcement Division fees. The fees set forth in this Ordinance are authorized by Government Code section 66014. The Oroville City Council finds that the cost to the Community Development Department for ministerial and discretionary land use applications should be borne by the person who benefits from the services provided. Therefore, the Oroville City Council finds that the Community Development Department Master Fee Schedule is necessary to recover costs related to ministerial and discretionary land use applications and permits and shall be assessed on all persons requesting such applications and permits.

In adopting this Ordinance, the Oroville City Council finds that the fees charged by this Ordinance are reasonably necessary to recover the City's total cost of providing services related to ministerial and discretionary land use applications and permits.

Section 1 – Community Development Department Master Fee Schedule

- A. Applicability: This Section shall apply to any ministerial or discretionary land use permit or application applied for within the incorporated areas of the City of Oroville.
- B. Amount of Fee: The amount of fees to be charged is reflected in the following attachments:
 - Attachment A - City of Oroville Planning Division Master Fee Schedule
 - Attachment B - City of Oroville Building & Code Enforcement Division Master Fee Schedule.
- C. Time of Payment: Payment in full of the fees listed in the Master Fee Schedule shall be required at time of project application unless the City Administrator or his/her designee creates a policy for collecting specific fees after project application receipt.
- D. Deposit of Fee: The City Administrator is hereby directed to deposit all fees collected as shown in the Community Development Department Master Fee

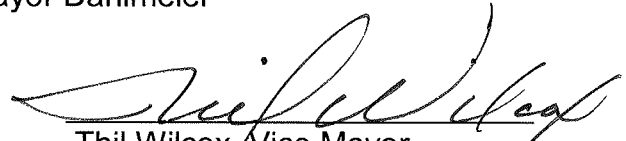
PASSED AND ADOPTED by the City Council of the City of Oroville at a regular meeting held this 7th day of June, 2016, by the following vote:

AYES: Council Members Berry, Hatley, Pittman, Simpson, Vice Mayor Wilcox


NOES: None

ABSTAIN: None

ABSENT: Council Member Del Rosario, Mayor Dahlmeier


Thil Wilcox, Vice Mayor

APPROVED AS TO FORM:


Scott E. Huber, City Attorney

ATTEST:


Donald Rust, Acting City Clerk



City of Oroville

DONALD RUST
ACTING CITY ADMINISTRATOR

CITY ADMINISTRATION

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2535 FAX (530) 538-2426
www.cityoforoville.org

PLANNING DIVISION

Project Application	Code #	Current Fee	Proposed Fee (CPI Adjusted)
Administrative Permit	4250-1600	\$572.00	\$585.78
Adult-Oriented Business Fee	4250-1600	\$516.00	\$528.43
Amendment/Modification Fee (Use Permits, Variances, TSM, etc.)	4250-1600	\$1,000.00 (Deposit)	\$1,024.09
Annexation	4250-1600	\$3,458.00 (Deposit)	\$3,541.30 (Deposit)
Appeal to City Council (Discretionary Items)	4250-1600	\$1,095.00	\$1,121.38
Appeal to City Council (Ministerial Items)	4250-1600	\$0.00	\$225.00
“Burn-Down” Letter	4250-1600	\$66.00	\$67.59
Condition Compliance	4250-1600	\$500.00 (Deposit)	\$512.05 (Deposit)
Development Review Committee	4694-1600	\$225.00	\$230.42
EIR Deposit	620-2500	\$5,000.00 (Deposit)	\$5,120.45
Final Map	4696-1600	\$1,507.00 (Deposit)	\$1,543.30 (Deposit)
Fire Design Review	4280-2000	\$434.00	\$444.46
General Plan Amendment	4290-1600	\$3,854.00 (Deposit)	\$3,946.84 (Deposit)
Home Occupation: Low Impact	4250-1600	\$118.00	\$120.84

Home Occupation: Moderate Impact	4250-1600	\$236.00	\$241.69
Pre-Application (Initial Project Review)	4694-1600	\$225.00	\$230.42
Sign Review	4250-1600	\$168.38	\$172.44
Special Use Permit	4250-1600	\$100.00	\$102.41 (Deposit)
Specified Plan Amendment	4250-1600	\$2,308.39	\$2,364.00
Specific Plan Deposit	4250-1600	\$3,258.90 (Deposit)	\$3,337.41
Tentative Parcel Map	4696-1600	\$3,418.00 (Deposit)	\$3,500.34 (Deposit)
Tentative Subdivision Map	4696-1600	\$3,946.00 (Deposit)	\$4,041.06 (Deposit)
Per Resulting Lot Tentative Maps	4696-1600	\$20.00	\$20.48
Use Permit	4250-1600	\$2,822.00 (Deposit)	\$2,889.98 (Deposit)
Variance	4250-1600	\$2,263.00 (Deposit)	\$2,317.52 (Deposit)
Zone Change	4290-1600	\$3,031.00 (Deposit)	\$3,104.02 (Deposit)
Zoning/General Plan Compliance Letters	4250-1600	\$155.00	\$158.73
Assorted Copies	Code #	Current Fee	Proposed Fee (CPI Adjusted)
General Plan Book	4895-1600	\$65.00	\$66.57
General Plan Map	4895-1600	\$10.00	\$10.24
Housing Element Book	4895-1600	\$17.00	\$17.41
Zoning Map	4895-1600	\$10.00	\$10.24
Zoning Ordinance Book	4895-1600	\$20.00	\$20.48
Copies	4895-1600	\$0.25 per page	\$0.26 per page



City of Oroville

DONALD RUST
ACTING CITY ADMINISTRATOR

CITY ADMINISTRATION

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2535 FAX (530) 538-2426
www.cityoforoville.org

BUILDING DIVISION

The minimum permit fee for any single or combination permit is:
(\$83.00) when one inspection is required
(\$166.00) when two inspections are required

Miscellaneous Permit Fees

Fee Type	Code #	Current Fee	Proposed Fee (CPI Adjusted)
The following list of various types of fees due when receiving a permit and/or services			
Standard hourly rate		\$83.00	\$85.00
Permit Issuance Fee (per each permit)	4290-2990	\$15.00	\$15.36
Plan Retention Fee (per each set of plans)	4290-2990	\$15.00	\$15.36
Technology Cost Recovery Fee to be charged at each permit application and issuance	116-4666-7660	Plan Review Fee x 6% Permit Fee x 6%	
Strong Motion Instrumentation Program (SMIP) Fee			
Residential	6202520	Valuation x .00010	
Commercial	6202520	Valuation x .00021	
Green Building Fee	6202509	\$1.00 per \$25,000 of the Permit Valuation	
Other Department Fees: Please contact the appropriate departments to determine the applicable fees (Fire, Environmental Health, Public Works, Planning, Local School District, Local Service District, & Feather River Parks & Recreation District)			

Fire Project Review and Inspection Fees			
Administrative fee for all fire project review submittals (sprinklers, commercial kitchen hood extinguishing systems, fire alarm systems, etc) (minimum ½ hour)	4290-2990	\$42.00	\$43.01
Burn Permit Fee	4280-2000	\$10.86	\$11.12
Fire Works Permit Administrative Fee (<i>if processed/issued by the Development Services Department</i> ; minimum 2 hours)	4290-2990	\$166.00	\$170.00
See the Oroville Fire Department Fee Schedule for a complete list of fees related to fire project review and inspection.			
Development Impact Fees; these fees are applicable for new residential construction, new commercial construction, and additions to existing commercial buildings. See fee table for a complete list of fees.			
Miscellaneous Department Fees			
Business License Occupancy Inspection Fee (minimum 1 hour)	4220-2990	\$83.00	\$85.00
Business License Occupancy Submittal/Processing Fee (minimum ½ hour)	4290-2990	\$42.00	\$43.01
First Time Homebuyer's Inspection Fee (minimum 1 hour)	4220-2990	\$83.00	\$85.00
Re-inspection fee for Business License Occupancy or First Time Homebuyer's Inspection (minimum 1 hour)	4220-2990	\$83.00	\$85.00
Encroachment Permit Administrative Processing Fee	4290-2990	\$15.00	\$15.36
Addressing (new or re-addressing), per hour (minimum ½ hour)	4290-2990	\$42.00	\$43.01
Temporary Certificate of Occupancy	4220-2990	\$166.00	\$170.00
Certificate of Occupancy Document	4290-2990	\$10.00	\$10.24
Plan review fee (minimum ½ hour)	4665-2990	\$42.00	\$43.01
Geotechnical Review Fee (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Site Inspection (minimum 1 hour)	4220-2990	\$83.00	\$85.00
Requested Special Inspection per hour or fraction	4220-2990	\$83.00	\$85.00

thereof (minimum 1 hour)			
Alternative Methods and Materials Review per hour (minimum ½ hour)	4665-2990	\$42.00	\$43.01
Photocopy of documents fee; 8 ½"x11"= \$0.25; 11"x17"= \$1.10; 18"x26"= \$1.15; 24"x36"= \$1.25; 24"x42" and larger= \$1.30 (all amounts listed are per sheet copied)	4290-2990	8 ½"x11"= \$0.26; 11"x17"= \$1.13; 18"x26"= \$1.18; 24"x36"= \$1.28; 24"x42" and larger= \$1.33	

Fee Type	Code #	Current Fee	Proposed Fee (CPI Adjusted)
Specialized reviews and requests	4665-2990	Actual Cost	
Certified Access Specialist Program (CASp) inspection per hour (minimum 1 hour)	4220-2990	\$83.00	\$85.00
Certified Access Specialist Program (CASp) inspection report per hour (minimum ½ hour)	4290-2990	\$42.00	\$43.01
Certified Access Specialist Program (CASp) Certificate	4290-2990	\$50.00	\$51.20
Demolition, per building	4220-2990	\$83.00	\$85.00
Demolition, per building if a structure pre-measure is requested	4220-2990	\$166.00	\$170.00
Residential swimming pool, spa, or hot tub plan review, per hour (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Residential swimming pool or spa permit	4220-2990	\$415.00	
Residential swimming pool addition or remodel permit	4220-2990	\$249.00	\$255.00
Residential spa or hot tub permit (self-contained above ground)	4220-2990	\$166.00	\$170.00
Commercial swimming pool or spa permit	4220-2990	Based on Valuation	
Residential re-roof permit	4220-2990	\$166.00	\$170.00
Residential multifamily re-roof permit (per building)	4220-2990	\$166.00	\$170.00
Commercial re-roof permit	4220-2990	\$249.00	\$255.00
Window installation or replacement permit (rough frame, and final inspection required)			
Retrofit windows	4220-2990	\$83.00	\$85.00

New construction windows (flashing, minor siding replacement, etc)	4220-2990	\$166.00	\$170.00
Residential or commercial building move (site, foundation, electrical, plumbing, mechanical, and final inspection); additional fees may apply	4220-2990	Based on Valuation	
Patio Covers, Decks, and Trellises			
Plan Review (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Up to 500sq.ft. (wood or metal construction)	4220-2990	\$249.00	\$255.00
Enclosed up to 500sq.ft. (wood or metal construction)	4220-2990	\$332.00	\$339.99
In excess of 500sq.ft. (covered or enclosed) additional fee per 100sq.ft. or fraction thereof	4220-2990	\$42.00	\$43.01
Deck or Trellis (per structure)	4220-2990	\$166.00	\$170.00
Signs			
Plan Review, per hour (<i>wall and/or roof mounted</i>) (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Plan Review (<i>freestanding</i>) (minimum 1 hour)	4665-2990	Based on Valuation	
Additional electrical permit fee for illuminated signs (minimum 1 hour)	4222-2990	\$83.00	\$85.00
0-100 square feet	4220-2990	\$166.00	\$170.00
Over 100 square feet	4220-2990	\$249.00	\$255.00
Cellular Tower			
Plan Review, (minimum 1 hour)	4665-2990	Based on Valuation	
Free standing monopole	4220-2990	\$415.00	\$420.00
Co-location	4220-2990	\$332.00	\$339.99
Equipment Container	4222-2990	\$166.00	\$170.00
Manufactured Buildings			
Application fee	4220-2990	\$15.00	\$15.36
Plan Review (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Installation with Standard Plan Approval (SPA)	4220-2990	\$332.00	\$339.99
Non-Standard Plan Approval (SPA), engineered	4220-2990	Based on Valuation	

foundation system			
Electrical	4222-2990	\$83.00	\$85.00
Plumbing	4221-2990	\$83.00	\$85.00
Mechanical	4225-2990	\$83.00	\$85.00
Commercial Coach set-up and installation	4220-2990	Based on valuation	
California State 433A & 433B processing fee (per building section)		\$11.00	
Master Plan fee	4665-2990	\$166.00	\$170.00
Electrical Service and/or Sub-Panel Installation			
Up to 325 amperes	4222-2990	\$166.00	\$170.00
325 to 1,000 amperes	4222-2990	\$249.00	\$255.00
Over 1,000 amperes	4222-2990	\$332.00	\$339.99
Plan Review fee (when required), per hour (minimum 1 hour)	4665-2990	\$83.00	\$85.00
Temporary power pole/service	4222-2990	\$166.00	\$170.00
Residential backup generator	4222-2990	\$166.00	\$170.00
Commercial backup generator	4222-2990	\$249.00	\$255.00
Photovoltaic (PV-Solar) & Alternative Energy Systems			
Residential Photovoltaic & Alternative Energy Systems Plan Review	4665-2990	\$83.00	\$85.00
Commercial Photovoltaic & Alternative Energy Systems Plan Review (minimum 1 hour)	4665-2990	Based on Valuation	
Residential roof mount; PV panels and equipment only	4222-2990	\$166.00	\$170.00
Residential ground mount; PV panels and equipment only (minimum 2 hours)	4222-2990	Based on Valuation	
Commercial roof mount; PV panels and equipment only (per each separate array)	4222-2990	\$249.00	\$255.00
Commercial ground mount; PV panels and equipment only (minimum 3 hours)	4222-2990	Based on Valuation	
Alternative Energy Producing System (wind turbine,	4222-2990	Based on valuation	

methane gas conversion, bio-fuels, etc) (per valuation table)			
Residential or Commercial Ground Mount Foundation Plan Review	4665-2990	Based on Valuation	
Residential of Commercial Ground Mount Foundation	4220-2990	Based on Valuation	
Miscellaneous Plumbing			
Water heater installation/replacement	4221-2990	\$83.00	\$85.00
Water softener or reverse osmosis installation/replacement	4221-2990	\$83.00	\$85.00
Temporary gas release (prior to final inspection) (minimum 1 inspection)	4221-2990	\$83.00	\$85.00
Above ground propane tank installation/replacement	4221-2990	\$166.00	\$170.00
In-ground propane tank installation/replacement	4221-2990	\$249.00	\$255.00
Miscellaneous Mechanical			
Residential HVAC furnace, A/C condenser, <i>and/or</i> ductwork	4225-2990	\$166.00	\$170.00
Commercial HVAC furnace, A/C condenser, <i>and/or</i> ductwork	4225-2990	\$249.00	\$255.00
Prefabricated or metal fireplace (Listed by a recognized agency; EPA phase II approved)	4225-2990	\$166.00	\$170.00
Masonry with gas fireplace insert (EPA phase II approved)	4225-2990	\$166.00	\$170.00
Guidelines for determining the valuation of common projects per type of structure shall be based on the actual work valuation but no less than the latest International Code Council based square footage tables.			
California Building Standards Green Fee – Permit Valuation			
\$1-\$25,000	6202509	\$1	
\$25,001-\$50,000	6202509	\$2	
\$50,001-\$75,000	6202509	\$3	
\$75,001-\$100,000	6202509	\$4	
Every \$25,000 or fraction thereof above \$100,000	6202509	\$1	

Miscellaneous Administration Fee(s)			
Deferred Submittal Request (subject to approval by the Building Official)	4665-2990	\$83.00	\$85.00
Permit Extension Request (subject to approval by the Building Official)	4665-2990	\$83.00	\$85.00
Plan Review Extension Request (subject to approval by the Building Official)	4665-2990	\$83.00	\$85.00
Re-instate expired permit – ½ of the cost of original permit if permit is older than 24 months; excludes school, fire, and FSA, etc fees) – (subject to approval by the Building Official)	4220-2990	½ the cost of original permit fees	

CODE ENFORCEMENT DIVISION

Code Enforcement Division Inspection/Program Fees			
Vacant Building Monitoring Ordinance Fee (Annual)	4670-1450 CE1	\$331.00	\$338.99
Multi-Family Inspection Program Fee (per dwelling unit)	4670-1450 CE1	\$37.00	\$37.89
Property Lien Processing Fee (per property) (1 hour)	4670-1450 CE1	\$83.00	\$85.00
Multi-Family Inspection Program Extension Request Fee	4670-1450 CE1	\$42.00	\$43.01
Property Posting Fee	4670-1450 CE1	\$83.00	\$85.00
Preliminary Title Search Fee (Litigation Guarantee)	4670-1450 CE1	Cost of Title Search from Title Company + 15% Administrative Processing Fee	
Re-inspection Fee	4670-1450 CE1	\$83.00	\$85.00
Miscellaneous Administrative Code Enforcement Fee (when not listed specifically above) (based on hourly rate; minimum ½ hour)	4670-1450 CE1	\$42.00	\$43.01

Fee Overview

The Development Services Division is supported by fees collected for services provided. Plan review fees pay for staff time to check plans for code compliance. Permit fees pay for inspection services. All fees are identified in the City of Oroville Master Fee Schedule.

Building permit fees and any required plan review fees are based on the value of the project. Electrical, plumbing, and mechanical fees are based on a percentage of the building permit fee. The determination of value or valuation under any of the provisions of the master fee schedule shall be made by the Building Official and may be adjusted annually.

This booklet was prepared in response to those requests regarding permit fees. Its purpose is to acquaint applicants with various fees and processes involved in obtaining a building permit, whether for a new building, addition, alteration/remodel, or tenant improvement of an existing structure. This recognizes that all possible situations and requirements have been addressed, but it is hoped that the majority of building permit applications have been covered.

Every effort has been made to ensure the accuracy of data presented in this booklet. However, if discrepancies are noted, please call our staff at (530) 538-2425. Fees presented in this booklet are those in effect as of April 22, 2013. All fee estimates are preliminary until plan review is complete. Staff will call you with the final fee quote when your permit is ready to be issued.

Fee Schedule

Building Permit Fee

For new construction, remodel, additions, or tenant improvement for any building or structure where a Building Permit is issued, use the column which is "Building Permit" of the Building Permit Valuation Fee Table (minimum \$83.00 fee) (minimum \$85.00 fee)

Building Permit Fee for any other construction work that is not listed, the contract amount will be the valuation and the fee will be by the "Valuation Fee" (minimum \$83.00 fee for one inspection and \$166.00 for two inspections) (minimum \$85.00 fee for one inspection and \$170.00 for two inspections)

Electrical Permit Fee

For new construction, remodel, additions, or tenant improvement for any building or structure where a Building Permit is issued, use the column which is “12.5%” of the Building Permit Valuation Fee table (minimum \$83.00 fee) (minimum \$85.00 fee)

Electrical Permit Fee for any other construction work that is not listed, the contract amount will be the valuation and the fee will be by the “Valuation Fee” (minimum \$83.00 fee for one inspection and \$166.00 for two inspections) (minimum \$85.00 fee for one inspection and \$170.00 for two inspections)

Plumbing Permit Fee

For new construction, remodel, additions, or tenant improvement for any building or structure where a Building Permit is issued, use the column which is “10%” of the Building Permit Valuation Fee table (minimum \$83.00 fee) (minimum \$85.00 fee)

Plumbing Permit Fee for any other construction work that is not listed, the contract amount will be the valuation and the fee will be by the “Valuation Fee” (minimum \$83.00 fee for one inspection and \$166.00 for two inspections) (minimum \$85.00 fee for one inspection and \$170.00 for two inspections)

Mechanical Permit Fee

For new construction, remodel, additions, or tenant improvement for any building or structure where a Building Permit is issued, use the column which is “7.5%” of the Building Permit Valuation Fee table (minimum \$83.00 fee) (minimum \$85.00 fee)

Mechanical Permit Fee for any other construction work that is not listed, the contract amount will be the valuation and the fee will be by the “Valuation Fee” (minimum \$83.00 fee for one inspection and \$166.00 for two inspections) (minimum \$85.00 fee for one inspection and \$170.00 for two inspections)

Plan Review Fees

Building Plan Review Fee:

- For all buildings, structures, utilities, etc that require plans and plan review by the building division shall use the 65% column.

Disabled Access Plan Review Fee:

- For all building, structures, utilities, etc that require disabled access plans and plan review by the building division shall use the 15% column.

Energy Conservation (Title 24) Plan Review Fee:

- For all buildings, structures, utilities, etc that require energy standard(s) compliance plans and plan review by the building division shall use the 10% column.

Green Building Plan Review Fee:

- For all buildings, structures, utilities, etc that require green building standard(s) compliance plans and plan review by the building division shall use the 15% column.

Based on the 2010 California Residential Code		2013
BUILDING PERMIT FEES		
Total Valuation	Current Fee	Proposed Fee (CPI Adjusted)
\$1.00 to \$500.00	\$24.00	
\$501.00 to \$2,000.00	\$24.00 for the first \$500; plus \$3.00 for each additional \$100 or fraction thereof, to and including \$2,000.00	
\$2,001.00 to \$40,000.00	\$69.00 for the first \$2,000.00; plus \$11.00 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00	
\$40,001.00 to \$100,000.00	\$487.00 for the \$40,000.00; plus \$9.00 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00	
\$100,001.00 to \$500,000.00	\$1,027.00 for the first \$100,000.00; plus \$7.00 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00	
\$500,001.00 to \$1,000,000.00	\$3,827.00 for the first \$500,000.00; plus \$5.00 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00	
\$1,000,001.00 to \$5,000,000.00	\$6,327.00 for the first \$1,000,000.00; plus \$3.00 for each additional \$1,000.00 or fraction thereof, to and including	

	\$5,000,000.00	
\$5,000,001.00 and over	\$18,327.00 for the first \$5,000,000.00; plus \$1.00 for each additional \$1,000 or fraction thereof.	
Other Inspections and Fees		
Inspections outside normal business hours (minimum 2 hours)	\$83.00 per hour*	\$85.00 per hour*
Re-inspection fees assessed under the provisions of Section 6-1.7; 110.7 of the Oroville City Ordinance 1767.	\$83.00 per hour *	\$85.00 per hour*
Inspection for which no fee is specifically indicated (minimum 1 hour)	\$83.00 per hour *	\$85.00 per hour*
Additional plan review required due to changes, additions, or revisions to plans (minimum ½ hour)	\$42.00 per ½ hr*	\$42.50 per ½ hour*
For use of outside consultants for plan review and inspections, or both	Actual Cost**	
Plan Review: When a plan or other data is required to be submitted for review, the plan review fee for each building, structure, utility, etc shall be 65% of the building permit fee shown in the Building Permit Fee Table.		
Disabled Access Review: For the review of California Code of Regulation Title 24 requirements for accessibility for the physically disabled, the fee shall be equal to 15% of the building permit fee as shown in the Building Permit Fee Table.		\$85.00 per hour*
Energy Conservation Review: For review of California Code of Regulations Title 24 requirements for energy conservation, the fee shall be equal to 10% of the building permit fee as shown in the Building Permit Fee Table.		
Green Building Standards Review: For review of California Code of Regulations Title 24 requirements for green building standards, the fee shall be equal to 15% of the building permit fee as shown in the Building Permit Fee Table.		
* = or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employee involved.		
** = Actual cost includes administrative and overhead costs.		

**FEE SCHEDULE 2015/2016
CITY OF OROVILLE DEPARTMENT
OF PUBLIC WORKS ENGINEERING
DIVISION**

LAND DEVELOPMENT SERVICE FEES

SERVICES	FEE
Abandonment/Street/R-O-W	\$727.82
Assessment District Annual Review	ACTUAL
Assessment District Set-up (Benefit Assessment District & Landscape & Lighting District)	
<i>\$7,500 Deposit w/charges @fully allocated hourly rate+ costs plus \$20.00 per lot</i>	ACTUAL
Lot Line Adjustment	\$689.80
Certificate of Compliance	\$342.18
Parcel Merger	\$765.84
Consolidated Facilities District (<i>Deposit required at time of submittal</i>)	VARIES
Deferred Improvement Agreement	\$114.06
Final Parcel Map Review	\$1,303.56
Final Subdivision Map Review	\$1,303.56
Flood Plain Letter	\$222.69
Grant of License	\$157.51
Planning Outside Consultant Services <i>Deposit required at time of submittal</i>	VARIES
Record of Survey	(Processed directly thru Butte County)
Reversion to Acreage	\$3,258.90
Subdivider's Agreement	\$972.24
Subdivision & Site Improvements Construction Inspection cost, <i>3.0% of estimated construction cost,</i>	Minimum \$162.95
Subdivision & Site Improvements Plan Check <i>1.5% of estimated construction cost,</i>	Minimum \$162.95
Tentative Subdivision Map	\$3,946 (Deposit)
Tentative Parcel Map Review	\$3,418 (Deposit)

FEE SCHEDULE 2015/2016
CITY OF OROVILLE DEPARTMENT
OF PUBLIC WORKS ENGINEERING
DIVISION

CITY RIGHT-OF-WAY
ENCROACHMENT PERMIT FEES

Construction Dumpster, Each Location	\$76.04
Construction Job Trailer, Each Location	\$76.04
Disabled Curb Ramp, Each Location	\$108.63
Drainage Inlet, Each Location	\$108.63
House Relocations/Moving Each Section	\$168.38
Paving,<1000sf.	\$97.77
Pedestrian Protection, Canopy Type Each Location	\$114.06
Pedestrian Protection, Railing Type Each Location	\$97.77
Sidewalk, Curb & Gutter; Repair<100lf.	\$97.77
Sidewalk, Curb & Gutter; New<100lf.	\$114.06
Sidewalk; infill<100lf.	\$108.63
Sidewalk Obstruction, Each Location	\$97.77
Sidewalk Underdrain, Each Location	\$86.90
Street Obstruction-Each Location	\$97.77
Street Repair,<500sf.	\$97.77
Underground Utility,<300lf.	\$108.63

Fees for major improvements shall be based upon adopted Subdivision & Site Improvement cost percentage rates. Plan check and inspection fees for activities which do not fall within the above categories shall be calculated at the allocated hourly rate at this time.

RE-INSPECTION FEES

In the event that the work fails to meet standards upon the initial inspection, a re-inspection fee shall be estimated at the allocated hourly rate at this time. Re-inspection shall not be scheduled until the re-inspection fee has been paid.

PENALTIES FOR NON-COMPLIANCE

In the event that activities or work commences prior to the issuance of a valid encroachment permit, the permit issuance, plan check and inspection fees shall be doubled.

<p>FEE SCHEDULE 2015/2016 CITY OF OROVILLE DEPARTMENT PUBLIC WORKS ENGINEERING DIVISION</p>
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GRADING PERMIT

0-1,000 Cubic Yards	\$179.24
1,001-10,000 Cubic Yards	\$179.24 + \$10.00 per additional 1,000 cy
10,001-100,000 Cubic Yards	\$423.66 + \$15.00 per additional 10,000 cy
100,001 or more Cubic Yards	\$540.98 + \$25.00 per additional 100,000 cy

CITY SEWER CONNECTION CHARGES

Sewer Service Agreement Application Fee	\$435.00
Sanitary Sewer Main Tapping Fee	\$331.32

SEWER SERVICE CHARGES

City Charges (Collection)(2)

Residential (per EDU)	\$23.56/mo(1)	\$282.72/yr
Commercial and Industrial (per EDU)	\$23.56/mo(1)	\$282.72/yr
Mobile Homes (per EDU)	\$23.56/mo(1)	\$282.72/yr

SC-OR Charges (Treatment)(2)

Residential and Commercial (per EDU)	\$10.35/mo	\$124.20/yr
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- (1) Include 3s \$1.32 per month per EDU for the East Trunk Line maintenance charge
- (2) Sewer service charges are placed on the property owners tax bill.

PRINT & COPY SERVICES

11"x17"	\$1.10 per print
Xerox copies	\$0.25 per copy
18"x26"	\$1.15 per print
24"x36"	\$1.25 per print
24"x42"	\$1.30 per print
GIS printouts 18" x 26" & 24" x 36"	\$35.85

**FEE SCHEDULE 2015/2016
CITY OF OROVILLE DEPARTMENT
OF PUBLIC WORKS
ENGINEERING DIVISION**

DEVELOPMENT IMPACT FEES

Fee Type	Per Unit	Per Unit	Per Sq. Foot		
	Single Family	Multi-Family	Commercial	Office	Industrial
Fire Suppression/Protection	\$578	\$344	\$0.34	\$0.45	\$0.17
General Government/Administration	\$1,135	\$676	\$0.30	\$0.39	\$0.15
Law Enforcement	\$466	\$277	\$0.12	\$0.16	\$0.06
Park Development	\$3,838	\$2,285			
Storm Drainage System	\$1,491.55	\$741.33	\$0.598	\$0.598	\$0.598
Traffic/Circulation	\$1,976	\$1,381		See Exhibit A*	
Sewer Collection Facilities	\$1,794/EDU	\$1,794/EDU		\$1,794/EDU	
Storm Drainage - Thermalito	See Exhibit B	See Exhibit B		See Exhibit B	

*Exhibit A summarizes the traffic impact fees for various non-residential uses. Where the usage is not contained in Exhibit A, the Institute of Transportation Engineers Manual will be used to calculate fee.

ADDITIONAL FEES

Sewer Commission-Oroville Region (SC-OR)

Connection Fee	\$6,638.00	\$6,638.00	\$6,638.00 per EDU
School Fees	\$2.97 per Sq. Ft.	\$2.97 per Sq. Ft.	\$0.470 per Sq Ft.

Except for Rental Self-Storage, in which case \$0.02 per Sq. Ft. is the allowable charge.
Lodging Development will be \$0.32 per Sq. Ft.

TRANSPORTATION PERMIT APPLICATION

Single trip permit	\$17.00
Annual permit	\$94.00

EXHIBIT A

Table 5.4: Traffic Facilities Impact Fee

		A	B	C	D=A	D C	F=DxC	G=FxC	H=F+G	I=H/1,000
		Average	Average	Trip-	Additional	Cost per	Admin			Fee per
	Units	Daily	Distance	end to	Trip-Miles	Trip-Mile	Base Fee ¹	Charge ^{1,2}	Total Fee ¹	Sq. Ft.
		Trips		Trip						
Residential Land Uses										
Single-Family Dwelling Unit	Unit	9.52	7.9	0.5	37.6	\$ 51	\$ 1,918	\$ 58	\$ 1,976	
Multi-Family Dwelling Unit	Unit	6.65	7.9	0.5	26.3	51	1,341	40	1,381	
Assisted Living	Bed	2.66	7.9	0.5	10.5	51	536	16	552	
Congregate Care Facility	Unit	2.02	7.9	0.5	8	51	408	12	420	
Mobile Home Dwelling	Unit	4.99	7.9	0.5	19.7	51	1,005	30	1,035	
Senior Adult House Attached	Unit	3.44	7.9	0.5	13.6	51	694	21	715	
Resort/Towjst										
Hotel	Room	8.17	7.6	0.5	31	\$ 51	\$ 1,581	\$ 47	\$ 1,628	
Motel	Room	5.63	7.6	0.5	21.4	51	1,091	33	1,124	
						51				
General Light Industrial	KSF	6.97	9	0.5	31.4	\$ 51	\$ 1,601	\$ 48	\$ 1,649	\$ 1.65
General Heavy Industrial	KSF	1.5	9	0.5	6.8	51	347	10	357	0.36
Industrial Park	KSF	6.83	9	0.5	30.7	51	1,566	47	1,613	1.61
Manufacturing	KSF	3.82	9	0.5	17.2	51	877	26	903	0.90
Mini-warehouse	KSF	2.5	9	0.5	11.3	51	576	17	593	0.59
Warehouse	KSF	3.56	9	0.5	16	51	816	24	840	0.84
Institutional										
Cemetery	Acre	4.73	4.3	0.5	10.2	\$ 51	\$ 520	\$ 16	\$ 536	N/A
Church	KSF	9.11	4.3	0.5	19.6	51	1,000	30	1,030	1.03
Daycare Center	KSF	74.06	4.3	0.5	159.2	51	8,119	244	8,363	8.36
Elementary School	Student	1.29	4.3	0.5	2.8	51	143	4	147	N/A
High School	Student	1.71	4.3	0.5	3.7	51	189	6	195	N/A
Hospital	KSF	13.22	4.3	0.5	28.4	51	1,448	43	1,491	1.49
Office										
Business Park	KSF	12.44	8.8	0.5	54.7	\$ 51	\$ 2,790	\$ 84	\$ 2,874	2.87
General Office	KSF	11.03	8.8	0.5	48.5	51	2,474	74	2,548	2.55
Government Office Complex	KSF	27.92	8.8	0.5	122.8	51	6,263	188	6,451	6.45
Medical/Dental Office	KSF	36.13	8.8	0.5	159	51	8,109	243	8,352	8.35
Office Park	KSF	11.42	8.8	0.5	50.2	51	2,560	77	2,637	2.64
R&D Center	KSF	8.11	8.8	0.5	35.7	51	1,821	55	1,876	1.88
Commercial										
Automobile Sales		32.3	4.3	0.5	69.4	\$ 51	\$ 3,539	\$ 106	\$ 3,645	\$ 3.65
Building Materials/Lumber	KSF	45.16	4.3	0.5	97.1	51	4,952	149	5,101	5.10
Convenience Market	KSF	737.99	4.3	0.5	1586.7	51	80,922	2,428	83,350	83.35
Department Store	KSF	22.88	4.3	0.5	49.2	51	2,509	75	2,584	2.58
Drive-In Bank	KSF	148.15	4.3	0.5	318.5	51	16,244	487	16,731	16.73
Drugstore	KSF	90.06	4.3	0.5	193.6	51	9,874	296	10,170	10.17
Fast Food w/ Drive-Thru	KSF	496.12	4.3	0.5	1066.7	51	54,402	1,632	56,034	56.03
Fast Food w/o Drive-Thru	KSF	71.6	4.3	0.5	153.4	51	7,850	235	8,085	8.09
Free Standing Discount Store	KSF	50.75	4.3	0.5	109.1	51	5,564	167	5,731	5.73
Furniture Store	KSF	5.06	4.3	0.5	10.9	51	556	17	573	0.57
Gasoline/Service Station	VFP	168.56	4.3	0.5	362.4	51	18,482	554	19,036	N/A
Health Club	KSF	32.93	4.3	0.5	70.8	51	3,611	108	3,719	3.72
High Turnover/Sit Down Restaurant	KSF	127.15	4.3	0.5	273.4	51	13,943	418	14,361	14.36
Movie Theater	Screen	220.00	4.3	0.5	473	51	24,123	724	24,847	N/A
Nursery/Garden Center	KSF	68.1	4.3	0.5	146.4	51	7,466	224	7,690	7.69
Quality Restaurant	KSF	89.95	4.3	0.5	193.4	51	9,863	296	10,159	10.16
Shopping Center	KSF	42.7	4.3	0.5	91.8	51	4,682	140	4,822	4.82
Specialty Retail Center	KSF	44.32	4.3	0.5	95.3	51	4,860	146	5,006	5.01
Supermarket	KSF	102.24	4.3	0.5	219.8	51	11,210	336	11,546	11.55

¹ Persons per dwelling unit, per 1,000 square feet of nonresidential or as noted for particular land uses.
² Administrative charge or 3.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses

Sources: Institute of Traffic Engineers, Trip Generation, 6th Edition; City of Oroville 2012 Transportation Cap and Improvement Program (TCP) and Impact Fee Update Report; Table 53, Wilkum Financial Services

EXHIBIT B
STORM DRAINAGE DEVELOPMENT IMPACT FEES
THERMALITO DRAINAGE AREA ¹

Drainage Impact Fees- Parcels 1 Acre or Less

Land Use Type	Impact Fee
Rural Residential Density	\$990 per Unit
Residential Very Low Density	\$990 per Unit
Residential Low Density	\$990 per Unit
Residential Medium Low Density	\$378 per Unit
Residential Medium Density	\$378 per unit
Residential Medium High Density	\$246 per Unit
Residential High Density	\$246 per Unit
Non-Residential ⁽²⁾	\$6,384 per Acre

Drainage Impact Fees- Parcels Larger Than 1 Acre

Land Use Type	Impact Fee
Rural Residential Density	\$990 per Unit
Residential Very Low Density	\$990 per Unit
Residential Low Density	\$162 per Unit
Residential Medium Low Density	\$162 per Unit
Residential Medium Density	\$75 per unit
Residential Medium High Density	\$49 per Unit
Residential High Density	\$49 per Unit
Non-Residential ⁽²⁾	\$1,257 per Acre

(1) Authority - Ordinance No. 1788

(2) Includes Mixed Use, Retail and Business Services and Office



CITY OF OROVILLE
COMMUNITY DEVELOPMENT DEPARTMENT

1735 Montgomery St.
Oroville, CA 95965
(530)538-2425 FAX (530)538-2426

Example of Permit Fees for Single Family Dwelling within City Limits

Building Permit Fees per Area & Other Related Costs	Lot on City Sewer			Lot not on City Sewer Thermalito Sewer & Water District)		
	1500 SF on City Sewer		2000 SF on City Sewer	1500 SF not on City Sewer		2000 SF not on City Sewer
Residence sq. ft.	1500 X \$116.15	\$174,225.00		2000 X \$116.15	\$232,300.00	
Garage sq. ft.	480 X \$45.92=	\$22,041.60		480 X \$45.92=	\$22,041.60	
Porch Area sq. ft.	80 X \$45.92=	\$3,673.60		80 X \$45.92 =	\$3,673.60	
TOTAL PROJECT VALUE	\$199,940.20			\$258,015.20		
Building Plan Check Submittal Fees; Geo Technical, CAL Green & Title 24 Energy	\$1,639.30		\$2,011.00	\$1,639.30		\$2,011.00
*Tech Cost Recovery Submittal Fee (6%)	\$98.36		\$120.66	\$98.36		\$120.66
Total Fees Due at time of Building Permit Submittal	\$1,737.66		\$2,131.66	\$1,737.66		\$2,131.66
Building Fee	\$1,727.00		\$2,140.00	\$1,727.00		\$2,140.00
Green Bldg. Fee (NO Tech Fee)	\$8.00		\$11.00	\$8.00		\$11.00
Strong Motion Fee (NO Tech Fee)	\$25.48		\$33.54	\$25.48		\$33.54
Electrical Fee	\$215.88		\$267.50	\$215.88		\$267.50
Plumbing Fee	\$172.70		\$214.00	\$172.70		\$214.00
Mechanical Fee	\$129.53		\$160.50	\$129.53		\$160.50
New Addressing (Per Building)	\$43.01		\$43.01	\$43.01		\$43.01
DEVELOPMENT IMPACT FEES						
Fire Suppression Protection	\$578.00		\$578.00	\$578.00		\$578.00
General Government						
Administration	\$1,135.00		\$1,135.00	\$1,135.00		\$1,135.00
Law Enforcement	\$466.00		\$466.00	\$466.00		\$466.00
Park Development	\$3,838.00		\$3,838.00	\$3,838.00		\$3,838.00
Storm Drainage System (Oroville Area ONLY)	\$1,491.55		\$1,491.55	Thermalito Water & Sewer District (TWSD)		Thermalito Water & Sewer District (TWSD)
Storm Drainage Development Impact Fees - Thermalito Drainage Area (Thermalito Area ONLY)	N/A		N/A	See Exhibit B (Public Works Development Service Fees)		See Exhibit B (Public Works Development Service Fees)
Traffic Circulation System	\$1,976.00		\$1,976.00	\$1,976.00		\$1,976.00
Sewer Collection Facilities	\$1,794.00		\$1,794.00	TWSD		TWSD
City Sewer Connection Charges - Sanitary Sewer Main Tapping Fee	\$331.32		\$331.32	TWSD		TWSD
SC-OR Sewer Fee (NO Tech Fee)	\$6,638.00		\$6,638.00	TWSD		TWSD
Tech Cost Recovery Fee	\$833.88		\$866.09	\$616.87		\$649.08
Total Fees Due at time of Building Permit Issuance	\$21,403.35		\$21,920.13	\$10,931.47		\$11,511.63
TOTAL (these are approx. fees based on the figures provided & do not include drainage Fees)	\$23,141.01		\$24,115.17	\$12,669.13		\$13,643.29
Additional Impact Fees: To be paid to School & Park District directly.						
School Fees (Oroville Union High School (530) 538-2300 ext. 105)						
Feather River Recreation & Park District fees (533-2011)						
Residential Fire Sprinklers- required by separate permit - Submit plans to City of Oroville						

**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 19, 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

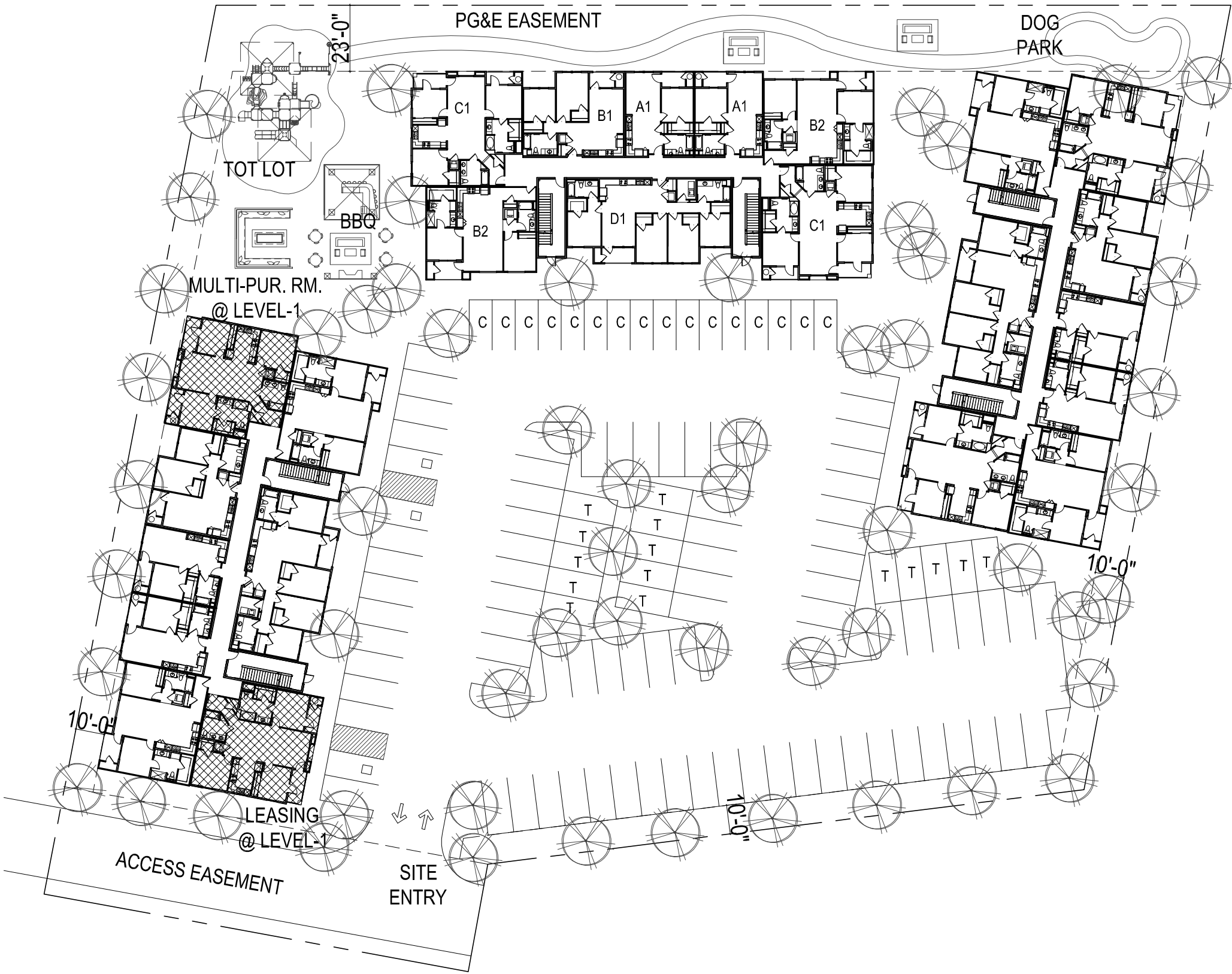
2. An expenditure of approximately \$500,000, from existing traffic impact fees that have been collected (Account #: 108- 5026-8040), for new curb/gutter/sidewalk, bike lanes, sidewalks improvements, landscaping, and other multi-modal transportation infrastructure on the east side of Feather River Boulevard 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

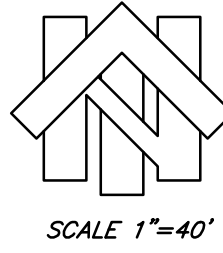
03/03/2016 OROVILLE, CA HPA# 16154



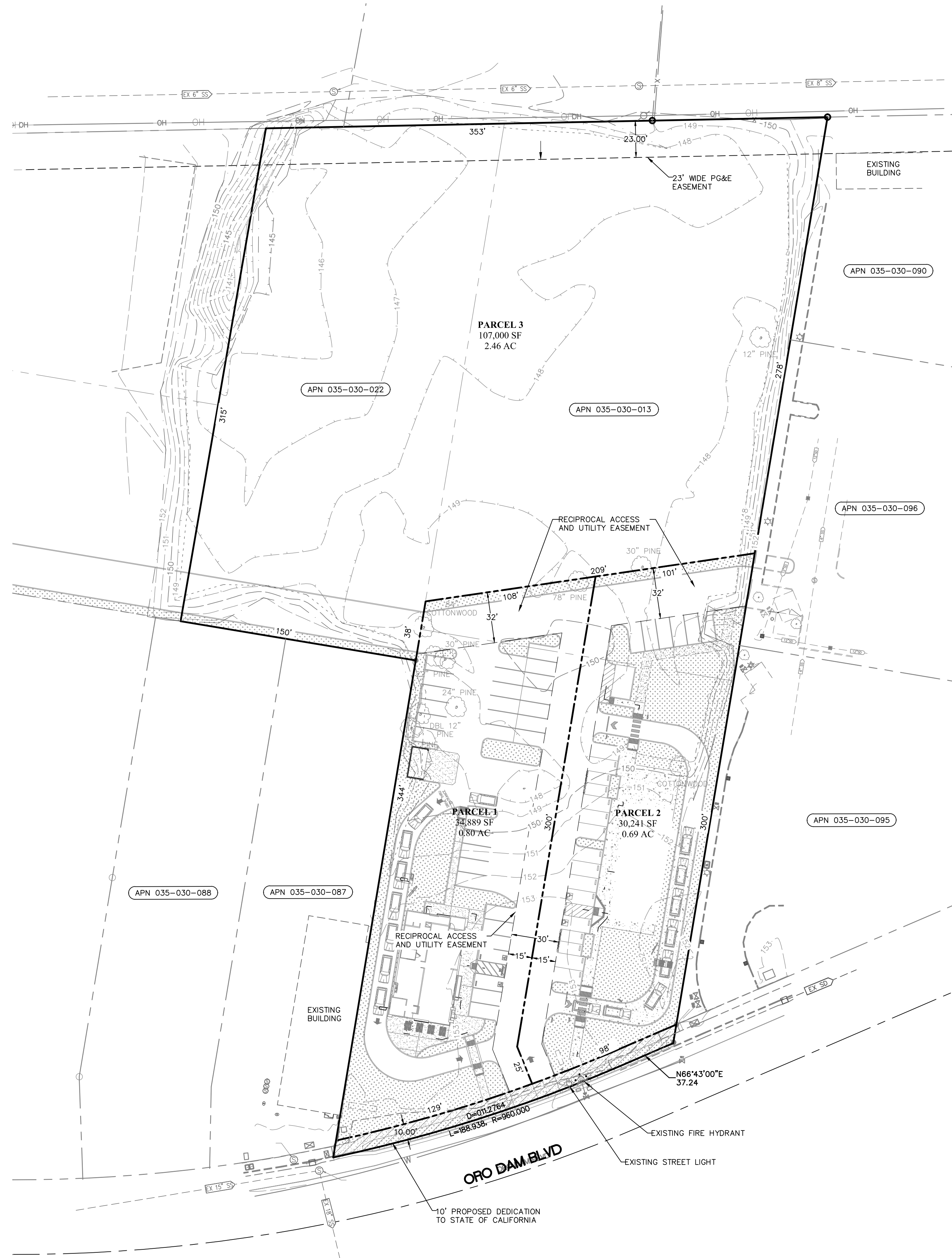
HUMPHREYS & PARTNERS ARCHITECTS, L.P.

5339 ALPHA ROAD - SUITE 300 - DALLAS, TEXAS 75240 - (972) 701-9639 - (972) 701-9639 FAX
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 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'

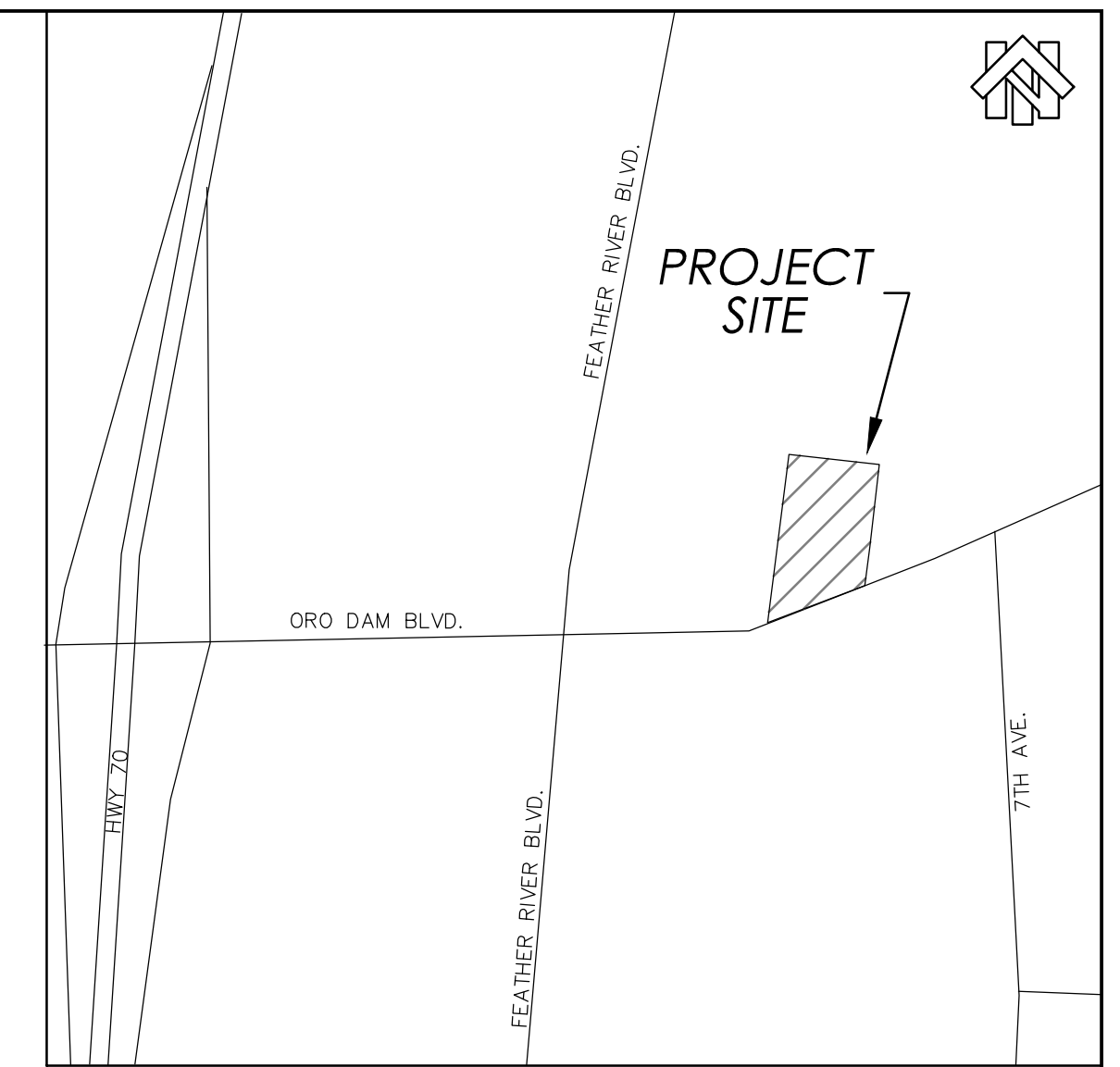


NOTES

- 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:
 - 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. A RECIPROCAL ACCESS 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.
 - LOT FRONTAGE: PARCEL 3 DOES NOT FRONT ON A PUBLIC OR PRIVATE STREET. THE PROPOSED PARCEL DESIGN BEST FITS THE COMMERCIAL DEVELOPMENT PLAN. A RECIPROCAL ACCESS 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.

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
- 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 035-030-096 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

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NORTHSTAR ENGINEERING,
ROBIN L. KAMPMANN RCE 73943

NORTHSTAR ENGINEERING,
MIKE L. MAYS PLS 6967



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.

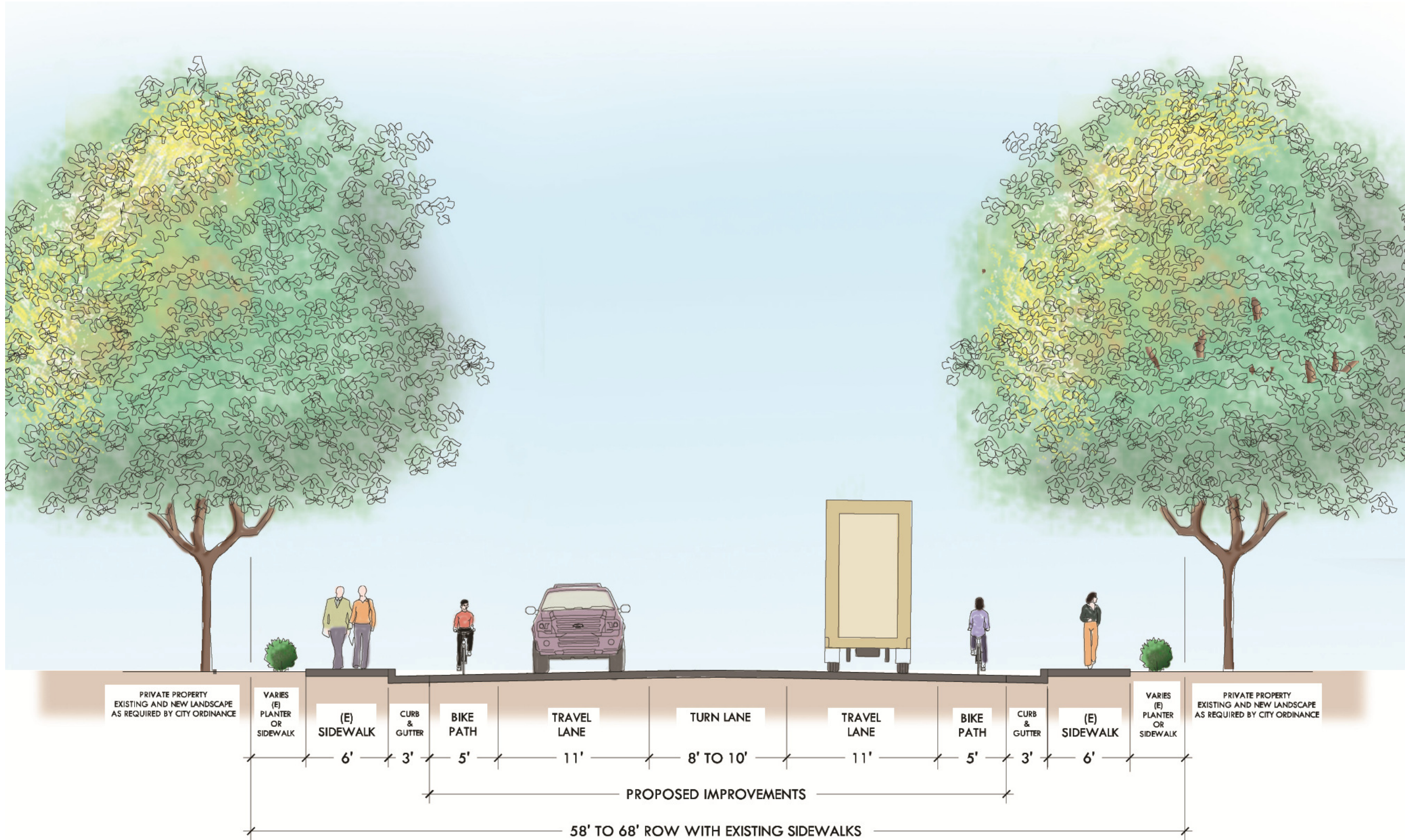


Figure 15 – Street Section without Landscape Median

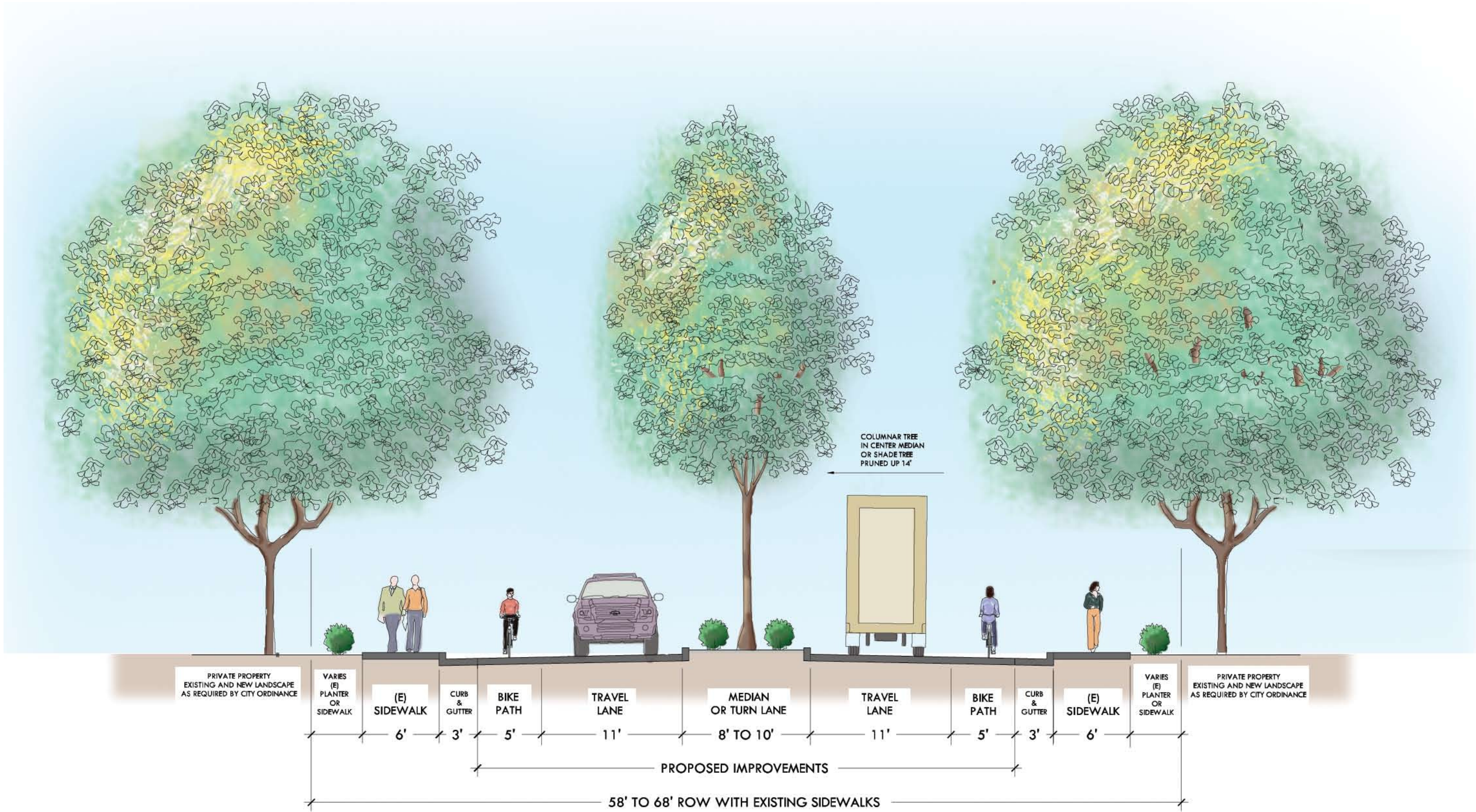


Figure 16 - Street Section with Landscape Median

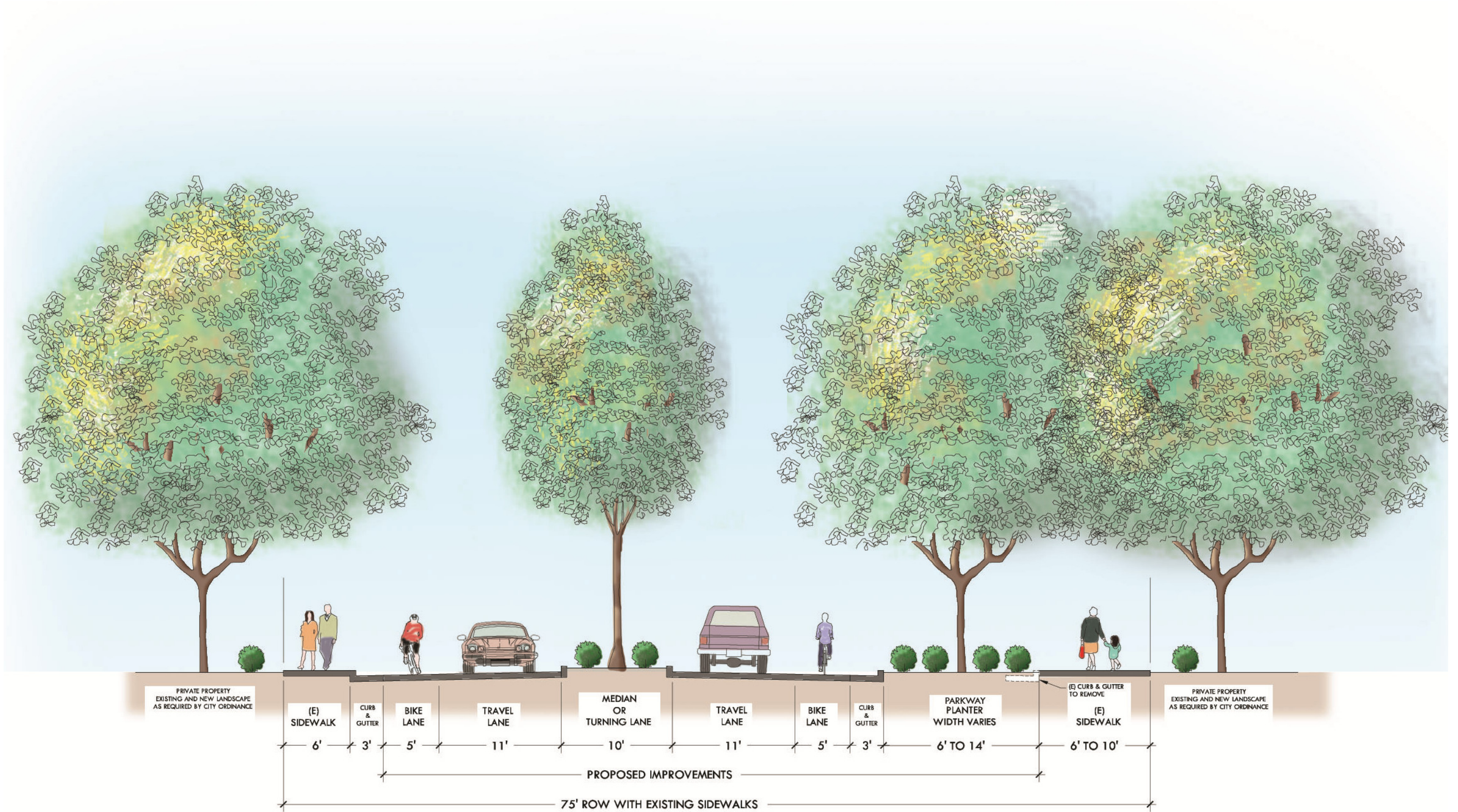
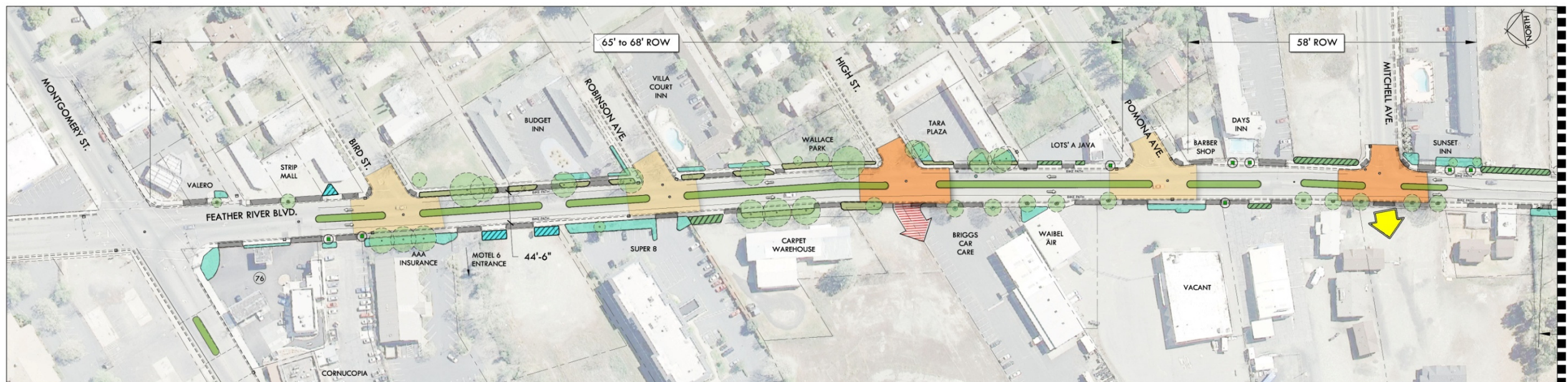
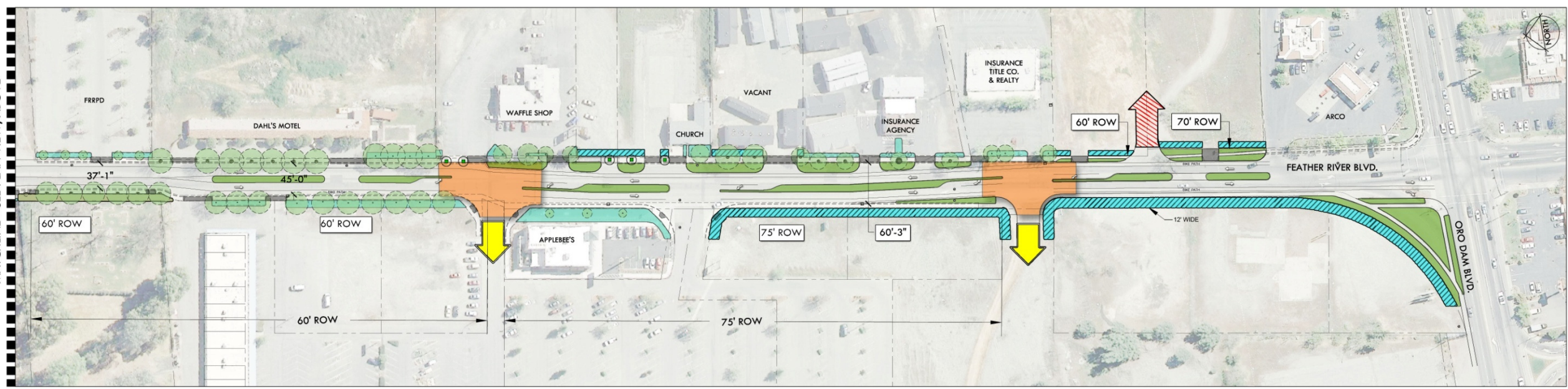


Figure 17 – Street section at 75' Right of Way with Landscape median and Parkway Planter



MATCHLINE - SEE PLAN VIEW, BELOW



MATCHLINE - SEE PLAN VIEW, ABOVE

SYMBOL	DESCRIPTION
	CONTROLLED INTERSECTION OPTIONS - STOP SIGN, SIGNAL, OR TRAFFIC CIRCLE (MINI ROUNDABOUT ON MITCHELL AVE OPTION ONLY)
	SIDE STREET STOP CONTROL

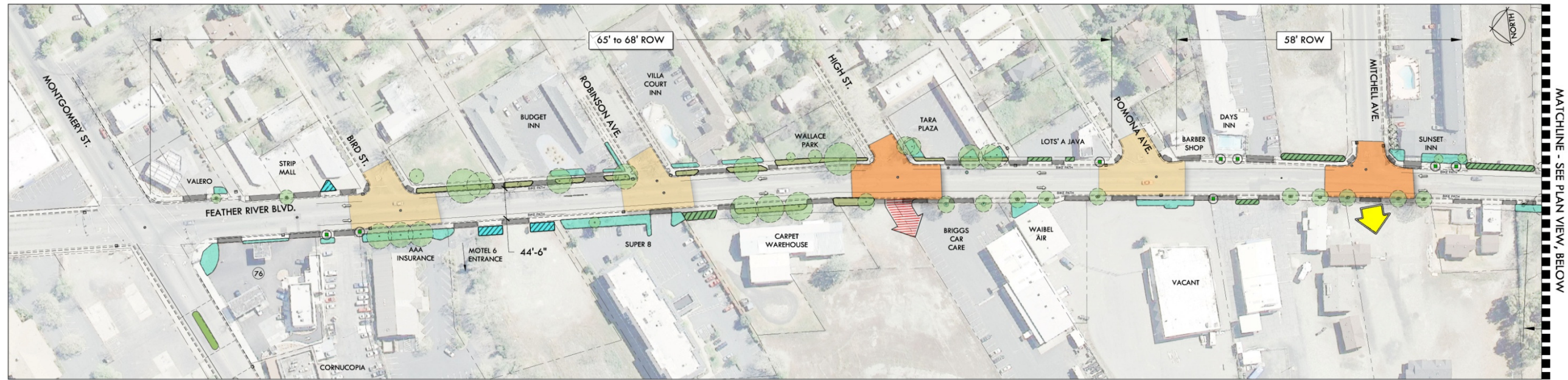
SYMBOL	DESCRIPTION
	SITE ACCESS
	PROPOSED PROPERTY ACCESS EASEMENT PROVIDE FUTURE ACCESS TO PROPERTIES ALONG HIGHWAY 70

SYMBOL	DESCRIPTION
	PROPERTY LINE
	EXISTING CURB, GUTTER AND SIDEWALK
	EXISTING DRIVEWAYS
	EXISTING TREE
	PROPOSED NEW TREE PLANTER

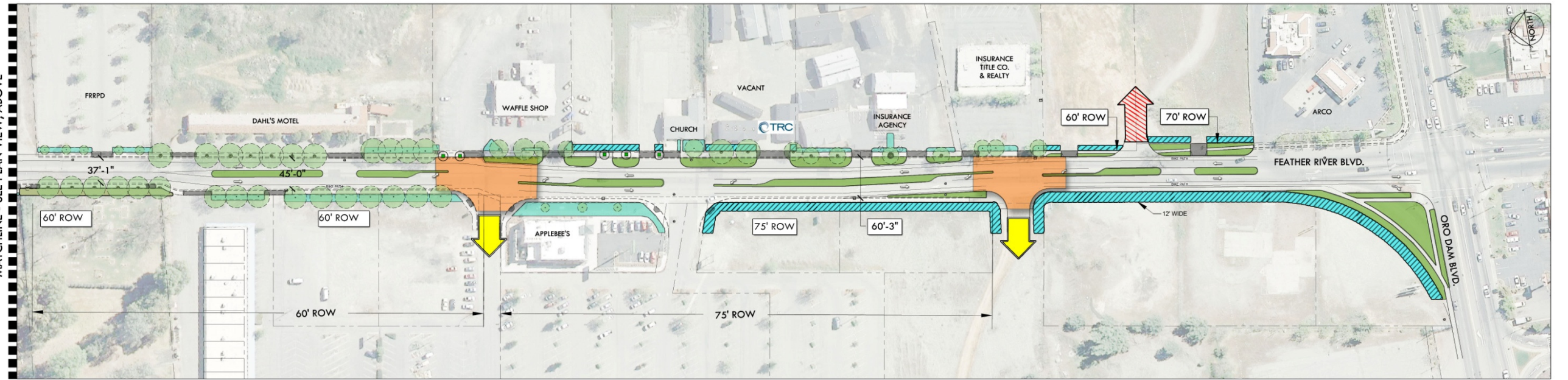
SYMBOL	DESCRIPTION
	EXISTING CITY R.O.W. LANDSCAPE
	PROPOSED CITY R.O.W. LANDSCAPE
	FUTURE CITY R.O.W. LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO. MUNICIPAL CODE, CHAPTER 26-13.050
	EXISTING PRIVATE PROPERTY LANDSCAPE
	FUTURE PRIVATE PROPERTY LANDSCAPE REQUIRED BY CITY IF DEVELOPED SEE ORO. MUNICIPAL CODE, CHAPTER 26-13.050

SCALE

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



MATCHLINE - SEE PLAN VIEW, BELOW

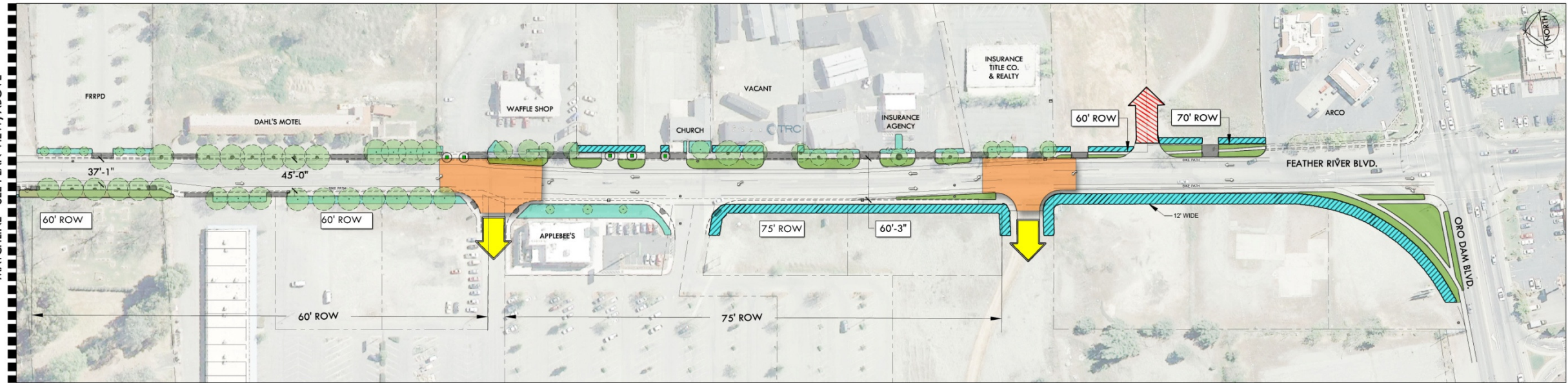
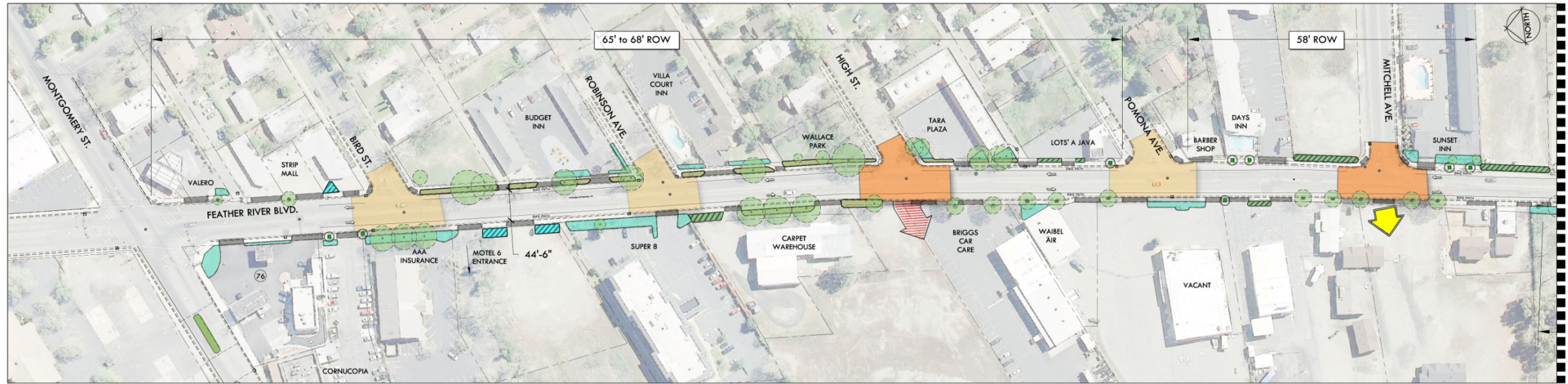


MATCHLINE - SEE PLAN VIEW, ABOVE

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 19, 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

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:

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- (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

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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

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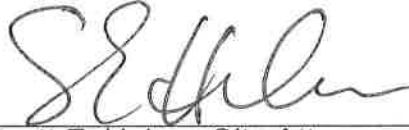
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Janet Goodson, Vice Mayor

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 19, 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

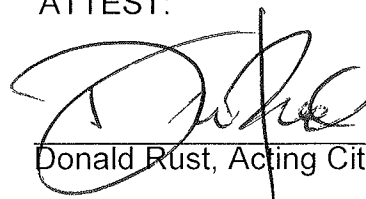
APPROVED AS TO FORM:



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.

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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


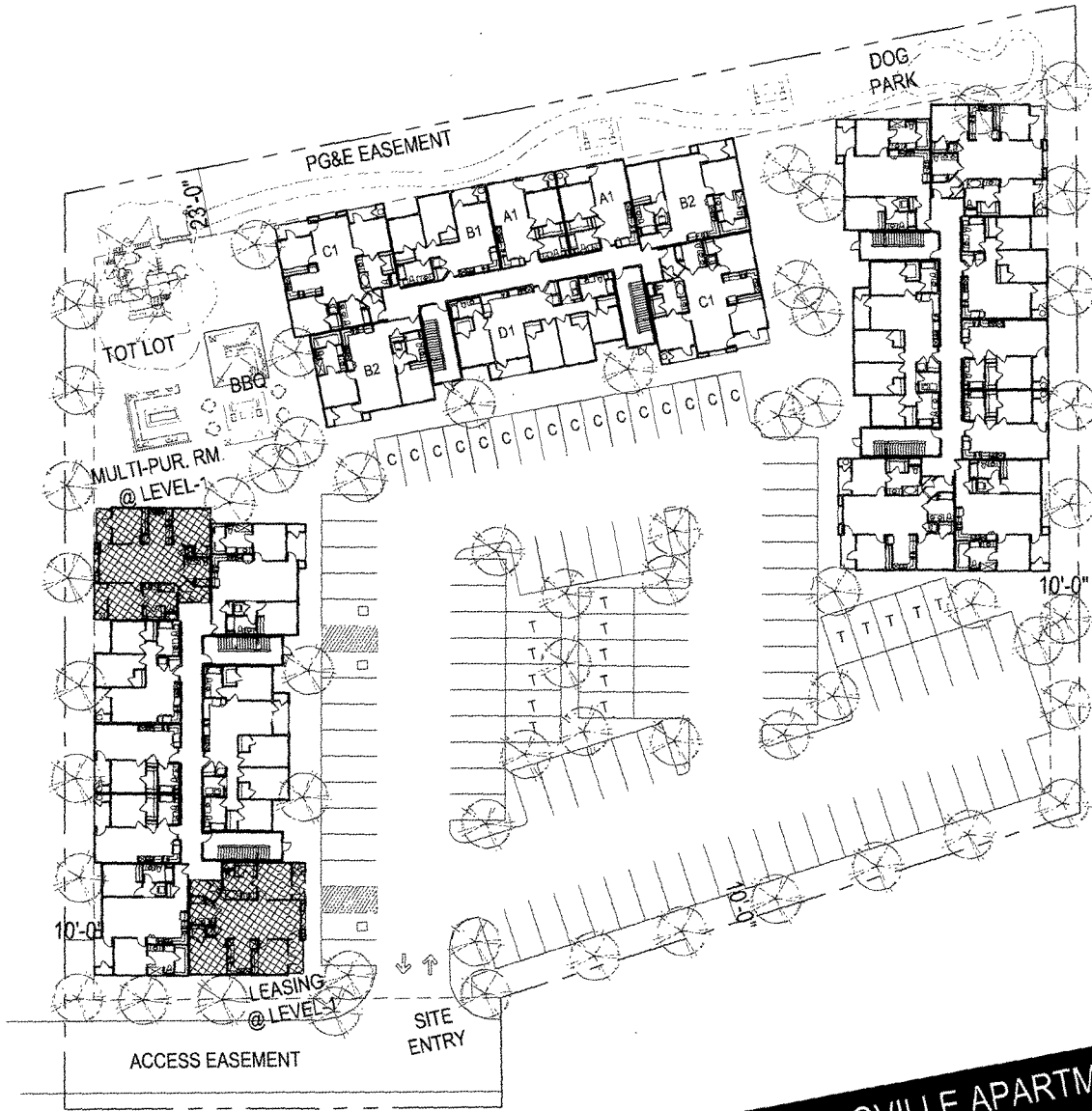
By: 
Print Name: Laura Archuleta
Title: President

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	



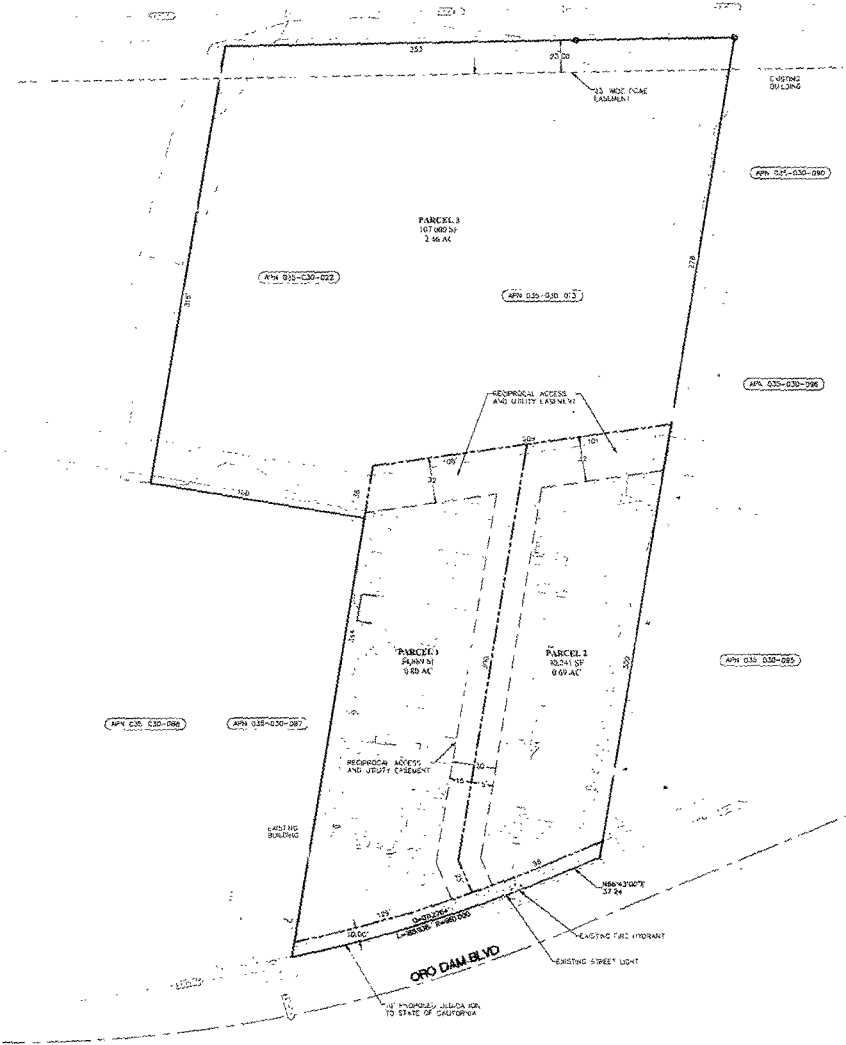
SITE PLAN

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'

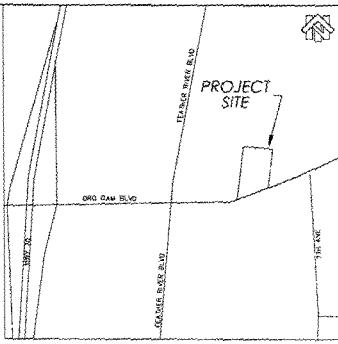


NOTES

- 1 OWNER: VALLEY STAR PARTNERS, LLC
227 STERSON BLVD
WEST SACRAMENTO CA 95691
- 2 DEVELOPER: CINCERON PROPERTIES, INC
1021 JEFFERSON BLVD
WEST SACRAMENTO CA 95691
- 3 PROJECT SURVEYOR: NORTHSTAR ENGINEERING WKE - NAYS PLUS 6567
- 4 ZONING: C-2 INTENSIVE COMMERCIAL
- 5 GENERAL PLAN: MIXED USE
- 6 LAND USE: EXISTING - VACANT
PROPOSED - COMMERCIAL
- 7 SURVEY: CITY OF OROVILLE / S.D.O.P.
- 8 STORM DRAINAGE: ON SITE QUALITY/QUANTITY INVESTIGATION (W/PLANTATION TRENCHES)
- 9 WATER: CALIFORNIA WATER SERVICE
- 10 POWER: PG&E
- 11 UTILITIES: AT&T
- 12 CURB: 5" TV CONCRET
- 13 THERE ARE NO EXISTING STRUCTURES, WELLS OR SEPTIC SYSTEMS ON THE SITE
- 14 EASEMENT: ALL UTILITIES WILL BE MOVED TO GRANT 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 MEET HAZARDOUS WASTE PARCELS DESIGN DRAINAGE PER COMMERCIAL WASTE/HAZARDOUS WASTE PLAN
- 17) LOT FRONTAGE: PARCEL 3 DOES NOT FRONT ON A PUBLIC OR PRIVATE STREET. THE PROPOSED TRACT DESIGN BEST FITS THE COMMERCIAL DEVELOPMENT PLAN. A RECREATIONAL 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 = 37,354 SF /
 PROPOSED DENSITY = 1.30 LOTS/ACRE
 PROPOSED DEDICATION = 0.00 ACRES



LOCATION MAP

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 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 LC 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
 WKE - NAYS P. 56997



NorthStar ENGINEERING
 111 MISSION BLVD
 OROVILLE, CA 95966
 PHONE: (530) 899-7777
 WWW.NS.EA.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 19, 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 19, 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*			
--------------	--	--	--

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
--	--	--	---------------------

IMPACT FEES*			
--------------	--	--	--

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

NOTESAssumes:
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	347,565

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	\$10,515	\$14,037	\$14,848	\$15,603	\$16,300	
Available CF:		\$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	\$1,078	\$1,440	\$1,523	\$1,606	\$1,672	
Available CF:		\$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	\$191,198	\$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:	\$23,370	\$24,071	\$24,793	\$25,536	\$26,303	\$27,092	\$27,904	\$28,742	\$29,604	\$30,492	\$31,407	\$32,349	\$33,319	\$34,319	\$35,348	\$36,409	\$37,501	\$38,626	
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	\$96,988	\$96,067	\$94,980	
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

	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	
Income																			
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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John Kiely
5317 Royal Oaks Drive
Oroville, CA 95966
530 589-5857
November 30, 2017

RECEIVED

City of Oroville

NOV 30 2017

Community Development
and
Public Works

Grant Davis, Director
California Department of Water Resources
TP. O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Re: Lake Oroville Dam - Kelly Ridge

Dear Mr. Davis:

Congratulations on your August appointment as a Director of the California Department of Water Resources. Being familiar with SCWA's success, I believe you are a great choice.

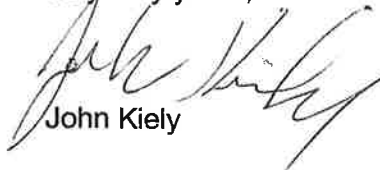
Currently, the general perception is that DWR does not take into consideration the concerns of the general public; I would like to offer two suggestions that I believe could improve DWR's image:

1. DWR will take necessary steps to assure the public has continuing access to walk and drive across the Oroville Dam. This one mile walk-way is by far the most used trail in this area (more than all other trails combined, by a wide margin). It is also the top tourist attraction on Lake Oroville. DWR has recently suggested there are security concerns: the dam's problems were from poor maintenance, not security, AND having substantial public use, in and of itself, provides significant security.

2. DWR will take necessary steps to make use of the main spillway launch area. This launch area/parking facility has provided the best access for the general public for the past 50 years, and could do the same for the next 50 years. DWR's currently proposed alternative of Loafer Creek is more difficult to reach, less picturesque, and substantially steeper so that it is not a true alternative.

I am looking forward to your leadership to help improve the culture and perception of DWR; actions such as those described above will help to make your public relations work easy. You have a big job and I wish you every success.

Very truly yours,


John Kiely

BCC: - OROVILLE CITY COUNCIL / DON RUST
K.

Steve Christensen
c/o Steve the Barber
2051 Mitchell Ave.
Oroville CA 95966

12/5/17

RECEIVED
City of Oroville

DEC 05 2017

Community Development
and
Public Works



Oroville City Council and Staff,

RE Jamboree Housing Staff Report

I request some explanation during council and staff's discussion of the Jamboree Housing project regarding payment on the loan.

I was surprized there was no minimum payment required.

On page 4 under DISCUSSION, allowance for ...“developer to make payments to the City annually based on available cash flow. ... Total payment would be due at the end of the term, with a 55-year term requested” suggests the developer gets to decide if there ever is sufficient cash flow to submit a payment. If the developer verifies insufficient cash flow for 55 years, it seems, the only payment would come at the end of the term. Is my understanding valid?

Some feel a \$1.7 M loan should include a requirement for a fixed payment schedule. Even if it demanded a minimum payment, of interest only. Today's taxpayers might feel 55 years is too long to wait for a return on investment.

Thank you in advance for your consideration of my concern.



Steve Christensen