

CITY COUNCIL

Gary L Hansen, Mayor  
Jim Yoder, Vice Mayor  
Larry Domenighini, Council Member  
Lawrence Mello, Council Member  
Jeff Williams, Council Member



CITY MANAGER  
Scott Taylor

CITY CLERK  
Natalie Butler

201 North Lassen Street  
Willows, CA 95988  
(530) 934-7041  
[www.cityofwillows.org](http://www.cityofwillows.org)

**CITY COUNCIL REGULAR MEETING AGENDA**  
**Tuesday, February 23, 2016**  
**7:00 p.m.**

1. **Call to Order Willows City Council Regular Meeting – 7:00 p.m.**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Presentations & Proclamations:**
  - a) Mayor Hansen will present a plaque of appreciation to Council Member Larry Domenighini for his service as Mayor during 2015.
5. **Public Comment / Written Communications:** Members of the public wishing to address the Council on any item(s) *not on the agenda* may do so at this time when recognized by the Mayor/Vice Mayor; however, no formal action will be taken unless a majority consensus of the Council directs staff to place the item on a future agenda. ***(Public Comment is generally restricted to three minutes).***
6. **Consent Agenda:** Consent items are considered to be routine by the City Council and will be enacted in one motion. There will be no separate discussion on these items unless a Councilperson or citizen requests, in which event the item will be removed from the consent agenda. It is recommended that the Council:
  - a) Approve General Checking, Payroll Checks & Payroll Direct Deposit Registers.
  - b) Approve General Fund Appropriations in the amount of \$85,000, as per Council direction at the Special Mid-Year budget meeting held on February 18, 2016.
7. **Public Hearings:**

It is recommended that the Council:

  - a) Conduct a public hearing and upon conclusion introduce first reading by title only and passage of first reading of Ordinance Number 723-2016 entitled **“AN ORDINANCE OF THE CITY OF WILLOWS, CALIFORNIA APPROVING A DEVELOPMENT AGREEMENT BETWEEN CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS, AND ADDING CHAPTER 19.10 (DEVELOPMENT AGREEMENTS) AND ADDING SECTION 19.10.05 (DEVELOPMENT AGREEMENT BETWEEN CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS) TO THE WILLOWS MUNICIPAL CODE”.**

- b) Conduct a public hearing and upon conclusion consider adoption of a Resolution to extend Ordinance Number 719-2016 entitled “**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS, CALIFORNIA ADDING CHAPTER 18.117 (MARIJUANA CULTIVATION), ADDING CHAPTER 9.20 (MEDICAL MARIJUANA) AND AMENDING CHAPTER 8.10 (NUISANCE) OF THE WILLOWS MUNICIPAL CODE REGARDING MARIJUANA CULTIVATION**”

**8. Ordinances:**

It is recommended that the Council:

- a) Approve, by motion, second reading by title only and adoption of Ordinance # 722-2016 entitled “**An Ordinance of the City Council of the City of Willows repealing Title IX Section 9.05.010 [entitled “Annoying Women & Children”] of Chapter 9.05 of the Willows Municipal Code**”.
- b) Development Agreement Ordinance between California Land Investors, LLC and the City of Willows. **(ACTION TAKEN UNDER ITEM 7 (a)).**
- c) Extension of an Urgency Ordinance # 719-2016 regarding Medical Marijuana cultivation. **(ACTION TAKEN UNDER ITEM 7 (b)).**

**9. Items introduced by City Council or Administrative Staff for discussion purposes only:**

**10. New Business:**

It is recommended that the Council:

- a) Approve, by motion, the Contract for HUD Auditing Services with the Adams Ashby Group for three years, and authorize the City Manager to sign the contract.
- b) Adopt a resolution approving the use of Downtown Façade Improvement Funds for a mini-grant for new signage for an existing commercial building located at 123 S. Tehama Street, authorizing the commitment of \$1500.00.

**11. Council Member Reports:**

- 12. Executive Session:** Council will convene into Executive Session pursuant to California Government Code § 54950 et seq. More specific information regarding the closed session item(s) is indicated below:

PUBLIC COMMENT: Pursuant to Government Code § 54954.3, the public will have an opportunity to directly address the legislative body on the item(s) below prior to the Council convening into Closed Session. Public Comments are generally restricted to three minutes.

- a) PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE, pursuant to Government. Code § 54957.

**13. Report out from Executive Session:**

**14. Adjournment:**

CERTIFICATION: Pursuant to Government Code §54954.2 (a), the agenda for this meeting was properly posted on or before February 19, 2016.

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City’s website at [www.cityofwillows.org](http://www.cityofwillows.org).

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk’s office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**Period**

**2/4/2016 TO 2/17/2016**

**General Checking 30546 TO 30589**

**Payroll Direct Deposit Z07046 TO Z08083**

**Payroll Checks 34569 TO 34588** (DATE OUT OF SEQUENCE)

**APPROVAL DATE 2/23/2016**

**Approved \_\_\_\_\_**

REPORT: Feb 04 16 Thursday  
 RUN...: Feb 04 16 Time: 11:16  
 Run By.: JANE COLLINS

CITY OF WILLOWS  
 Cash Disbursement Detail Report  
 Check Listing For 02-16 Bank Account.: 1050

PAGE: 001  
 ID #: PY-DP  
 CTL.: WIL

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
030546	02/04/16	ABO00	STEVE ABOLD	200.00	.00	200.00	B60202	PUB. WKS. TOOL PARKS/PUB.
030547	02/04/16	ABS02	ABSOLUTE SAFETY	40.00	.00	40.00	2015-63	CPR/AED CERTIFICATION
030548	02/04/16	AME02	AMERIPRIDE UNIFORM SVCS.	592.98	.00	592.98	B60203	DEC-JAN STMT PER ATTACHED
030549	02/04/16	ATT01	A.T.& T.	937.57	.00	937.57	B60202	TELEPHONE EXP.JAN 2016
030550	02/04/16	BAR01	BARCELOUX BROTHERS AUTO	638.29	.00	638.29	B60202	JANUARY STMT PER ATTACHED
030551	02/04/16	BOB00	BOB'S PLUMBING	2875.00	.00	2875.00	2586	PLUMBING REPAIR
030552	02/04/16	CCP00	CCP INDUSTRIES	260.90	.00	260.90	1624219	GLOVES
030553	02/04/16	COA00	COASTLAND CIVIL ENGINEERI	531.25	.00	531.25	38574	TEHAMA MAIN REPLACEMENT T
				92.50	.00	92.50	38583	SACRAMENTO-BUTTE RECONSTR
				2291.00	.00	2291.00	38590	EDA GRANT THROUGH 12/31/1
				460.00	.00	460.00	38617	WILLOWS SR APTS THROUGH 1
				129.10	.00	129.10	38632	WILLOWS CITY ENGINEERINGT
				4590.50	.00	4590.50	38661	SACRAMENTO-BUTTE STTHROU
				1357.50	.00	1357.50	38672	PG&E SERVICE CENTER THROU
				280.00	.00	280.00	38676	WILLOW STREET VACATION-GE
				268.34	.00	268.34	38677	CAL WATER DRINKING WATER
			Check Total.....:	10000.19	.00	10000.19		
030554	02/04/16	COL05	COLUSA MOTOR SALES, INC.	571.18	.00	571.18	B60202	DEC/JAN STMT PER ATTACHED
030555	02/04/16	COM16	COMCAST CABLE	150.97	.00	150.97	B60202	INTERNET FD
				145.97	.00	145.97	AB60202	INTERNET ADMIN
			Check Total.....:	296.94	.00	296.94		
030556	02/04/16	COR02	CORBIN WILLITS SYSTEMS	407.87	.00	407.87	B601151	CONT.SERV. FINANCE FEB 20
030557	02/04/16	COR10	CORNING LUMBER CO., INC.	81.25	.00	81.25	256040	PLYWOOD-FD KITCHEN
030558	02/04/16	DAY02	DAY WIRELESS SYSTEMS (04)	498.00	.00	498.00	576419	EQUIP MAINT FEB-APR 2016
030559	02/04/16	FGL00	FGL ENVIRONMENTAL	85.00	.00	85.00	670220A	BACTI ANALYSIS
030560	02/04/16	GAR09	CHERIE GARCIA	10.00	.00	10.00	B60203	BASKETBALL REFUND
030561	02/04/16	GLE09	GLENN CO. OFFICE OF EDUCA	207.00	.00	207.00	20161TS	LIVE SCAN
030562	02/04/16	GLE21	GLENN CO. SHERIFFS DEPT.	13750.00	.00	13750.00	12916-02	ANIMAL CONTROL SERVICES O
030563	02/04/16	GLE23	GLENN CO. PLANNING & PUB.	5000.00	.00	5000.00	B60203	CAL RECYCLE PASSTHROUGH
030564	02/04/16	GLE29	COUNTY OF GLENN	93000.00	.00	93000.00	160125	DISPATCH FEES FY 2015-16
030565	02/04/16	GRA00	GRAY ROCK TRUCKING	375.00	.00	375.00	37667	DELIVER CRUSH/BASE
030566	02/04/16	HAI01	STACY HAINES	20.00	.00	20.00	B60203	LIVE SCAN
030567	02/04/16	HEL01	HELENA CHEMICAL COMPANY	1758.33	.00	1758.33	97313707	CHEMICALS
				1297.65	.00	1297.65	98313706	CHEMICALS
			Check Total.....:	3055.98	.00	3055.98		
030568	02/04/16	INK01	THE INKWELL	698.09	.00	698.09	B60204	JANUARY STMT PER ATTACHED
030569	02/04/16	KNI03	KNIFE RIVER CONSTRUCTION	656.42	.00	656.42	166464	CRUSHED AGG.
				301.01	.00	301.01	166470	WET PATCH
			Check Total.....:	957.43	.00	957.43		
030570	02/04/16	LEA01	LEAGUE OF CA. CITIES	4032.00	.00	4032.00	158625	2016 MEMBERSHIP
030571	02/04/16	LEL01	LELY'S	3106.53	.00	3106.53	32567	SACRAMENTO STREET PUMP
				312.87	.00	312.87	32568	SACRAMENTO STREET PUMP
			Check Total.....:	3419.40	.00	3419.40		
030572	02/04/16	LEM01	CAROL LEMENAGER	200.00	.00	200.00	B60202	VEHICLE ALLOW. RECREATION
				37.06	.00	37.06	AB60202	REIMBURSE SOCCER FLYERS
			Check Total.....:	237.06	.00	237.06		
030573	02/04/16	MCD01	MCDONALD'S ELECTRIC STORE	175.95	.00	175.95	B60202	JANUARY STMT PER ATTACHED

REPORT.: Feb 04 16 Thursday  
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 Run By.: JANE COLLINS

CITY OF WILLOWS  
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 Check Listing For 02-16 Bank Account.: 1050

PAGE: 002  
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Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
030574	02/04/16	NAT26	NATIONAL FIRE SYSTEMS, IN	67.50	.00	67.50	39964	EXTINGUISHER MAINT/INSPEC
030575	02/04/16	OSC01	OSCAR'S	51.60	.00	51.60	542350	JERSEYS
030576	02/04/16	PEN03	PENWORTHY	82.56	.00	82.56	18929	BOOKS
030577	02/04/16	PGE01	PG & E	9238.10	.00	9238.10	B60203	JANUARY STMT PER ATTACHED
030578	02/04/16	RIV05	RIVERVIEW INTERNATIONAL	321.15	.00	321.15	885891	REPAIR #29 HIGH RANGER
030579	02/04/16	SAI02	TIMOTHY L. SAILSBERY	200.00	.00	200.00	B60202	VEHICLE ALLOW. FINANCE FE
030580	02/04/16	STO01	STONY CREEK UNIFIED SCHOO	100.00	.00	100.00	B60202	RENT EC LIBRARY FEB 2016
030581	02/04/16	TAY25	SCOTT TAYLOR	200.00	.00	200.00	B60202	VEHCILE ALLOWANCE CM FEB
030582	02/04/16	THO00	THOMAS HYDRAULIC AND	39.28	.00	39.28	375874B	HYDRAULIC PRESS REPAIR
030583	02/04/16	THO04	THOMSON REUTERS/BARCLAYS	145.00	.00	145.00	B60202	PUBLIC SAFETY CODE OF REG
030584	02/04/16	TRU00	TRUE BLUE PROPANE	17.92	.00	17.92	1360	FILL PROPANE TANKS
030585	02/04/16	USB02	US BANK	713.31	.00	713.31	6904527	EQUIPMENT LEASE 1/20-2/20
030586	02/04/16	USB04	U.S. BANK CORPORATE PAYME	2643.90	.00	2643.90	B60204	JANUARY STMT PER ATTACHED
030587	02/04/16	VAL01	VALLEY ROCK PRODUCTS	252.25	.00	252.25	1107664	BASE ROCK
030588	02/04/16	WAL07	WAL-MART COMMUNITY	343.61	.00	343.61	B60203	JANUARY STMT PER ATTACHED
030589	02/04/16	WIT00	WITMEIER AUTO CENTER	786.13	.00	786.13	367065	GENERATOR/PAD KIT
Cash Account Total.....:				157625.39	.00	157625.39		
Total Disbursements.....:				157625.39	.00	157625.39		

**AGENDA ITEM**

**TO:** Scott Taylor, City Manager  
**FROM:** Tim Sailsbery, Finance Director  
**SUBJECT:** Appropriation Request-Mid Year Review

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**RECOMMENDATION**

Approve, by motion, the appropriations as noted in Exhibit 1

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**SITUATION (or BACKGROUND):**

At the mid year budget review, held on February 18, staff presented several items to Council for requested appropriation. Those items are noted on Exhibit 1. Council, by consensus, instructed staff to return to a regularly scheduled City Council meeting to vote on the items noted.

**FINANCIAL CONSIDERATIONS:**

General Fund- \$85,000

**NOTIFICATION**

N/A.

**ALTERNATE ACTIONS**

1. Approve appropriations and provide direction to staff.
2. Request additional information from staff.
3. Reject items.

**RECOMMENDATION**

Approve, by motion, the appropriations as noted in Exhibit 1

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Respectfully submitted,



Tim Sailsbery  
Finance Director

**Attachments:**

- Exhibit 1 Items for Appropriation
-

**City of Willows  
Items for Appropriation/Transfer Request  
Based on FY 2015/16 Mid Year Presentation**

Exhibit-1

		<u>Appropriation Request</u>	
City Attorney-	Additional cost associated with use of City Attorney for various matters.	301.4120.020	\$ 20,000
Police-	Additional allocation of overtime due to number of available, active officers and vacancy.	301.4002.100	\$ 65,000

**AGENDA ITEM**

February 23, 2016

**TO:** Honorable Mayor Hansen and Members of City Council

**FROM:** Scott Taylor, City Manager

**SUBJECT:** Consideration and possible adoption of an ordinance adding chapter 19.10 (development agreements) and adding section 19.10.05 (development agreement between California Land Investors, LLC and the City of Willows) to the willows municipal code authorizing the City Manager to enter into a development agreement with California Land Investors, LLC on behalf of the City of Willows in conjunction with formal acceptance of EDA Grant award: EDA Control No. 109314, approved by Council on September 8, 2015.

**RECOMMENDATION**

Staff is recommending Council read by title only and pass first reading adopting an ordinance providing authorization for the City Manager to enter into a development agreement with California Land Investors, LLC, in conjunction with the EDA Grant Award, and all other actions necessary to fully perform in accordance with the agreement requirements.

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**SUMMARY**

On July 27, 2015, The City was awarded an EDA Grant to assist with infrastructure improvements associated with the development of certain property owned by California Land Investors, LLC located approximately at Highway 99 and County Road 57, known as the "North Valley Commercial Center Project." Council approved the grant award on September 8, 2015 and directed staff to prepare a development agreement with California Land Investors, LLC.

Staff has drafted an agreement with California Land Investors, LLC incorporating appropriate performances including contribution of California Land Investors, LLC of approximately \$535,715 in matching monies associated with the conditions of the EDA Grant Award. 3CORE on behalf of the City of Willows, in partnership with California Land Investors have been acquired funding opportunities in support of the necessary infrastructure improvements; including Highway 99 traffic accommodations, bridge work necessary to access the business park, main street/entry-way highway, frontage improvements, as well as water, sewer and associated improvements to commence development of the North Valley Commercial Center Project.

Grants and cooperative agreements made under these programs are designed to leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches to advance economic prosperity in distressed communities.

As mentioned above, California Land Investors, LLC has agreed to reimburse the City in the amount of approximately \$535,715 over the span of five years, payable in annual installments. The interest rate payable to the City is 5% which equals the interest rate charged to the City associated with the 3Core loan. Thus, the City is net zero dollars in terms of repayment of the matching funds. These criterion are included in the proposed development agreement.

As a final condition of approval of the project and in concert with the development agreement, the assets created by the construction of streets, utilities and other public improvements, are always dedicated or transferred back to the ownership/control of the City of Willows. These improvements are essential elements in the economic enhancements of the project site and basically facilitate the economic drivers that generate higher rates of revenue to the City of Willows. It is therefore common practice for municipal agencies to share in the development burden of this type of business park investment environment.

As such, staff is recommending the Council authorize the city manager to enter into the development agreement with California Land Investors, LLC in conjunction with the North Valley Commercial Center project and the EDA Grant Award previously approved and accepted by Council.

**FINANCIAL CONSIDERATIONS -**

Funding commitments from the City of Willows and California Land Investors, LLC in equal amounts of \$535,715 as conditions associated with the acceptance of the EDA Grant match in the amount of not less than \$1,071,429.00.

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**RECOMMENDATION**

Staff is recommending Council read by title only and pass first reading adopting an ordinance adding chapter 19.10 (development agreements) and adding section 19.10.05 (development agreement between California land investors, LLC and the City of Willows) to the Willows Municipal Code providing authorization for the City Manager to enter into the proposed development agreement with California Land Investors, LLC and all other actions necessary to fully perform in accordance with the agreement requirements.

Respectfully submitted,

Scott Taylor City Manager

Attachments: Notice of Public Hearing published 2/13/2016 in the  
Sacramento Valley Mirror

Proposed Ordinance

Proposed Development Agreement

**NOTICE OF PUBLIC HEARING**  
**City of Willows City Council**

**NOTICE IS HEREBY GIVEN** that the City of Willows City Council will conduct a public hearing on Tuesday, February 23, 2016 at 7:00 p.m., in the Council Chambers of the Civic Center, 201 North Lassen Street, to solicit comments regarding the following:

Consider amending the City of Willows Code of Ordinances by introducing for first reading and Ordinance entitled "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS, CALIFORNIA APPROVING A DEVELOPMENT AGREEMENT BETWEEN CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS, AND ADDING CHAPTER 19.10 (DEVELOPMENT AGREEMENTS) AND ADDING SECTION 19.10.05 (DEVELOPMENT AGREEMENT BETWEEN CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS) TO THE WILLOWS MUNICIPAL CODE". The purpose of this Ordinance is to enter into a development agreement with the City of Willows pertaining to the proposed development of a parcel of land in the southern part of the City of Willows for 453 single family residential units and approximately 65 acres of commercial/industrial uses. . The site is located at the SW corner of Tehama Street and CR 53, east of Interstate 5, and is identified by Assessor Parcel Numbers 017-170-011; 001-091-012; 001-102-014; 001-101-003 & 017-170-017. The public is invited to attend and be heard or submit written comments to the City of Willows. Documentation pertaining to the above development agreement is available for review at the City Clerk's Office of the Civic Center during normal business hours. The City of Willows is an equal opportunity provider.

/s/ Natalie Butler, City Clerk

Publication Date: Saturday, February 13, 2016

**ORDINANCE NO. 723-2016**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS,  
CALIFORNIA APPROVING A DEVELOPMENT AGREEMENT  
BETWEEN CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS,  
AND ADDING CHAPTER 19.10 (DEVELOPMENT AGREEMENTS) AND  
ADDING CHAPTER 19.10.05 (DEVELOPMENT AGREEMENT BETWEEN  
CALIFORNIA LAND INVESTORS, LLC AND THE CITY OF WILLOWS)  
TO THE WILLOWS MUNICIPAL CODE.**

**WHEREAS, California Land Investors, LLC, doing business as Basin Street Properties** (hereinafter "Basin Street"), holds title to approximately 207 acres of real property presently located within the corporate limits of the City of Willows situated within a high-visibility area located adjacent to U.S. Hwy 99 and Interstate 5, development of which would be conducive to and consistent with the long-term planned economic development of the City; and,

**WHEREAS, Basin Street** has expressed to the Council the company's desire to develop, on approximately 39 acres of the property (the "Initial Development Site") industrial, commercial, and manufacturing improvements, and further desires to make additional residential and potential retail improvements on the remaining portions of the property in the future; and

**WHEREAS, Basin Street** has determined that the present infrastructure on and adjacent to the property is not now adequate to support the development and use of the property and use of the Initial Development Site, and that various infrastructure improvements will be required to support the construction and operation of the industrial and commercial development Basin Street plans to make on the Initial Development Site and eventually on the balance of the aforesaid property; and

**WHEREAS, Basin Street** has agreed to make contributions to public infrastructure improvements funded by an EDA Grant Award, previously accepted by Council, on the condition that the City commit to assist Basin Street in meeting the infrastructure needs thereof, as described in the Development Agreement between Basin Street and the City that has been previously furnished to and reviewed by the Mayor and the members of the Council; and

**WHEREAS, the Planning Commission** conducted a public hearing at its regularly scheduled meeting of February 17, 2016 on the application for a development agreement, and approved said application; and

**WHEREAS, the City Council** conducted a public hearing at its regularly scheduled meeting of February 23, 2016 on the application for a development agreement; and

**WHEREAS, notice of the public hearing** before the City Council of the application for the subject development agreement was published in the Sacramento Valley Mirror commencing on February 13, 2016, and

**WHEREAS**, the City Council has reviewed the Development Agreement, including public testimony, staff report, supporting documentation, City codes and regulations, and all other relevant documents and evidence which are part of the record of proceedings,

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS** does ordain as follows:

**SECTION 1.** The City Council finds and determines the foregoing recitals to be true and correct and hereby incorporates them into this Ordinance.

**SECTION 2.** The City Council finds that the provisions of the subject Development Agreement are consistent with the City's general plan and applicable specific plan.

**SECTION 3.** The City Council finds that the provisions of the subject Development Agreement and its adoption are consistent with California Government Code section 65864, *et seq.*

**SECTION 4.** The City Council approves the Development Agreement between California Land Investors, LLC and the City of Willows, attached hereto and incorporated herein, and authorizes and directs the City Manager to execute the Development Agreement on behalf of the City of Willows.

**SECTION 5.** Chapter 19.10 is added to the Willows Municipal Code as follows:

Chapter 19.10. Development Agreements.

19.10.10. The City of Willows may enter into a development agreement with any person or entity having a legal or equitable interest in real property for the development of the property lying within the City of Willows. Any such development agreement shall comply with the provisions of Title 7, Div. 1, Chapter 7 of the California Government Code, commencing with section 65864.

19.10.20. The City of Willows may, by resolution or ordinance, establish procedures and requirements for the consideration of development agreements upon application by, or on behalf of, the property owner or other person having a legal or equitable interest in the property. If such procedures and requirements are established and adopted in response to the request of an applicant for a development agreement, the City may recover from such applicant the direct costs associated with developing and adopting a resolution or ordinance establishing such procedures and requirements.

19.10.30 The approval of any development agreement shall be subject to the provisions of Government Code sections 65867 and 65867.5.

**SECTION 5.** Chapter 19.10.05 is added to the Willows Municipal Code as follows:

19.10.05. DEVELOPMENT AGREEMENT BETWEEN CITY OF WILLOWS AND CALIFORNIA LAND INVESTORS, LLC, dated February 23, 2016.

This ordinance was introduced at a regular meeting of the City Council of the City of Willows, held on February 23, 2016, and adopted at a regular meeting of the City Council of Willows, held on the March 8, 2016, by the following vote, to wit:

AYES, COUNCILMEMBERS \_\_\_\_\_

\_\_\_\_\_

NOES, COUNCILMEMBERS \_\_\_\_\_

\_\_\_\_\_

ABSENT COUNCILMEMBERS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
GARY HANSEN, MAYOR

APPROVED AS TO FORM:

THE CITY ATTORNEY'S OFFICE

\_\_\_\_\_  
ROBERT HUNT, CITY ATTORNEY

ATTEST:

\_\_\_\_\_  
NATALIE BUTLER, CITY CLERK

**EXHIBIT A**

**To**

**ORDINANCE NO. 723-2016**

RECORDING REQUESTED BY  
AND WHEN RECORDED, RETURN TO:

City of Willows  
201 North Lassen Street  
Willows, California 95988

Attention: City Clerk

**DEVELOPMENT AGREEMENT**  
**BETWEEN**  
**CITY OF WILLOWS**  
**AND**  
**CALIFORNIA LAND INVESTORS LLC**  
**WILLOWS, CALIFORNIA**

**Dated: February 23, 2016**

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (hereafter "Agreement") is made and entered into on February 23, 2016, by and between the CITY OF WILLOWS, a California municipal corporation (hereafter "City"), and CALIFORNA LAND INVESTORS LLC, a California limited liability company ("Developer"), pursuant to the authority of Sections 65864 et seq. of the California Government Code.

### RECITALS

A. California Government Code Section 65864 et seq. authorizes the City to enter into an agreement for the development of real property with any person having a legal or equitable interest in such property in order to establish certain development rights in such property; and

B. Previously, Developer submitted an application to develop certain real property owned by Developer with 453 single family homes and a 65 acre commercial/industrial business park (the "Project").

C. City has approved various land use approvals in connection with the development of the Project, including those listed on Exhibit A attached hereto (collectively, together with any approvals or permits now or hereafter issued with respect to the Project, the "Project Approvals"); and

D. Pursuant to the California Environmental Quality Act ("CEQA") the City prepared an Initial Study and Mitigated Negative Declaration ("MND") for the Project. The Residential MND was adopted by the Planning Commission on July 29, 2009, and the Commercial MND was adopted by the City Council on October 12, 2010. Pursuant to CEQA, a mitigation/monitoring program for the Project was approved by the City Council; and

E. The purpose of this Agreement is to facilitate the implementation of the Project Approvals through the development of the Project, thereby realizing the public benefits to City and private benefits to Developer, including those described in these Recitals. The development of the Project requires a major investment by the Developer in public facilities, substantial front-end investment in on-site and off-site improvements, dedications of land, participation in other programs for public benefit and purposes, and substantial commitments of resources to achieve both private benefits of the Project for the Developer and the public purposes and benefits of the Project for the City. The Developer will be unable to make and realize the benefits from such commitments of land and resources without the assurances of a realized Project provided by this Agreement.

F. By entering into this Agreement, the City Council finds that, among other things, this Agreement is consistent with its General Plan; that this Agreement is compatible with the uses authorized in, and the regulations prescribed for, the Property; that this Agreement is in conformity with public convenience, general welfare and good land use practice; that this Agreement will not be detrimental to the health, safety, or general welfare; that this Agreement will not adversely affect the orderly development of property or the preservation of property values.

G. Developer is willing, pursuant to the terms of this Agreement, to make expenditures and provide benefits to the City including, without limitation, a contribution of \$535,715.00 toward the cost of certain off-site work the City intends to perform as further described on Exhibit B and Exhibit C, and the performance of various on-site and off-site improvements and dedications incorporated into the Project Approvals, thus conferring a public benefit upon the City. Prior to entering into this Agreement, the City and Developer anticipated that Grant (defined in Exhibit B) funds would pay for the remaining design and engineering costs associated with such off-site work, which are estimated to be \$186,000.00 ("Design Costs"). It now appears, however, that reimbursement for Design Costs from the Grant funds is in doubt. Developer is willing, pursuant to the terms of this Agreement, to be responsible for paying the Design Costs to the applicable consultants at the time such costs are incurred. In consideration for Developer agreeing to pay the Design Costs, the City has agreed to reduce the contribution to be made by Developer to the extent the City receives funds from the Grant for Design Costs as further provided in Section 9.E.

H. City desires the timely, efficient, orderly and proper development of said Project, and believes it is in the public interest to accept the benefits conferred by the additional expenditures and additional dedications by Developer referred to above. City further believes it is in the public interest to provide for the vesting of Developer's rights to develop the Project in conformance with the Project Approvals and the terms and conditions contained herein so that such vested rights shall not be disturbed by changes in laws, rules or regulations, including measures passed by initiative, that occur after the Effective Date (as defined below) hereof.

I. City and Developer have reached agreement and desire to express herein a development agreement that will facilitate development of the Project subject to conditions set forth herein and set forth in the Project Approvals, as defined herein.

J. On February 23, 2016 the City conducted a Public Hearing in connection with the City Council's approval of this Agreement. On March 8, 2016, the City Council adopted Ordinance No. 723-2016 approving this Agreement.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, obligations and covenants herein contained, City and Developer agree as follows:

#### **AGREEMENT**

1. Description of Property. The Property which is the subject of this Agreement is described in Exhibit D attached hereto ("Property").
2. Interest of Developer. The Developer is the owner of the Property.
3. Relationship of City and Developer. This Agreement is a contract that has been negotiated and voluntarily entered into by City and Developer and the Developer is not an agent of City. The City and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the City and Developer joint venturers or partners.

#### 4. Effective Date and Term.

A. Effective Date. The effective date of this Agreement ("Effective Date") shall be the date upon which the resolution approving this Agreement is adopted by City.

B. Term. The term of this Agreement ("Term") shall commence on the Effective Date and extend twelve (12) years thereafter, unless said term is otherwise terminated or modified as set forth in this Agreement. The 12-year Term is not intended to extend the five-year (5) period of time Developer has to make the payments as set forth in Exhibit B.

C. Term of Project Approvals. Pursuant to California Government Code Section 66452.6(a), the term of any tentative map and the other Project Approvals described in Recital C above, including those applicable to the residential and commercial/industrial portions of the Project, shall automatically be extended for the Term of this Agreement.

#### 5. Use of the Property.

A. Right to Develop. Developer shall have the vested right to develop the Project on the Property in accordance with the terms and conditions of this Agreement, the Project Approvals (as and when issued), and any amendments to any of them as shall, from time to time, be approved pursuant to this Agreement.

B. Permitted Uses. The permitted uses of the Property, the maximum density and intensity of use, the maximum height, bulk and size of proposed buildings, provisions for reservation or dedication of land for public purposes and location and maintenance of on-site and off-site improvements, location of public utilities, and other terms and conditions of development applicable to the Property, shall be those set forth in this Agreement, the Project Approvals and any amendments to this Agreement or the Project Approvals, and the "Applicable Rules" (as hereafter defined).

C. Additional Conditions. Provisions for additional conditions (the "Additional Conditions") are set forth in Exhibit B attached hereto and incorporated herein by reference. These include additional or modified conditions agreed upon by the parties relating to development of the Project, including certain conditions that otherwise would not be required.

#### 6. Applicable Rules, Regulations and Official Policies.

A. Rules re Permitted Uses. For the term of this Agreement except as otherwise provided herein, the City's ordinances, resolutions, rules, regulations and official policies, including, without limitation, the Project Approvals, governing the permitted uses of the Property, governing density, design, improvement and construction standards and specifications applicable to the Property, including but not limited to, all public improvements, shall be those in force and effect on the Effective Date hereof (the "Applicable Rules"). Except to the limited extent otherwise provided in this Agreement, City expressly reserves all rights and powers governing land use, permitted uses, zoning, density, design, improvement, construction standards and specifications, and approvals and authorizations therefor.

B. California Codes Applicable. The Project shall be constructed in accordance with the provisions of the California Building, Mechanical, Plumbing, and Electrical Codes and Title 24 of the California Code of Regulations, relating to Building Standards, in effect in City at the time a completed application is submitted for the appropriate building, grading, or other construction permits for the Project.

7. Subsequently Enacted Rules and Regulations.

A. New Rules and Regulations. During the term of this Agreement, the City may, in subsequent actions applicable to the Property, apply new or modified ordinances, resolutions, rules, regulations and official policies of the City which were not in force and effect on the Effective Date of this Agreement and which are not in conflict with the Applicable Rules, provided that (i) such new or modified ordinances, resolutions, rules, regulations or official policies do not affect the permitted uses of the Property, the maximum density and intensity of use, the maximum height, bulk and size of proposed buildings, provisions for reservations or dedication of land for public purposes and location and maintenance of on site and off site improvements, location of public utilities or any other terms and conditions set forth in this Agreement; and (ii) such laws are applied on a city-wide basis and in a manner which does not discriminate against Developer.

B. Denial or Conditional Approval. Nothing in this Agreement shall prevent the City from denying or conditionally approving any subsequent land use permit or authorization for any subsequent development project application on the basis of any new or modified ordinances, resolutions, rules, regulations or policies applicable to the Property pursuant to and subject to Section 7(A).

C. Moratorium Not Applicable. Notwithstanding anything to the contrary contained herein, in the event an ordinance, resolution or other measure is enacted, whether by action of City, by initiative, referendum, or otherwise, that imposes a building moratorium which would otherwise affect the Project or all or any part of the Property or which would require a vote of the people as a condition to the grant of any approvals for the Project, City agrees that such ordinance, resolution or other measure shall not apply to the Project, the Property, this Agreement or the Project Approvals. If, however, it is determined by a court of competent jurisdiction that a building moratorium or voter approval referenced above is effective as to any portion of the Project, this Agreement shall remain unchanged and in full force and effect as to the portion of the Project not affected by such moratorium or voter requirement, unless Developer elects to terminate this Agreement within ninety (90) days after Developer receives written notice of such court determination.

D. Timing of Development. It is the parties' specific intent that this Agreement shall prevail over any later-adopted initiative that might otherwise have the effect of restricting or limiting the timing or sequencing of development of the Project. Therefore, subject to the terms of this Agreement, the Project Approvals, and the Applicable Rules, Developer shall have the right (without obligation) to develop the Property in such order and at such rate and at such times as Developer deems appropriate within the exercise of its subjective business judgment, and such order, rate and time selected by Developer shall in no way affect or impair Developer's vested rights under this Agreement.

8. Processing. Upon satisfactory completion by Developer of all required preliminary actions and payments of all required processing fees, if any, City shall, subject to all legal requirements, promptly initiate, commence, diligently process, complete at the earliest reasonable time, all required steps, and expeditiously consider any approvals and permits necessary for the development by Developer of the Property in accordance with this Agreement, including, but not limited to, the following:

(i) The processing of applications for and issuing of all discretionary approvals requiring the exercise of judgment and deliberations by City ("Discretionary Approvals"); and

(ii) The processing of applications for and issuing of all ministerial approvals requiring the determination of conformance with the Applicable Rules, including, without limitation, site plans, development plans, land use plans, grading plans, improvement plans, building plans and specifications, and ministerial issuance of one or more final maps, zoning clearances, grading permits, improvement permits, wall permits, building permits, lot line adjustments, encroachment permits, certificates of use and occupancy and approvals and entitlements and related matters as necessary for the completion of the development of the Project ("Ministerial Approvals").

A. No Abridgement of Density or Height. City acknowledges that notwithstanding its ability to issue Discretionary Approvals in relation to site and architectural review and design review, City may not refuse such approvals, or require changes in the Project, that would have the effect of restricting or preventing the ability of Developer to construct buildings at the maximum density and maximum height allowed in the Project Approvals as of the Effective Date of this Agreement.

B. Processing During Third Party Litigation. The filing of any third party lawsuit(s) against City or Developer relating to this Agreement or to other development issues affecting the Property shall not delay or stop the development, processing or construction of the Project, or issuance of Discretionary Approvals or Ministerial Approvals, unless the third party obtains a court order preventing the activity. City shall not stipulate to the issuance of any such order. Developer shall reimburse within sixty (60) days of demand therefor all costs, expenses and awards incurred by City in participating in or defending any such third party lawsuit(s) including, without limitation, attorney's fees, litigation expenses, expert costs, and awards of any nature to any other party.

9. Subsequently Enacted or Revised Fees, Assessments, Taxes and Rights-of-Ways and Easements.

A. New Fees. No fees, dedications or exactions imposed on new development adopted by the City subsequent to the Effective Date of this Agreement, and no fees, dedications or exactions which result from any modification after the Effective Date of any existing ordinances, resolutions, rules, regulations or official policies of the City (except as expressly provided in Section 9(B) below), shall be applicable to the Project.

B. Revised Application Fees. Any existing application, processing and inspection fees that are revised during the term of this Agreement shall apply to the Project provided that (1) such fees

have general applicability on a City-wide basis and do not discriminate against Developer; (2) the application of such fees to the Property is prospective; and (3) the application of such fees would not prevent development in accordance with this Agreement.

C. New Taxes/Assessments. Except for taxes or assessments solely imposed upon new development, any subsequently enacted City-wide taxes or assessments shall apply to the Project provided that (1) such taxes or assessments have general applicability on a City-wide basis and do not discriminate against Developer; (2) the application of such taxes or assessments to the Property is prospective; and (3) the application of such taxes or assessments would not prevent development in accordance with this Agreement.

D. Right to Contest. Nothing contained herein shall prevent Developer from paying any such fee, tax, or assessment under protest, or otherwise asserting its legal rights to protest or contest a given fee, tax, or assessment assessed against the Project or the Property.

E. Engineering Design Fees. Developer hereby understands and agrees that all fees for all engineering associated with the preparation of the improvement plans, specifications, estimates, preparation of grant and/or easement deeds and any other engineering expenses associated with the Project are the responsibility of the Developer. This includes all design costs, engineering costs and plan check fees associated with the design of all street, storm drain, sewer, water and necessary appurtenances associated with the Project for both onsite and offsite improvements, including the Off-Site Improvements referenced on Exhibit B and listed on Exhibit C; provided that if the City is successful in obtaining reimbursement from the Grant (defined in Exhibit B) funds for all or portion of the fees incurred by Developer for the design and/or engineering associated with the Off-Site Improvements, then the amount of the contribution required to be made by the Developer as set forth in Exhibit B shall be reduced by the amount obtained by City from the Grant for such design and/or engineering costs.

F. Rights-of-Way and Easements. Developer hereby understands and agrees to provide the City with all necessary deeds and exhibits associated with the dedication of the proposed public road and rights-of-way for the construction of the road and utilities within the Project. Developer agrees to dedicate said right-of-way in fee to the City at no cost to the City. Additionally, the Developer also agrees to dedicate any necessary onsite and offsite easements for the installation and ongoing use of roadways and utilities associated with the Project with language acceptable to the City. All costs associated with preparation of deed or easement documents, as well as the dedication of all rights-of-way and easements shall be solely borne by the Developer.

#### 10. Amendment or Cancellation.

A. Modification Because of Conflict with State or Federal Laws. In the event that State or Federal laws or regulations enacted after the Effective Date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the City, the parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such State or Federal laws or regulations. Any such amendment or suspension of the Agreement shall be approved by the City Council. If such

modification or suspension is infeasible in Developer's reasonable business judgment, then Developer may elect any one or more of the following in any sequence:

(i) To terminate this Agreement by written notice to City;

(ii) To challenge the new law preventing compliance with the terms of this Agreement, and extend the Term of this Agreement for the period of time required to make such challenge. If such challenge is successful, this Agreement shall remain unmodified, except for the extension of the Term and shall remain in full force and effect. To the extent any such challenge shall impose or require the expenditure of any funds for any purpose by the City, all such costs and expenses incurred shall be reimbursed by Developer to City within sixty (60) days of demand therefor.

B. Amendment by Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the parties hereto and in accordance with the procedures of State law.

C. Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between City and Developer, and refinements and further development of the Project may demonstrate that clarifications with respect to the details of performance of City or Developer or minor revisions to the Project are appropriate. If and when, from time to time, during the term of this Agreement, City and Developer agree that such clarifications or minor modifications are necessary or appropriate, they shall effectuate such clarifications through operating memoranda approved by City and Developer, which, after execution, shall be attached hereto. The City Attorney shall be authorized to make the determination whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such a character to require City Council approval of an amendment hereof pursuant to Section 10(B) hereof. The parties agree that modifications which would be categorized as exempt under CEQA, or which, after an initial study, the City determines do not require any further environmental review, or do not increase the density or intensity of use or the maximum height, bulk, size or architectural style of proposed buildings may be effectuated through operating memoranda pursuant to this Section. The City Manager may execute any operating memoranda hereunder without further City Council action.

D. Cancellation by Mutual Consent. Except as otherwise permitted herein, this Agreement may be cancelled in whole or in part only by the mutual consent of the parties or their successors in interest, in accordance with the same procedure used when entering into this Agreement.

## 11. Annual Review.

A. Review Date. The annual review date for this Agreement (the "Review Date") shall be one year following the Effective Date and the annual anniversary of said date each year thereafter.

B. Annual Review Process. The Community Development Director, or other individual designated by City, shall initiate the annual review by giving to Developer no later than sixty (60) days following the Review Date written notice that the City intends to undertake such review for the annual period ending with the Review Date. Developer shall provide evidence of good faith compliance with the terms and conditions of this Agreement to the Community Development

Director within thirty (30) days following receipt of the Community Development Director's notice. The Community Development Director shall review the evidence submitted by Developer and shall, within thirty (30) days following receipt of Developer's evidence, make a recommendation to the City Council either (a) that the City Council find that Developer has demonstrated good faith compliance with the terms and conditions of this Agreement or (b) that the City Council find that Developer has not demonstrated good faith compliance with the terms and conditions of this Agreement, setting forth with specificity the basis on which the Community Development Director makes his recommendation of a finding of non-compliance. Developer shall provide additional evidence as and when reasonably determined necessary by the Community Development Director.

C. Public Hearing. Following the Council's receipt of the Community Development Director's review and recommendation, the Council shall convene and hold a public hearing on Developer's performance and good faith compliance with the terms and conditions of this Agreement. Such public hearing shall be held during a regular City Council meeting no more than thirty (30) days following the Council's receipt of the Community Development Director's review and recommendation. The burden of proof of good faith compliance with the terms of this Agreement shall be upon the Developer.

D. Determination. If the City Council finds and determines that the Developer has complied in good faith with the terms and conditions of this Agreement during the period under review, the review for that period shall be concluded. If the City Council finds and determines, on the basis of substantial evidence, that the Developer has not complied in good faith with the terms and conditions of this Agreement during the period under review, and Developer has been notified and given an opportunity to cure in accordance with the provisions of Section 12(B) below, the Council may modify or terminate this Agreement in accordance with State law.

E. Fee for Annual Review. The fee for City's annual review shall be paid by Developer, and shall not exceed the costs of reimbursement of City staff time and expenses at the customary rates then in effect.

F. Failure to Hold Review. In the event that City does not initiate an annual review or that the City Council does not make its determination within six months of the Review Date for a given year, then it shall be deemed conclusive that Developer has complied in good faith with the terms and conditions of this Agreement during the period under review

## 12. Default.

A. Notice and Cure. Upon the occurrence of an event of default by either party, the nondefaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within thirty (30) days after service of such notice of default, the nondefaulting party may then commence an action to enforce its rights under this Agreement; provided, however, that if the default cannot be cured within such thirty (30) day period, the nondefaulting party shall refrain from any such legal or equitable action so long as the defaulting party begins to cure such default within such thirty (30) day period and diligently pursues such cure to completion. Failure to give notice shall not constitute a waiver of any default.

B. Exclusive Remedy. The parties hereto acknowledge that the material covenants, obligations and other provisions to be performed under this Agreement are of a special, unique and extraordinary character, and that irreparable injury will result from any violation or continuing violation of the provisions of this Agreement for which money damages may not be an adequate remedy. Accordingly, except as may be expressly provided in this Agreement, the parties agree that in the event of any default or threatened default by any party hereto of any material covenant, obligation or other provision set forth in this Agreement, the other party's sole and exclusive remedy shall be to seek in accordance with applicable law, (i) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other provision, and (ii) an injunction restraining such default or threatened default.

C. Waiver of Damages. Notwithstanding anything to the contrary contained in this Agreement, no party to this Agreement shall be liable for any consequential, special, indirect, incidental, exemplary or punitive damages of any kind or nature whatsoever, or any lost income or profits, regardless of whether arising from breach of contract or tort, even if advised of the possibility of such loss or damage or if such loss or damage could have been reasonably foreseen.

D. Judicial Reference. Pursuant to Code of Civil Procedure Section 638, et seq., all actions shall be heard by a referee who shall be a retired judge from either the Glenn County Superior Court, the California Court of Appeal, the United States District Court or the United States Court of Appeals, provided that the selected referee shall have experience in resolving land use and real property disputes. Developer and City shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon and issue all legal and equitable relief appropriate under the circumstances of the controversy before such referee. If Developer and City are unable to agree on a referee within ten days of a written request to do so by either party thereto, either party may seek to have one appointed pursuant to Code of Civil Procedure Section 640. The cost of such proceeding shall initially be borne equally by the parties. Any referee selected pursuant to this Section 12(D) shall be considered a temporary judge appointed pursuant to Article 6, Section 21 of the California Constitution.

E. Estoppel Certificate. Either party may, at any time, and from time to time, request written notice from the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (a) this Agreement is in full force and effect and a binding obligation of the parties, (b) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (c) the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults. A party receiving a written request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof, or such longer period as may reasonably be agreed to by the parties. City Manager of City shall be authorized to execute any certificate requested by Developer. The failure to deliver such certificate within such time shall be conclusive evidence upon the party which fails to deliver such statement that this Agreement is in full force and effect without modification and that there are no uncured defaults in the performance of the requesting party. Failure to execute such an estoppel certificate shall not be deemed a default.

### 13. Mortgagee Protection; Certain Rights of Cure.

A. Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof after the date of recording this Agreement, including the lien for any deed of trust or mortgage ("Mortgage"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee ("Mortgagee") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

B. Mortgagee Not Obligated. Notwithstanding the provisions of Section 13(A) above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to guarantee such construction or completion of improvements; provided, however, that a Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by the Project Approvals and by this Agreement and only upon payment to City of any delinquent and current fees and other mandatory obligations due under this Agreement.

C. Notice of Default to Mortgagee. If City receives notice from a Mortgagee requesting a copy of any notice of default given Developer hereunder and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by City that Developer has committed an event of default. Each Mortgagee shall have the right during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the event of claimed default set forth in the City's notice.

14. Severability. The unenforceability, invalidity or illegality of any provision, covenant, condition or term of this Agreement shall not render the other provisions unenforceable, invalid or illegal, except that if it is determined in a final judgment by a court of competent jurisdiction that Developer's rights are not vested in the manner and to the extent agreed to herein, then the Parties shall meet and confer in a good faith attempt to agree on a modification to this Agreement that shall fully achieve the purposes hereof. If such a modification cannot be agreed upon, then Developer or City may terminate this Agreement upon 90-days' written notice to the other Party.

15. Attorneys' Fees and Costs. If City or Developer initiates any action at law or in equity to enforce or interpret the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which it may otherwise be entitled. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. If any person or entity not a party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Project Approvals, the parties shall cooperate in defending such action. Developer shall bear its own costs of defense as a real party in interest in any such action, and shall reimburse City for all reasonable court costs and attorneys' fees expended by City in defense of any such action or other proceeding. City shall not reject any financial settlement acceptable to Developer, provided that Developer pays any and all consideration which is part of said settlement;

if City does reject any financial settlement acceptable to Developer, City may continue to defend such action at its own expense.

16. Transfers and Assignments.

A. Right to Assign. Developer's rights hereunder may be transferred, sold or assigned in conjunction with the transfer, sale, or assignment of all or a portion of the Property subject hereto at any time during the term of this Agreement.

B. Release Upon Transfer. Upon the transfer, sale, or assignment of Developer's rights and interests hereunder pursuant to the preceding subparagraph of this Agreement, Developer shall be released from the obligations under this Agreement with respect to the Property transferred, sold, or assigned, arising after the transfer, sale, or assignment; provided, however, that in no event shall Developer be released of its obligation to make the payments to City totaling \$535,715.00 plus interest described in Exhibit B attached hereto regardless of any transfer, sale or assignment of the Property or any assumption of obligations under the Agreement by third parties.

C. Foreclosure. Nothing contained in this Section 16 shall prevent a transfer of the Property, or any portion thereof, to a lender as a result of a foreclosure or deed in lieu of foreclosure, and any lender acquiring the Property, or any portion thereof, as a result of foreclosure or a deed in lieu of foreclosure shall take such Property subject to the rights and obligations of Developer under this Agreement; provided, however, in no event shall such lender be liable for any defaults or monetary obligations of Developer arising prior to acquisition of title to the Property by such lender, and provided further, in no event shall any such lender or its successors or assigns be entitled to a building permit or occupancy certificate until all fees due under this Agreement (relating to the portion of the Property acquired by such lender) have been paid to City.

17. Agreement Runs with the Land. Except as otherwise provided herein, all of the provisions, rights, terms, covenants, and obligations contained in this Agreement shall be binding upon, and inure to the benefit of, the parties and their respective heirs, successors and assignees, representatives, lessees, and all other persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions of this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the Property hereunder, or with respect to any owned property, (a) is for the benefit of such properties and is a burden upon such properties, (b) runs with such properties, and (c) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and shall be a benefit to and a burden upon each party and its property hereunder and each other person succeeding to an interest in such properties.

18. Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

19. Indemnification. Developer agrees to indemnify and hold harmless City, and its elected and appointed councils, boards, commissions, officers, agents, employees, and representatives from any and all claims, costs and liability for any personal injury or property damage which may arise directly or indirectly as a result of the negligence or willful misconduct of Developer, or the

negligence or willful misconduct of Developer's contractors, subcontractors, agents, or employees in connection with the construction, improvement, operation, or maintenance of the Project.. City, its elected and appointed councils, boards, commissions, officers, agents, employees, and representatives shall not be liable for any consequential, special, indirect, incidental, exemplary or punitive damages of any kind or nature whatsoever, or any lost income or profits, regardless of whether arising from breach of contract or tort, and Developer hereby waives all such claims.

## 20. Insurance.

A. Public Liability and Property Damage Insurance. During the term of this Agreement, Developer shall maintain in effect a policy of comprehensive general liability insurance with a per-occurrence combined single limit of not less than Two Million Dollars (\$2,000,000) per claim. The policy so maintained by Developer shall name the City as an additional insured.

B. Workers Compensation Insurance. During the term of this Agreement Developer shall maintain Workers Compensation insurance for all persons employed by Developer for work at the Project site. Developer shall require each contractor and subcontractor similarly to provide Workers Compensation insurance for its respective employees. Developer agrees to indemnify the City for any damage resulting from Developer's failure to maintain any such insurance.

C. Evidence of Insurance. Prior to City Council approval of this Agreement, Developer shall furnish City satisfactory evidence of the insurance required in Sections 20(A) and 20(B) and evidence that the carrier is required to give the City at least thirty (30) days' prior written notice of the cancellation or reduction in coverage of a policy. The insurance shall extend to the City, its elective and appointive boards, commissions, officers, agents, employees and representatives and to Developer and each contractor and subcontractor performing work on the Project.

21. Force Majeure. In addition to any specific provisions of this Agreement, performance of obligations hereunder shall be excused and the term of this Agreement shall be similarly extended during any period of delay caused at any time by reason of: acts of God such as floods, earthquakes, fires, or similar catastrophes; wars, riots or similar hostilities; strikes and other labor difficulties beyond the party's control; shortage of materials; the enactment of new laws or restrictions imposed or mandated by other governmental or quasi-governmental entities preventing this Agreement from being implemented; litigation involving this Agreement or the Project Approvals, which delays any activity contemplated hereunder; or other causes beyond a party's control. City and Developer shall promptly notify the other party of any delay hereunder as soon as possible after the same has been ascertained.

22. Notices. All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid, by overnight delivery or by facsimile.

Notices required to be given to City shall be addressed as follows:

City of Willows  
201 North Lassen Street  
Willows, California 95988  
Attn: City Manager

Notices required to be given to Developer shall be addressed as follows:

California Land Investors, LLC  
c/o Basin Street Properties  
1383 N. McDowell Blvd., Suite 150  
Petaluma, CA 94954  
Attn: Director of Development and General Counsel

A party may change its address for notices by giving notice in writing to the other party, and thereafter all notices shall be addressed and transmitted to the new address. Notices shall be deemed given and received upon the earlier of personal delivery, or if mailed, upon the expiration of 48 hours after being deposited in the United States Mail or on the delivery date or attempted delivery date shown on the return receipt, air bill or facsimile.

23. Agreement is Entire Understanding. This Agreement is executed in four duplicate originals, each of which is deemed to be an original. This Agreement constitutes the entire understanding and agreement of the parties.

24. Exhibits. The following documents are referred to in this Agreement and are attached hereto and incorporated herein as though set forth in full:

- Exhibit A List of Project Approvals
- Exhibit B Additional Conditions
- Exhibit C Off-Site Improvements
- Exhibit D Legal Description of Property

25. Recordation of Development Agreement, Amendment or Cancellation. Within ten (10) days after the Effective Date hereof, the City Clerk shall submit a fully-executed original of this Agreement for recording with the County Recorder. If the parties to the Agreement or their successors-in-interest amend or cancel the Agreement or if the City terminates or modifies the Agreement for failure of the Developer to comply in good faith with the terms or conditions of the Agreement, the City Clerk shall submit for recording the notice of such action with the County Recorder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

CITY OF WILLOWS:

Developer:

By: \_\_\_\_\_  
Scott Taylor, City Manager

CALIFORNIA LAND INVESTORS LLC,  
a California limited liability company

APPROVED AS TO FORM:

By: G & W Ventures, LLC,  
a California limited liability company,  
its Manager

\_\_\_\_\_  
Robert Hunt, City Attorney

By: \_\_\_\_\_  
Matthew T. White, Manager

(NOTARIZATION ATTACHED)

EXHIBIT A

List of Project Approvals

[to be attached]

## EXHIBIT B

### Additional Conditions

City was recently approved for a \$2,500,000.00 grant (the "Grant") from the US Economic Development Administration for the construction of off-site improvements in and about Tehama Street as more fully described on Exhibit C ("the "Off-Site Improvements"). The Grant requires City to contribute \$1,071,429.00 toward the cost of the Off-Site Improvements over and above the amount of the Grant. City has requested that Developer contribute \$535,715.00 toward the required City contribution amount, and Developer is willing to do so subject to the terms and conditions of this Agreement. City shall diligently obtain all necessary permits and approvals and construct the Off-Site Improvements in a good and workman like manner, in compliance with all terms, conditions and requirements of the Grant (including terms and conditions relating to the commencement and completion dates of the Off-Site Improvements), and in any event with completion of construction of the Off-Site Improvements to occur no later than June 1, 2017, subject to Section 21 of the Agreement. In consideration of City's agreement to timely construct the Off-Site Improvements, Developer shall contribute \$535,715.00 to City to be used solely to pay for the cost to construct the Off-Site Improvements. Developer shall pay such amount plus interest at a FIVE PERCENT (5%) annual rate, in five (5) equal payments, with the first payment due on the first anniversary of the Effective Date of this Agreement, and the remaining four (4) payments to be made annually thereafter. City shall, without any additional contribution from Developer, contribute all other funds necessary to satisfy the terms, conditions and requirements of the Grant and to construct the Off-Site Improvements, including the cost of all permits associated with the Off-Site Improvements.

## EXHIBIT C

### Off-Site Improvements

Includes all improvements associated with frontage improvements to the Project including, but not limited to improvements to Tehama Street, extension of the water main from Road 53 to the proposed public street within the development, all sewer improvements from the Project to the City's Wastewater Treatment Plant and all necessary appurtenances as may be needed to install these improvements, including the following:

1. Widening of Tehama Street (old Hwy 99), alongside of the east boundary of the property, to improve approximately 2,665 feet of the roadway, including:
  - Turn pockets and acceleration and deceleration lanes for the access driveway to the new Harvest Drive for safe ingress and egress. The through travel lanes specified by the City are 14-foot wide lanes.
  - Transit provisions through construction of a bus pull-out at the entrance, serviced by Glenn Ride Bus Company.
  - Wider shoulders, 6'-wide bike lanes, guard railing, street lighting, tree planting and streetscaping.
  - Prefabricated culverts at the property entrance handling 100-year runoff in the existing drainage canal running parallel with Tehama Street.
  - Utilities to be extended along Tehama Street to the entrance and on Harvest Drive. These include 3,300 feet of 12-inch diameter potable water main, and 1,615 feet of new 15-inch diameter sanitary sewer main.
  - 1,770 lineal feet of storm drain.
  - The Tehama Street improvements will also serve the City of Willows Wastewater Treatment Plant located on the opposite side of the street from the Project. The City will obtain permits from Northern California Railroad to jack and bore for a sewer line connection east of the railroad.
2. Construction of Harvest Drive to its cul-de-sac for access to the commercial lots, approximately 700 lineal feet in length.
3. Construction of secondary emergency vehicle access road from onsite to Tehama Street (old Hwy 99).

EXHIBIT D

Description of the Property

[to be attached]

February 23, 2016

**AGENDA ITEM**

**TO:** Hon. Mayor and City Council Members

**FROM:** Robert W. Hunt, City Attorney

**SUBJECT:** Consideration and Adoption of Resolution Extending Validity of Urgency Ordinance Regulating Medical Marijuana in the City of Willows

**RECOMMENDATION:**

Conduct Public Hearing, consider and adopt:

**A RESOLUTION OF THE  
CITY COUNCIL OF THE CITY OF WILLOWS  
EXTENDING THE EFFECTIVE PERIOD OF  
ORDINANCE NO. 719-2016**

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**SITUATION (OR BACKGROUND)**

On January 26, 2016, the City Council of the City of Willows adopted urgency Ordinance No. 719-2016 regulating marijuana within the City of Willows. The urgency interim Ordinance was adopted in order to meet the March 1, 2016 deadline to preserve the City's right to regulate marijuana, pursuant to newly-enacted Health & Safety Code section 11362.777. Urgency Ordinance No. 719-2016 is effective only for 45 days from enactment.

Government Code section 65858(a) permits the City, by a four-fifths vote of the City Council, to extend the ordinance for an additional 10 months and 15 days pursuant to the procedure set forth in Government Code section 65090. In addition, the interim ordinance may be extended for one additional year.

Section 65090 requires publication and public hearing on a resolution to extend the period of validity of the urgency ordinance. Publication has been completed, and this matter comes before the Council for a public hearing and adoption of Resolution No. 719-2016.

**Staff Report re Extending Validity of Marijuana Urgency Ordinance**

As previously reported, AB 21 has been enacted by the California Legislature and signed into law by Governor Brown. For purposes of the resolution now before the Council, the material aspect of AB 21 is that it removed the March 1 deadline by which cities must act in order to preserve their right to regulate medical marijuana.

**ANALYSIS**

With the enactment of AB 21 which revised Health & Safety Code section 11362.777, the City could now move forward with adoption of a permanent marijuana regulatory ordinance. However, a number of open issues and unanswered questions remain.

The head of the newly created agency formed to regulate the prescribing, cultivation, distribution, delivery and use of medical marijuana has been appointed by Governor Brown. Aside from building the infrastructure necessary to accomplish those regulatory functions, the department's first task will be to promulgate regulations implementing the new laws, which will likely take many months or even years. As with most other governmental rulemaking processes, the devil will be in the details—at this point we have no idea what those rules and regulations may ultimately be.

Moreover, as previously discussed by Council, subsection (g) of Section 11362.777 is contradictory and confusing. We are informed that that section was the result of negotiation with stakeholders and, if true, it is unlikely to be challenged in the courts by those at the negotiating table. That does not mean that other interests will not bring such challenges.

A further unknown that will likely be a crucial component of any further action by the City Council is the upcoming election. There are several potential recreational marijuana initiatives that may be on November's ballot. While several will die in the process, it is very likely that at least one will make it to November. At this point, the impact of such legislation is unknown.

Finally, extending the urgency interim ordinance until January, 2017 will give the City of Willows a full year's experience in enforcing the ordinance. That experience will prove very helpful in crafting a permanent ordinance.

**FINANCIAL CONSIDERATIONS**

None anticipated at this time.

**NOTIFICATION**

Notice of the February 23, 2016 City Council public hearing was published in the Sacramento Valley Mirror on February 13, 2016.

**ALTERNATE ACTIONS**

1. Take no action and permit the urgency interim ordinance to expire on or about March 11, 2016.
2. Request additional information from staff; provide additional direction to staff.
3. Prepare and adopt a permanent marijuana ordinance in the coming months.

**RECOMMENDATION**

Conduct a public hearing and adopt **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS EXTENDING THE EFFECTIVE PERIOD OF ORDINANCE NO. 719-2016.**

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Respectfully submitted,



Robert W. Hunt  
City Attorney

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Attachment:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS EXTENDING THE EFFECTIVE PERIOD OF ORDINANCE NO. 719-2016.**

**NOTICE OF PUBLIC HEARING  
CITY OF WILLOWS – CITY COUNCIL**

**NOTICE IS HEREBY GIVEN** that the Willows City Council will be conducting a public hearing on Tuesday, February 23, 2016 at 7:00 p.m. or shortly thereafter at the Civic Center located at 201 North Lassen Street, Willows, to solicit comments regarding the following:

Consider adoption of a Resolution to extend “**ORDINANCE NO. 719-2016, entitled ‘AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS, CALIFORNIA ADDING CHAPTER 18.117 (MARIJUANA CULTIVATION), ADDING CHAPTER 9.20 (MEDICAL MARIJUANA) AND AMENDING CHAPTER 8.10 (NUISANCE) OF THE WILLOWS MUNICIPAL CODE REGARDING MARIJUANA CULTIVATION’** to be effective for a period of ten (10) months from the date of its adoption by the City Council of the City of Willows.”

The public is encouraged to attend and share their comments. Oral or written comments can be made prior to said meeting or accepted during the scheduled City Council public hearing. Written comments should be directed to City Clerk, City of Willows at 201 N. Lassen Street, Willows, CA or made during normal business hours of 8:30 a.m. to 4:30 p.m. Monday through Friday. The City of Willows is an equal opportunity provider.

/S/ Natalie Butler, City Clerk

Publication Date: Saturday, February 6, 2016

**RESOLUTION NO. XX-2016**

**A RESOLUTION OF THE  
CITY COUNCIL OF THE CITY OF WILLOWS  
EXTENDING THE EFFECTIVE PERIOD OF  
ORDINANCE NO. 719-2016**

Adopted by the City Council of the

**CITY OF WILLOWS**

on Date of

January 26, 2016

**WHEREAS**, the City Council of the City of Willows, pursuant to Chapter 18.117 of the Willows Municipal Code, intended to establish a land use regulation prohibiting the cultivation of marijuana with the City of Willows; and

**WHEREAS**, the City of Willows is authorized under state law to prohibit the cultivation of all marijuana (Health and Safety Code sections 11362.777(b)(3) and 11362.777(c)(4)); and

**WHEREAS**, as required by then-existing state law, a municipality wishing to regulate the cultivation and delivery of marijuana must have adopted a regulation or ordinance, with effect no later than March 1, 2016 or surrender the legal ability to so regulate (Health and Safety Code section 11362.777(c)(4)); and

**WHEREAS**, the City Council hereby declares the lack of an ordinance regulating the cultivation of marijuana presents a current and immediate threat to the public health, safety and welfare of the citizens of the City of Willows, and that adoption of this interim ordinance as an urgency measure necessary to preserve and protect the public health, safety and welfare of the citizens of the City of Willows; and

**WHEREAS**, the City held a duly noticed public hearing on this Ordinance on January 26, 2016, and

**WHEREAS**, pursuant to California Government Code section 65858, on January 26, 2016 the City Council of the City of Willows enacted Ordinance No. 719-2016, An Urgency Ordinance of the City Council of the City of Willows, California, adding Chapter 18.117 (Marijuana Cultivation), adding Chapter 9.20 (Medical Marijuana) and amending Chapter 8.10 (Nuisance) of the Willows Municipal Code Regarding Marijuana Cultivation (hereinafter the "Marijuana Urgency Ordinance of 2016"); and

**WHEREAS**, pursuant to California Government Code section 65858, subdivision (a), the Marijuana Urgency Ordinance of 2016 is valid for only 45 days from the date of its adoption, and

**WHEREAS**, pursuant to California Government Code section 65858, subdivision (a), the Marijuana Urgency Ordinance of 2016 may be extended for an additional 10 months and 15 days, and

**WHEREAS**, the City Council of the City of Willows wishes to extend the period of validity of the Marijuana Urgency Ordinance of 2016 for an additional 10 months and 15 days, as permitted by California Government Code section 65858, subdivision (a), and

**WHEREAS**, notice of the public hearing to be held on February 23, 2016 was published in the Sacramento Valley Mirror on February 13, 2016; and

**WHEREAS**, the City Council of the City of Willows held a duly noticed public hearing on this Resolution on February 23, 2016,

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS:**

1. That Ordinance No. 719-2016, An Urgency Ordinance of the City Council of the City of Willows, California, adding Chapter 18.117 (Marijuana Cultivation), adding Chapter 9.20 (Medical Marijuana) and amending Chapter 8.10 (Nuisance) of the Willows Municipal Code Regarding Marijuana Cultivation shall be, and hereby is, extended in validity for a period of 10 months and 15 days beyond its original expiration date, and shall now expire on January 25, 2017.

On a motion by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, the foregoing resolution was passed and adopted this 23rd day of February, 2016, by the following roll call vote, to wit:

Ayes: \_\_\_\_\_,  
Noes: \_\_\_\_\_,  
Absent: \_\_\_\_\_,  
Abstain: \_\_\_\_\_

Attested by: **CITY COUNCIL OF THE CITY OF WILLOWS**

\_\_\_\_\_  
Natalie Butler, City Clerk

By: \_\_\_\_\_  
Gary Hansen, Mayor

**AGENDA ITEM**

February 23, 2016

**TO:** Honorable Mayor Hansen and Members of City Council

**FROM:** Natalie Butler, City Clerk

**SUBJECT:** Consideration and possible adoption of an Ordinance repealing Title IX, Section 9.05.010 entitled "Annoying Women and Children" of the Willows Municipal Code as archaic, unconstitutional, unnecessary, and redundant.

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**RECOMMENDATION**

Staff is recommending Council pass second reading by title only and adopt an ordinance repealing Section 9.05.010 of the Willows Municipal Code as archaic, unconstitutional, and unnecessary.

---

**SUMMARY**

This ordinance is to address an archaic, unnecessary ordinance within the Willows Municipal Code that currently is realistically unenforceable. Periodically, as situations arise or ordinances in need of modification or repeal come to staff's attention, we address those accordingly. This is one such ordinance.

A review of Section 9.05.010 revealed the ordinance to be archaic, unconstitutional, and unnecessary. Currently, section 9.05.010 makes it unlawful for a person to:

*"...insult, annoy or publicly ridicule any woman or child, or, in the presence of any woman or child, to use vulgar, profane or obscene language, or to publicly apply vulgar, profane or obscene epithets to or concerning any woman or child.*

*It shall be unlawful for any person upon the streets or in any public place, wantonly or willfully to attempt to direct public attention to or concerning any woman or girl in a manner intended or likely to expose her to ridicule or unusual notice, or to cause her annoyance or mortification, or to against her will or consent quarrel with, attempt to quarrel with, or accompany her." ( see WMC §9.05.010).*

This ordinance violates free speech protections provided for within the U.S. Constitution. Further, the ordinance, in a real world application, is arguably unenforceable. Given our current culture, many persons including women and children spanning a wide range of ages, utilize "vulgar, profane, or obscene epithets" as part and parcel of their everyday language and communications. This form of speech occurs amongst and between men, women, and children on a regular basis. In many instances, such language may be utilized as a form of emphasis as opposed or intended to "annoy, insult or publicly ridicule" people in general including women and children.

Moreover, the California Penal Code provides remedies for aggressive or threatening behavior promulgated toward persons regardless of gender or age. (see Cal. Pen. Code §§ 422, 646, 653 et seq.).

Council has previously requested periodic review of City ordinances and introduction of any necessary corrections. Section 9.05.010 is archaic, unconstitutional and unnecessary.

Staff is recommending approval of the repeal of ordinance section 9.05.010 in its entirety.

**FINANCIAL CONSIDERATIONS**

None.

**RECOMMENDATION**

Staffs is recommending Council pass second reading by title only and adopt an Ordinance repealing, in its entirety, Section 9.05.010 of the Willows Municipal Code.

---

Respectfully submitted,



Natalie Butler

Attachment(s): Proposed Ordinance

**ORDINANCE THAT IS BEING REPEALED:**

**9.05.010 Annoying women and children.**

It shall be unlawful for any person wantonly or willfully to insult, annoy or publicly ridicule any woman or child, or, in the presence of any woman or child, to use vulgar, profane or obscene language, or to publicly apply vulgar, profane or obscene epithets to or concerning any woman or child.

It shall be unlawful for any person upon the streets or in any public place, wantonly or willfully to attempt to direct public attention to or concerning any woman or girl in a manner intended or likely to expose her to ridicule or unusual notice, or to cause her annoyance or mortification, or to against her will or consent quarrel with, attempt to quarrel with, or accompany her.

**ORDINANCE NO 722-2016**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS  
REPEALING TITLE IX SECTION 9.05.010 OF CHAPTER 9.05 OF THE  
WILLOWS MUNICIPAL CODE**

**WHEREAS**, the City Council of the City of Willows hereby intends to and does repeal Section 9.05.010 of the Willows Municipal Code, and

**WHEREAS**, the City Council finds Section 9.05.010 to be in violation of U.S. Constitutional Free Speech protections.

**WHEREAS**, the California Penal Code provides ample remedies for enforcement of harassing and threatening behavior.

**WHEREAS**, repealing Section 9.05.010 will correct Constitutional infringements afforded the people of Willows.

**WHEREAS**, repealing section 9.05.010 eliminates archaic outdated language and allows for enforcement discretion inherent in law enforcement services.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** Chapter 9.05, **section 9.05.010** of the Willows Municipal Code is hereby repealed in its entirety.

**SECTION 2:** It is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Ordinance were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in accordance with all legal requirements, and the Codified Ordinances of the City Council.

**SECTION 3:** The City of Willows City Council may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Section, as they may deem necessary or expedient in respect to establishing the time, place and frequency of its regular meetings.

**SECTION 4. Severability.** Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

**SECTION 5. *Effective Date.*** This ordinance shall take effect and be in force thirty (30) days after its adoption as provided by Government Code Section 36937.

**SECTION 6. *Certification.*** The City Clerk shall certify to the passage and adoption of this ordinance and shall cause the same to be published in accordance with State Law.

**I HEREBY CERTIFY** that the foregoing ordinance was introduced at a regular meeting of the City Council of the City of Willows on the 9th day of February, 2016 and passed and adopted at a regular meeting thereof, held on 23rd day of February, 2016, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

ATTESTED:

---

Gary Hansen, Mayor

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Natalie Butler, City Clerk

**AGENDA ITEM**

**TO:** Scott Taylor, City Manager

**FROM:** Tim Sailsbery, Finance Director

**SUBJECT:** Agreement for HUD Monitoring Services- Willow Springs Senior Apartments

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**RECOMMENDATION**

Approve, by motion, the Contract for HUD Auditing Services with the Adams Ashby Group for three years, and authorize the City Manager to sign the contract

---

**SITUATION (or BACKGROUND):**

One of the conditions of compliance associated with the \$4.6 MM HOME Program grant for the building of the Willow Springs Senior Apartments is an annual audit of compliance with HUD standards (for up to 55 years, according to HOME program guidelines). One of the issues involved is how to pay for this annual audit.

Staff has received permission from the HOME Program Manager to cover up to three years of audit cost via HOME Program Income (loan repayments from previous HOME Housing loans), provided that the contract is in place, and the three years are paid in total before the final closing of the current HOME Program grant. The grant is nearing close out, so time is of the essence in order to take advantage of this funding source for the first three years.

The attached contract (\$8,900 for three years' service) fits under the HOME program guidelines for small contract purchases, so the formal RFP process is not required. Further, Staff has worked with Lorie Adams of the Adams Ashby group in other endeavors when she was with California Engineering Company, and we have found her work to be thorough and professional.

**FINANCIAL CONSIDERATIONS:**

\$8,900 in HOME Program Income Funds for HUD Auditing Services (Additional Appropriation Not Considered Necessary)

**NOTIFICATION**

**ALTERNATE ACTIONS**

1. Accept by motion
2. Request additional information from staff
3. Reject staff recommendation and/or direct item to be returned at later date.

**RECOMMENDATION**

Approve, by motion, the Contract for HUD Auditing Services with the Adams Ashby Group for three years, and authorize the City Manager to sign the contract

Respectfully submitted,

  
Tim Sailsbery  
Finance Director

Approved  
  
Scott Taylor  
City Manager

- 
- Letter of Proposal
  - Contract for Services



February 11, 2016

Timothy L. Sailsbery, CPA  
Finance Director  
City of Willows  
VIA EMAIL

RE: 2016-2018 HOME Long Term Monitoring Letter of Intent

Dear Tim -

The Adams Ashby Group, with this letter, is providing a proposal to perform HOME Long Term Monitoring Services (LTM) for the City HOME Project consisting of 48 HOME units. As you are aware LTM is an annual requirement for the City and Adams Ashby Group has the necessary expertise to develop, implement, and train management staff on the HOME compliance requirements. Attached, please find a contract including scope of work for your review and approval. Our fee for this service is as follows:

2016	\$3700
2017	\$2700
2018	\$2700

The initial year service will include the required document to establish the HOME LTM Policies and Procedures, initial project set-up, and training to project management staff on HOME regulations and how they differ from TCAC and other funding sources. All fees are all inclusive through clearance.

Please feel free to contact me if you have any questions. Again, thank you for the opportunity to provide services to the City of Willows.

With warm regards,

A handwritten signature in cursive script that reads 'L Adams'.

Lorie Ann Adams  
Principal

## Scope of Work:

### **State HOME Long Term Monitoring**

The focus of the proposal is based on the State HOME Program compliance process. Our team is well versed in the State HOME requirements and provides training to each management team to ensure compliance at the highest level.

The State HOME Long Term Monitoring services are outlined as follows:

1. Prepare required HOME LTM Policies and Procedures and obtain approval from HOME.
2. Prepare "Notification of Site Visit" letter and supply to Management Company to notify tenants of pending site visit. Issue required forms and prepare a conference call to review the requirements and introduce our agency to the management staff.
3. As a result of the Notification of Site Visit, certain forms are requested two weeks prior to the on-site visit to review for compliance and errors. This allows for one on one conversations and training in the completion of the forms.
4. Arrive at site and conduct entrance interview and review any questions that have developed since our last discussion. Issue list of files to be audited and elect units for inspection.
5. Conduct required tenant file reviews with management staff present to provide training on documentation and income verification processes.
6. Conduct required unit and property inspections with maintenance staff and review maintenance processes.
7. Complete review of the Project Compliance Report and make corrections
8. Complete the Annual Monitoring Report
9. Review the Fiscal Responsibility of the project including but not limited to the following:
  - a. Replacement Reserves
  - b. Operating Reserves
  - c. Residual Recipes
  - d. Asset Analysis and Trend Report
  - e. Replacement Reserve expenditure
10. Review and analyze the "Annual Affirmative Marketing Report" and train staff as necessary to improve performance towards meeting goals
11. Prepare the "Monitoring Summary Letter" outlining all Findings and Concerns
12. Provide support and training to ensure clearance information is obtained and submitted
13. Prepare "Monitoring Clearance Letter" when all Findings and Concerns have been addressed appropriately
14. Submit all required documents to the State HOME Program to meet the monitoring obligations.

The required documents to be submitted are as follows:

  - a. Annual Project Compliance Report
  - b. Annual Monitoring Report
  - c. Utility Allowance Schedule
  - d. Affirmative Marketing Report
  - e. Physical Conditions Report
  - f. Summary Letter
  - g. Clearance Letter



# Professional Services Agreement

This Agreement is entered into on this 23rd day of February, by and between the City of Willows, a California municipality, hereinafter referred to as the "City"; and, Adams Ashby Group, Inc., hereinafter referred to as the "Consultant".

## WITNESSETH

WHEREAS, the City desires to engage the Consultant to complete the 2016, 2017 and 2018 HOME Long Term Monitoring Audit for apartments funded in part by the Department of Housing and Community Development HOME Program; and

WHEREAS, the Consultant represents that it is qualified to perform such services under this Agreement.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

### I. SCOPE OF SERVICES

Consultant will perform all activities included in the Scope of Work set forth and listed below:

Scope of Work:

The State HOME Long Term Monitoring services are outlined as follows:

- Prepare "Notification of Site Visit" letter
- Complete review of the Project Compliance Report and make corrections
- Complete the Annual Monitoring Report
- Review the Fiscal Responsibility of the project including but not limited to the following:
  1. Replacement Reserves
  2. Operating Reserves
  3. Residual Recipes
  4. Asset Analysis and Trend Report
  5. Replacement Reserve expenditure
- Review and analyze the "Annual Affirmative Marketing Report"
- Conduct required inspections
- Prepare the "Monitoring Summary Letter" outlining all Findings and Concerns
- Provide support and training to ensure clearance information is obtained and submitted
- Prepare "Monitoring Clearance Letter" when all Findings and Concerns have been addressed appropriately
- Submit all required documents to the State HOME Program to meet the monitoring obligations. The required documents to be submitted are as follows:

1. Annual Project Compliance Report
2. Annual Monitoring Report
3. Utility Allowance Schedule
4. Affirmative Marketing Report
5. Physical Conditions Report
6. Summary Letter
7. Clearance Letter

II. DUTIES OF THE CITY

The City shall make available to the Consultant all data and information in the City's possession which City deems necessary to the preparation and execution of the work outlined, and City shall actively aid and assist the consultant in obtaining such information from other agencies and individuals as necessary.

III. COMPENSATION

Total compensation hereunder, including the cost of directly related job expenses such as travel, copying, or postage shall be paid upon receipt of invoice provided by Consultant at the beginning of the 2016 audit services in the amount of \$8900 for three years of service as follows: 2016 - \$3500; 2017 - \$2700; 2018 - \$2700.

IV. METHOD OF PAYMENT

Payment of the invoice will be made after acceptance and approval by the City within thirty (30) days of receipt of such invoice. City's approval of the invoice shall not be unreasonably withheld.

V. TIME OF PERFORMANCE

Consultant shall commence the performance of its services under this Agreement as of the date set forth herein and shall diligently proceed therewith. This Agreement will terminate upon completion and submittal of the 2018 Final Clearance Letter to the State.

VI. GENERAL PROVISIONS

1. Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.
2. Time. Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for

satisfactory performance of Consultant's obligations pursuant to this Agreement.

3. Consultant Not Agent. Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority pursuant to this Agreement, express or implied, to bind City to any obligation whatsoever.
4. Assignment Prohibited. No party to this Agreement may assign any right or obligation pursuant to this Agreement except as may be authorized in writing by the other party.
5. Changes. City may, from time to time, request changes in the scope of services to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant's compensation and time for completion, which are mutually agreed upon by and between the City and the Consultant, shall be incorporated in written amendments to this Agreement.
6. Termination. This Agreement may be terminated by either party on thirty (30) days written notice mailed to the address below. The effective date of cancellation shall be the 30th day after said written notice. Consultant shall be entitled to the compensation earned by it prior to the date of the termination notice, computed pro rata up to and including that date, plus compensation for work performed during the 30 day notice period and authorized in the termination notice.
7. Attorney's Fees. In the event that it becomes necessary for either party to this Agreement to bring a legal suit to enforce any of the provisions of this Agreement, or must incur any collection expenses for any amounts due hereunder, the prevailing party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.
8. Notices. Notices to the parties, unless otherwise requested in writing, shall be sent to the City of Willows, 201 North Lassen Street, Willows, CA 95988 and the Consultant at Adams Ashby Group, 770 L Street, Suite 950, Sacramento, CA 95814.
9. Hold Harmless: City shall save, indemnify, defend and hold harmless the Consultant, its officers, employees, agents and servants from any and all actions, claims and liability arising out of Consultant's performance pursuant to this Agreement.

10. Records. Consultant agrees to maintain all required records for five years after project completion. All records will be forwarded to City upon project completion.
  
11. Non-Discrimination. During the performance of this Contract, Consultant shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Consultant shall insure that the evaluation and treatment of its employees and applicants for employment are free from discrimination and harassment. The Consultant shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900, et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12900 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Contract by reference and made a part hereof as if set forth in full. Consultant shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement

This Contract constitute the entire agreement between the parties relative to the services specified herein and no modification hereof be effective unless and until such modification is evidenced by a writing signed by both parties to this Contract. There are no understandings, agreements, conditions, representations, warranties or promises, with respect to this Contract, except those contained in or referred to in the writing.

Executed on the day and year first above written, the above statements are understood and accepted and the parties hereby cause this agreement to be executed on by the signatures below:

ADAMS ASHBY GROUP, LLC.

CITY OF WILLOWS

\_\_\_\_\_  
 Lorie Ann Adams  
 President

\_\_\_\_\_  
 City Manager

## **AGENDA ITEM**

February 23, 2016

**TO:** Honorable Mayor Hanson and Members of City Council

**FROM:** Karen Mantele, Principal Planner

**SUBJECT:** Façade Improvement Program Mini-Grant Funding Request from Bob & Norma Benamati, 123 S. Tehama Street, APN: 003-051-020

### **RECOMMENDATION**

Adopt the attached resolution approving the use of Downtown Façade Improvement Funds for a mini-grant for new signage for an existing commercial building located at 123 S. Tehama Street, authorizing the commitment of \$1,500

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### **SUMMARY**

In June of 2008 the City Council adopted Resolution #31-2008 which provided Façade Improvement funding assistance to property and business owners in the Central Commercial (CC) Zoning District. This resolution and funding will implement a community goal of the 2000 Community Vision and Action Plan which was to establish a Downtown Façade Improvement Program (PROGRAM) to support downtown reviatlization efforts. The program was seeded by the Wal-Mart project conditions of approval, and funds were committed and deposited with the City to which a portion has been set aside for this PROGRAM.

Bob & Norma Benamati have made an application request to the City for a mini-grant under the Downtown Façade Improvement Program, to install/replace new signage for an existing commercial building located at 123 S. Tehama Street. There are currently four signs located on this commercial building which are in need of repair. The applicant desires to replace these signs with new signage that will comply with the City's Comprehensive Sign Ordinance. The total cost estimate of the project is approximately \$1,915.50. Per the updated PROGRAM guidelines, an applicant may request mini-grant funding assistance not to exceed \$1,500. The request complies with the PROGRAM guidelines with respect to the use of funds as signage that is attractively integrated into the architecture of the building is an acceptable use of PROGRAM funds.

### **FINANCIAL CONSIDERATIONS**

The approval of the attached resolution commits the City to \$1,500 in Downtown Façade Improvement matching funds. The source of funding is available through partial allocation of the Wal-Mart Economic Impacts contribution.

### **NOTIFICATION**

Bob & Norma Benamati have been notified.

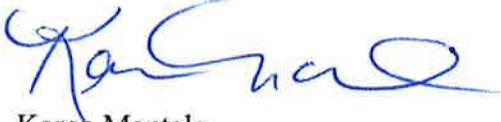
### **ALTERNATE ACTIONS**

No alternatives are recommended.

**RECOMMENDATION**

Adopt the attached resolution approving the use of Façade Improvement Funds for a mini-grant to reimburse/assist Bob & Norma Benamati with improvements to his commercial businesses not to exceed a total of \$1,500.

Respectfully submitted,



Karen Mantele  
Principal Planner

Approved by:



Scott Taylor  
City Manager

Attachments:

- 1) Draft Resolution
- 2) GWIL approval letter
- 3) Project cost estimate
- 4) Sign colors

RESOLUTION No. \_\_\_\_-2016

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS APPROVING THE USE OF DOWNTOWN FAÇADE IMPROVEMENT FUNDS TO INSTALL NEW SIGNAGE ON AN EXISTING COMMERCIAL BUILDING FOR BOB & NORMA BENAMATI, OWNERS OF AN EXISTING COMMERCIAL BUILDING LOCATED AT 123 S. TEHAMA STREET, ASSESSORS PARCEL NUMBER 003-051-020**

**WHEREAS**, on June 13, 2000, the City Council of the City of Willows adopted the Community Vision and Action Plan per Resolution No. 16-2000 which recommended a Community Goal to establish a Façade Improvement Program (PROGRAM), and

**WHEREAS**, on June 24, 2008 the City Council of the City of Willows adopted Resolution No. 31-2008 implementing a Downtown Façade Improvement Program, and,

**WHEREAS**, funding is available for the PROGRAM through partial allocation of the Wal-Mart Economic Impacts contribution, and

**WHEREAS**, Bob & Norma Benamati have requested the use of PROGRAM mini-grant funds not to exceed \$1,500, for reimbursement of new signage work for property located at 123 N. Tehama Street, within the Central Commercial Zoning district, and

**WHEREAS**, new exterior signage is an eligible item under the PROGRAM, and

**WHEREAS**, in an effort to further the goal of providing assistance to businesses within the Central Commercial Zoning District for downtown revitalization, it is recommended that the Council consider approving the use of PROGRAM funds for this project.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Willows does hereby resolve as follows:

1. That new signage is a project that qualifies as an eligible use of PROGRAM funds.
2. That the City Council hereby commits \$1,500 of the PROGRAM funds to Bob & Norma Benamati for the new signage project.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council on this 23<sup>th</sup> day of February, 2016, by the following vote:

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

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Mayor Hanson

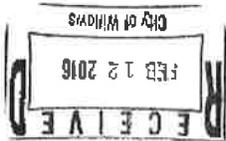
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Natalie Butler, City Clerk

**GWIL LETTER**

GREATER WILLOWS  
IMPROVEMENT LEAGUE

201 N Lassen Street, Willows, CA 95988  
(530)834-7041



February 12, 2016

Attn: Scott Taylor, City Manager

Re: Façade Improvement Program

The GWIL committee has reviewed the application received from Bob and Norma Benamati. The property owners are applying for a grant to replace signs (4 total) at the building located at 123 S. Telama Street.

This is an updated application as it was brought to the committee's attention that the current signs (in terms of size) don't meet City Code.

The tenant(s) met with Karen Mantle for an explanation, and assistance in determining a plan for the new signs. The applicant is aware that the new signs must not extend above the parapet of the building.

The GWIL committee recommends approval of their application.

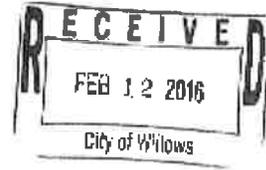
Respectfully,

*Candis Woods*  
*and*

Greater Willows Improvement Committee



Cost Estimate for Benamati SIGN project



**THE SIGN SHOP**  
127 S. Tahlequah St.  
Wilcox, CA 95805

Date: 02/02/2016  
Estimate # 44

**COMM. DEVELOPMENT**  
108 E. Tahlequah  
Wilcox, CA 95805

P.O. #  
70976

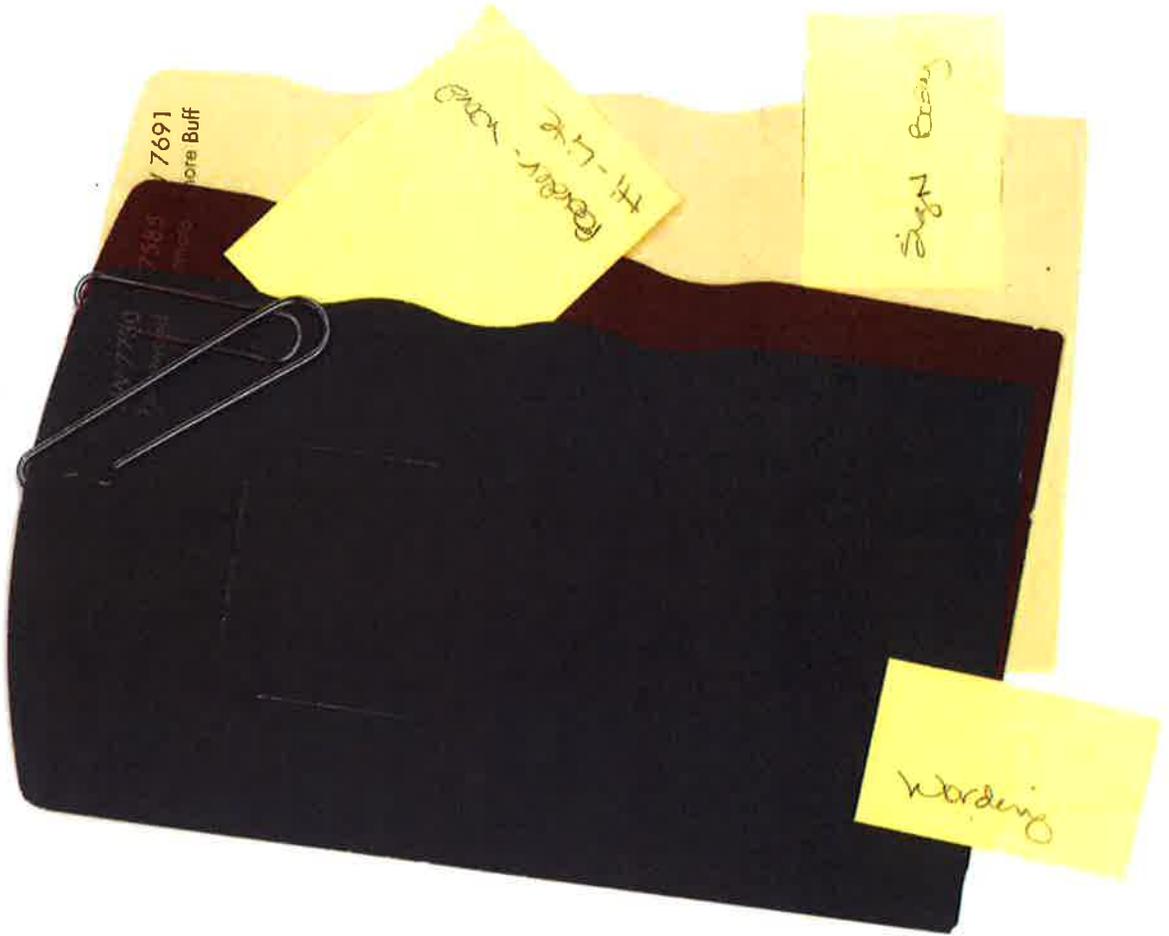
Due Date: 02/02/2016  
Other

Description	Qty	Rate	Total
<del>Signage</del>			
2x2 BX 2	4	140.00	560.00
2x2 10x2	4	140.00	560.00

Subtotal \$1,120.00  
Sales Tax (8.25%) \$150.00  
Total \$1,270.00

020960-141

*High Commission*



7691  
ore Buff

TH-LIVE  
FEBRUARY 2014

Sign Entry

Wording