

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, January 26, 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:** None Scheduled
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.
  - a) Consider approval of General Checking, Payroll Checks & Payroll Direct Deposit.
  - b) Consider adoption of a Resolution authorizing the City Manager to sign & execute all documents related to CalRecycle funding.
7. **Public Hearings:** *Persons wishing to speak during a Public Hearing are asked to approach the microphone to address the Council and limit comments to three minutes. Although not required, it is also requested that you please state your name for the record.*
  - a) (Continued from the January 12, 2016 City Council Meeting)  
Conduct a Public Hearing and upon conclusion, it is recommended that the Council adopts an Urgency Ordinance 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:**

- a) Staff recommends that the Council read by title only and pass first reading of an Ordinance entitled “**An Ordinance of the City Council of the City of Willows Amending Title II Section 2.10.100 of Chapter 2.10; City Manager, of the Willows Municipal Code**”.
- b) Staff recommends that the Council read by title only and pass first reading of an Ordinance entitled “**An Ordinance of the City Council of the City of Willows Amending Title IX Section 9.15.010 of Chapter 9.15; Curfew Hours, and Repealing Title IX Section 9.15.040 of Chapter 9.15 of the Willows Municipal Code**”.
- c) Medical Marijuana Urgency Ordinance - **Action taken under item 7 (a).**

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

**10. New Business:**

- a) Staff recommends that the Council accept the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2015.
- b) Staff recommends that the Council adopt a Resolution to authorize the City Manager to sign a Development Agreement with Basin Street Properties for the “North Valley Commercial Center” project.

**11. Council Member Reports:**

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

**PUBLIC COMMENT:** Pursuant to Government Code Section 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 EMPLOYMENT, pursuant to Gov. Code § 54957  
**Title: City Attorney.**
- b) PUBLIC EMPLOYEE PERFORMANCE EVALUATION, pursuant to Gov. Code § 54957  
**Title: City Manager**

**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 January 22, 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.

The City of Willows is an Equal Opportunity Provider

Period

1/7/2016 TO 1/20/2016

General Checking 30451 TO 30518

Payroll Direct Deposit 206975 TO 207010

Payroll Checks 34529 TO 34543

APPROVAL DATE 1/26/2016

Approved \_\_\_\_\_

REPORT.: Jan 07 16 Thursday  
 RUN...: Jan 07 16 Time: 15:08  
 Run By.: JANE COLLINS

CITY OF WILLOWS  
 Cash Disbursement Detail Report  
 Check Listing for 01-16 Bank Account.: 1050

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

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	Invoice #	Payment Information Description
030451	01/07/16	BAK06	BAKER & TAYLOR BOOKS	656.18	.00	656.18	1449468	NEW PRINT MAT. LIBRARY
030452	01/07/16	BAR01	BARCELOUX BROTHERS AUTO	217.69	.00	217.69	B60107	DEC STMT PER ATTACHED
030453	01/07/16	BOA01	CITY OF WILLOWS FSA ACT.	7395.88	.00	7395.88	B60107	FSA/DDA ACCOUNT
030454	01/07/16	BUR03	BURNHAM VETERINARY CLINIC	166.00	.00	166.00	110006	EUTHANIZE & AFTERCARE
030455	01/07/16	COM16	COMCAST CABLE	145.97	.00	145.97	B60107	ADMIN INTERNET 11/29/16-1
030456	01/07/16	COR02	CORBIN WILLITS SYSTEMS	407.87	.00	407.87	B512151	CONT.SERV. FINANCE JAN 20
030457	01/07/16	COR10	CORNING LUMBER CO., INC.	140.61	.00	140.61	B60107	DEC STMT PER ATTACHED
030458	01/07/16	ERE00	ER ENERGY	25.71	.00	25.71	449858	PROPANE
030459	01/07/16	FGL00	FGL ENVIRONMENTAL	21.00	.00	21.00	579592A	BACTI ANALYSIS
030460	01/07/16	GRA01	GrandFlow, Inc.	267.76	.00	267.76	134359	FORMS W-2 AND 1099
030461	01/07/16	INK01	THE INKWELL	526.53	.00	526.53	B60107	DEC STMT PER ATTACHED
030462	01/07/16	KNI03	KNIFE RIVER CONSTRUCTION	133.95	.00	133.95	165635	WET PATCH
				100.84	.00	100.84	165864	WET PATCH
			Check Total.....:	234.79	.00	234.79		
030463	01/07/16	MAT01	MATSON & ISOM TECHNOLOGY	1004.17	.00	1004.17	22208	WKSTN CAPTAIN SYKES
				1567.82	.00	1567.82	22210	PRESENTATION LAPTOP
				140.14	.00	140.14	22221	PRESENTATION LAPTOP ACCES
			Check Total.....:	2712.13	.00	2712.13		
030464	01/07/16	MAX01	MAXIMUM SECURITY SYSTEMS	60.00	.00	60.00	26291	PROF. SERVICES PARKS/PUB.
030465	01/07/16	MID03	MIDWEST TAPE	29.99	.00	29.99	93511592	ADB
				16.99	.00	16.99	93517329	DVD'S
				149.03	.00	149.03	93517350	DVD'S
			Check Total.....:	196.01	.00	196.01		
030466	01/07/16	NCC01	NCCSIF	24881.25	.00	24881.25	2016098	WORKERS COMP. QUARTERLY 3
030467	01/07/16	O'R01	O'REILLY AUTO PARTS	209.15	.00	209.15	B60107	DEC STMT PER ATTACHED
030468	01/07/16	ORL08	ORLAND SAW & MOWER	123.20	.00	123.20	16489	REPAIR E-3
030469	01/07/16	PEN03	PENWORTHY	466.56	.00	466.56	510683IN	BOOKS
030470	01/07/16	PET02	PETERSON TRACTOR CO.	690.83	.00	690.83	141256	REPAIR FD GENERATOR
030471	01/07/16	PIA00	PLAY IT AGAIN SPORTS	866.45	.00	866.45	280965	PROGRAM EQUIPMENT
030472	01/07/16	PLA01	PLASTICARDS, INC	680.00	.00	680.00	151509	SIDE KEY TAG COMBO
030473	01/07/16	POL01	POLY RISER & PIPE	24.19	.00	24.19	10888	COUPLERS
030474	01/07/16	SAC08	SACRAMENTO VALLEY MIRROR	633.50	.00	633.50	13764	CLASSIFIED/LEGAL ADS DEC
030475	01/07/16	USB02	US BANK	821.20	.00	821.20	768965	EQUIPMENT LEASE 12/20/15-
030476	01/07/16	WILHD	WILLOWS HARDWARE, INC.	431.69	.00	431.69	B60107	DEC STMT PER ATTACHED
			Cash Account Total.....:	43002.15	.00	43002.15		
			Total Disbursements.....:	43002.15	.00	43002.15		

Check Number	Check Date	Vendor Number	Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
030468	01/12/16	ORL08	ORLAND SAW & MOWER	-123.20	.00	-123.20	16489u	Ck# 030468 Reversed
030482	01/15/16	AME02	AMERIPRIDE UNIFORM SVCS.	237.37	.00	237.37	B60114	FD UNIFORMS DEC 2015
030483	01/15/16	ATT01	A.T. & T.	1011.89	.00	1011.89	B60115	TELEPHONE EXP 11/19-12/18
030484	01/15/16	AWA01	AWARDS COMPANY	200.00	.00	200.00	10168	TROPHIES
030485	01/15/16	BEN01	MATTHEW BENDER & CO., INC.	97.80	.00	97.80	79115306	PENAL CODE HDBK
030486	01/15/16	BIP01	BIPPUS ROOFING	850.00	.00	850.00	2055	ROOF REPAIR PD
030487	01/15/16	CLA00	CLARK PEST CONTROL	1200.00	.00	1200.00	18334124	PEST CONTROL MUSEUM
030488	01/15/16	COM16	COMCAST CABLE	55.15 52.74	.00 .00	55.15 52.74	B60114 AB60114	LIBRARY INTERNET 1/3-2/2/ INTERNET PD 1/7-2/6/16
			Check Total.....	107.89	.00	107.89		
030489	01/15/16	ENL00	ENLOE MEDICAL CENTER	1167.00	.00	1167.00	B60114	PATIENT TRANSACTIONS
030490	01/15/16	EVE00	EVERGREEN NOTE SERVICING	45.00	.00	45.00	B60114	NOTE SERVICING DEC 2015
030491	01/15/16	FP000	FRANCOTYP-POSTALIA, INC.	83.85	.00	83.85	2688476	POSTBASE METER 01/01/16-0
030492	01/15/16	GAN01	GANDY-STALEY OIL CO.	2877.60	.00	2877.60	B60114	STMT PER ATTACHED
030493	01/15/16	GLE21	GLENN CO. SHERIFFS DEPT.	78.00	.00	78.00	10716-01	LIVE SCAN
030494	01/15/16	HUN00	HUNT & JEPSSON ATTORNEYS	832.50 5735.15	.00 .00	832.50 5735.15	2015-11C 2015-12D	GENERAL PUBLIC AGENCY REP Kuwata vs City of Willows
			Check Total.....	6567.65	.00	6567.65		
030495	01/15/16	INT16	INTERSTATE BATTERY SYSTEM	449.16	.00	449.16	B60114	DEC STMT PER ATTACHED
030496	01/15/16	ITP01	INDUSTRIAL TRUCK & FARM	23.87	.00	23.87	444923	REPAIR #15 WATER TRUCK
030497	01/15/16	KIM00	KIMBALL MIDWEST	109.52	.00	109.52	4645258	SHOP SUPPLY
030498	01/15/16	MAL02	CHRIS MALONE	220.00	.00	220.00	B60114	OFFICIATE BASKETBALL
030499	01/15/16	MAT01	MATSON & ISOM TECHNOLOGY	414.45 460.00	.00 .00	414.45 460.00	19048 52726	MICROSOFT 3 YR LICENSE CONFIGURE CPT. SYKES WKST
			Check Total.....	874.45	.00	874.45		
030500	01/15/16	MEN02	MENDES SUPPLY COMPANY	91.33	.00	91.33	R00877400	PAPER PRODUCTS
030501	01/15/16	MJB01	MJB WELDING SUPPLY, INC.	36.00	.00	36.00	1107226	CYLINDER RENTAL DEC 2015
030502	01/15/16	MTS00	MT SHASTA SPRING WATER CO	27.35	.00	27.35	B60114	PD WATER
030503	01/15/16	NAT26	NATIONAL FIRE SYSTEMS, IN	250.00	.00	250.00	77390	FD SEMI ANNUAL SERVICE
030504	01/15/16	PEA01	KATE PEABODY	90.79	.00	90.79	B60114	CONFERENCE ROOM FRAMES
030505	01/15/16	PGE01	PG & E	27.47	.00	27.47	B60114	P.G. & E. 1600 S TEHAMA
030506	01/15/16	PRO00	PRO FORCE LAW ENFORCEMENT	439.68 608.56	.00 .00	439.68 608.56	258872 259585	HANDGUN TAZERS
			Check Total.....	1048.24	.00	1048.24		
030507	01/15/16	RAD00	RADIO GUYS	1210.00	.00	1210.00	15252	FD STATION REPAIR
030508	01/15/16	ROL00	ROLLABELS	38.30	.00	38.30	P19849	ROLLABELS
030509	01/15/16	SPP00	SPP FUND MASTER TENANT, L	3931.79	.00	3931.79	4055659	SOLAR ELECTRICITY DEC 201
030510	01/15/16	STA30	STAG ARMS LLC	760.00	.00	760.00	182561	POLICE EQUIPMENT
030511	01/15/16	THO00	THOMAS HYDRAULIC AND	95.00	.00	95.00	375874	REPAIR HYDRAULIC PRESS
030512	01/15/16	TRA02	TRACTOR SUPPLY CREDIT PLA	69.09	.00	69.09	200009441	BOOTS
030513	01/15/16	UNI02	UNIFORMS, TUXEDOS & MORE	837.48	.00	837.48	142275	PD UNIFORM
030514	01/15/16	USB04	U.S. BANK CORPORATE PAYME	4572.80	.00	4572.80	B60115	DEC STMT PER ATTACHED

REPORT.: Jan 15 16 Friday  
 RUN...: Jan 15 16 Time: 16:09  
 Run By.: JANE COLLINS

CITY OF WILLOWS  
 Cash Disbursement Detail Report  
 Check Listing for 01-16 Bank Account.: 1050

PAGE: 002  
 ID #: PY-DP  
 CTL.: WIL

Check Number	Check Date	Vendor Number	Vendor Name	Gross Amount	Discount Amount	Net Amount	-----Payment Information----- Invoice #	Description
030515	01/15/16	VER02	VERIZON WIRELESS	552.06	.00	552.06	B60115	TELEPHONE EXP. 11/27-12/2
030516	01/15/16	WIL00	WILLOWS AUTOMOTIVE	45.00	.00	45.00	B60114	DEC STMT PER ATTACHED
030517	01/15/16	WILHI	WILLOWS ACE HARDWARE	142.83	.00	142.83	B60114	DEC STMT PER ATTACHED
030518	01/15/16	WUN01	WUNSCH'S GARAGE	170.25	.00	170.25	B60114	DEC STMT PER ATTACHED
Cash Account Total.....:				30073.63	.00	30073.63		
Total Disbursements.....:				30073.63	.00	30073.63		
Cash Account Total.....:				.00	.00	.00		

**AGENDA ITEM**

**TO:** Willows City Council

**FROM:** Steve Soeth Public Works Director

**SUBJECT:** Resolution authorizing the City Manager to sign / execute all documents related to CalRecycle Grants Funding

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**RECOMMENDATION**

Adopt resolution to authorize the City Manager to sign / execute all documents related to CalRecycle Grant Funding

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**SITUATION (or BACKGROUND)**

In order to receive ongoing CalRecycle funding or apply for new funding opportunities through CalRecycle, the State requires that local jurisdictions have by resolution given signature authority to a position within their organization. The City had such a resolution which expired this month. This new resolution will stay in effect until it is rescinded by the signature authority or the City Council.

**RECOMMENDATION**

Adopt resolution to authorize the City Manager to sign / execute all documents related to CalRecycle Grant Funding.

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Respectfully submitted,

Steve Soeth  
Public Works Director

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## Steve Soeth

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**From:** Tooker, Shamila@CalRecycle <Shamila.Tooker@calrecycle.ca.gov>  
**Sent:** Wednesday, December 23, 2015 1:13 PM  
**Cc:** Cadiz, Divina@CalRecycle; Cota, Marissa@CalRecycle; Duclou, Donnell@CalRecycle; Estrada, Rhoderick@CalRecycle; Wright, Tharon@CalRecycle; Byrne, Alex@CalRecycle; 'John.Catching@calrecycle.ca.gov'; Uyeda, Stanley@CalRecycle; McIntosh, Blair@CalRecycle  
**Subject:** Beverage Container Recycling City/County Payment Program - New Requirement for Fiscal Year 2015-16  
**Attachments:** Payment program resolution.docx

Good Afternoon

Beginning with the fiscal year 2015-16 funding cycle, all jurisdictions will be required to provide a Resolution no later than the funding request due date (to be announced in the near future.)

To assist you with this new requirement, we have attached a Resolution template specific to payment programs. Open the attached Resolution template and save it to your computer. Fill in the yellow highlighted areas with your jurisdiction's name and the job title of the signature authority. ~~X~~If you plan on using other language or think you have an existing resolution that may be valid please email it to [grantassistance@CalRecycle.ca.gov](mailto:grantassistance@CalRecycle.ca.gov) and use City/County Payment Program Resolution and your city or county name in the subject line. We will review it to ensure it meets the payment program requirements prior to you seeking approval from your board or council.

Note: jurisdictions should anticipate the amount of time needed by your board or council to obtain an approved Resolution by the funding request due date. Failure to provide an approved Resolution may result in funding being delayed or not approved.

*Shamila Tooker*

**Beverage Container Grants Unit**  
**Department of Resources Recycling and Recovery**  
**(916) 322-3069**  
[Shamila.Tooker@CalRecycle.ca.gov](mailto:Shamila.Tooker@CalRecycle.ca.gov)



**Connect with us!**



**RESOLUTION NO. XX-2016**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS AUTHORIZING SUBMITTAL OF APPLICATION FOR PAYMENT PROGRAMS AND RELATED AUTHORIZATIONS**

WHEREAS, pursuant to Public Resources Code sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle), has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

NOW, THEREFORE, BE IT RESOLVED that the City of Willows City Council authorizes the submittal of applications to Cal Recycle for all grants for which the City of Willows is eligible: and,

BE IT FURTHER RESOLVED that the City Manager or his /her designee is hereby authorized and empowered to execute in the name of the City of Willows all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project: and,

BE IT FURTHER RESOLVED that these authorizations are effective until rescinded by the Signatory Authority or this Governing Body.

PASSED AND ADOPTED by the City Council of the City of Willows at their regular meeting thereof held on January 26, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

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

ATTEST:

By: \_\_\_\_\_  
NATALIE BUTLER, CITY CLERK

January 26, 2016

**AGENDA ITEM**

**TO:** Hon. Mayor and City Council Members  
**FROM:** Robert W. Hunt, City Attorney  
**SUBJECT:** Consideration and Adoption of Urgency Ordinance Regarding Regulation of Medical Marijuana in the City of Willows

**RECOMMENDATION:**

Conduct Public Hearing, consider and adopt:

**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**

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**SITUATION (OR BACKGROUND)**

In 2015 the California Legislature enacted a series of bills (AB 243, AB 266 and SB 643) which, among other things, regulated the licensing, cultivation, transport, delivery and dispensing of medical marijuana in California. This legislative package added to or amended provisions of the California Government Code, Health & Safety Code, and the Business & Professions Code. These bills were signed into law by Gov. Jerry Brown on October 15, 2015.

Newly added California Health & Safety Code section 11362.777(c)(1) provides in part that “[a]city, . . ., *through its current or future land use regulations or ordinances*, may issue or deny a permit to cultivate medical marijuana . . .”

Subsection (c)(4) of that statute provides, in part, that “If a city, . . ., *does not have land use regulations or ordinances* regulating or prohibiting the cultivation of marijuana, either expressly or otherwise under *principals of permissive zoning*, . . ., then commencing March 1, 2016,” the state preempts the city’s power to so regulate and shall be the sole licensing authority for marijuana cultivation in that city.

[It is noted that Assembly Bill 21 is currently pending in the California Legislature as an emergency matter which, if enacted, will take effect immediately. The announced purpose of AB 21 is to remove the March 1, 2016 deadline for cities to enact regulations or ordinances pertaining to medical marijuana. However, as it moves through committees, the bill has already been amended to deprive cities of the power to regulate the cultivation of medical marijuana by a qualified patient within their personal residence or other enclosed building appurtenant to their personal residence. Other amendments may follow. Therefore, it is inadvisable for the City of Willows to delay action in the hope that AB 21 will be enacted and take effect prior to the March 1 deadline.]

Accordingly, at Council's direction, on December 8, 2015 staff provided several options regarding regulation of medical marijuana within the City of Willows. Council directed staff to present to Council at its next regularly scheduled meeting a proposed ordinance commensurate with Council's position on policy direction.

At the City Council meeting of January 12, 2016, the Mayor tabled the agenda item on pertaining to the proposed ordinance and continued it until the next meeting, January 26, 2016. However, the ordinance cannot now be given the two (2) required readings and still take effect by March 1, 2016.

Therefore, the ordinance presented to Council is an urgency interim ordinance, to take effect immediately upon passage, pursuant to California Government Code section 65858. Council members have voiced concern for the protection of the public's health, safety and welfare unless medical marijuana cultivation is appropriately regulated. Accordingly, passage of this ordinance as an urgency item is supported and merited. As an urgency interim ordinance, the ordinance will be effective for only 45 days; however, it may be extended for up to 10 months. The City will then have adequate time to prepare a permanent ordinance reflecting the most recent legislation expressed by the currently pending AB 21, have it heard by the Planning Commission as required of land use/zoning ordinances, and subsequently adopted by the City Council.

Submitted herewith for consideration and adoption by the City Council is an ordinance amending and adding to the Willows Municipal Code prohibiting the cultivation, sale and delivery of medical marijuana within the City of Willows.

### **FINANCIAL CONSIDERATIONS**

None anticipated at this time.

**NOTIFICATION**

Notice of the January 12, 2016 City Council public hearing, which item was tabled and continued by the Mayor to the January 26, 2016 meeting, was published in the Sacramento Valley Mirror on Saturday, January, 2016.

**ALTERNATE ACTIONS**

1. Request additional information from staff; provide additional direction to staff.
2. Reject proposed ordinance and direct item to be returned to Council at a later date.
3. Reject proposed ordinance and permit State of California to “occupy the field” and become sole marijuana regulatory authority for the City of Willows.

**RECOMMENDATION**

Conduct a public hearing and adopt **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.**

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Respectfully submitted,



Robert W. Hunt  
City Attorney

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Attachment:

**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.**

**ORDINANCE NO. XXX-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**

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

**WHEREAS**, in 1996 the voters of the State of California approved Proposition 215, codified as Health & Safety Code Section 11362.5 et seq. and entitled "The Compassionate Use Act of 1996" (the "Compassionate Use Act" or "CUA"); and

**WHEREAS**, the intent of the Compassionate Use Act was to enable persons who are in need of marijuana for medical purposes to obtain and use it under limited, specific circumstances, without being subject to criminal prosecution under certain state statutes; and

**WHEREAS**, on January 1, 2004, Senate Bill 420, codified at California Health and Safety Code sections 11362,7, et seq., and entitled "The Medical Marijuana Program" ("MMP"), became effective to clarify the scope of the Compassionate Use Act; and

**WHEREAS**, the MMP provides that specific immunities extend to those who cultivate marijuana for medical purposes; specifically, such individuals "shall not be subject, on that sole basis, to criminal liability" under Health and Safety Code sections 11357 [possession], 11358 [cultivation], 11359 [possession for sale], 11366 [maintaining location for selling, giving away or using controlled substances], 11366.5 [managing location for manufacture or storage of controlled substance], or 1150 ["drug den" abatement law] (Health and Safe Code section 11362.765(a).); and

**WHEREAS**, neither the CUA nor the MPP provide the right to cultivate medical marijuana (*City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc.* (2013) 56 Cal.4<sup>th</sup> 729) and local governments have the authority to prohibit cultivation of all marijuana, including medical marijuana (*Maral v. City of Live Oak* (2013) 221 Cal.App. 4<sup>th</sup> 975); and

**WHEREAS**, the City of Willows has adopted a land use regulation Zoning Plan identified as Title 18 (Zoning) of the City of Willows Municipal Code; 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,** the City of Willows Police Department, City residents and other public entities have reported adverse impacts from marijuana and medical marijuana cultivation, including disagreeable odors, increased risk of burglary and other property crimes, and acts of violence in connection with the commission of such crimes or the residents' attempts to prevent such crimes; and

**WHEREAS,** the creation of persistent strong odors as marijuana plants mature and flower is offensive to many people and creates an attractive nuisance, alerting persons to the location of valuable marijuana plants and creating an increased risk of crime; and

**WHEREAS,** the indoor cultivation of substantial amounts of marijuana also frequently requires excessive use of electricity, which often creates an unreasonable risk of fire from the electrical grow lighting systems used in indoor cultivation; and

**WHEREAS,** children are particularly vulnerable to the effects of marijuana use, and the presence of marijuana plants has proven to be an attractive nuisance for children, creating an unreasonable hazard in areas frequented by children including schools, parks, and other similar locations; and

**WHEREAS,** the City Council finds and determines that the enactment of this Ordinance is exempt from environmental review pursuant to California Environmental Quality Act Guidelines Section 15061(b)(3) in that there is nothing in this Ordinance or its implementation that could have a foreseeable significant effect on the environment; and

**WHEREAS,** as required by state law, a municipality wishing to regulate the cultivation and delivery of marijuana must adopt 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,

**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.** Section 8.10.010 of the Willows Municipal Code is amended as follows:

**8.10.010 – Definitions**

The following definitions shall apply in this chapter:

“Delivery” shall have the same meaning as that set forth in California Business and Professions Code section 19300.5(m).

“Marijuana” shall have the same meaning as that set forth in California Health and Safety Code Section 11018.

“Marijuana Cultivation” means the planting, growing, harvesting, drying, curing, grading, trimming or processing of all Marijuana, including Medical Marijuana.

“Marijuana Dispensary” shall have the same meaning as “dispensary” set forth in California Business and Professions Code section 19300.5(n).

“Medical Marijuana” means Marijuana that has been recommended by a licensed physician in strict accordance with California Health and Safety Code Sections 11362.5 through Section 11362.83, inclusive, commonly referred to as the Compassionate Use Act and the Medical Marijuana Program.

“Marijuana Processing” means any method used to prepare Marijuana or its by-products for commercial retail and/or wholesale, including but not limited to: drying, cleaning, curing, packaging, and extraction of active ingredients to create Marijuana related products and concentrates.

“Primary Caregiver” shall have the same meaning as that set forth in Health and Safety Code section 11362.7(d).

“Qualified Patient” shall have the same definition as Health and Safety Code sections 11362.7(c) and (f).

**Section 3. Section 8.10.020 of the Willows Municipal Code (Public nuisances designated) is amended as follows:**

24. To cultivate, maintain, process or store on the property Medical Marijuana, or to permit the odor of which is detected by any member of the public.
25. To cultivate, maintain, process or store Marijuana on the property.

**Section 4: Chapter 9.20 to the Willows Municipal Code is added as follows:**

9.20.010 Legislative Findings and Statement of Purpose.

The City Council finds that the prohibitions on marijuana cultivation, marijuana processing, marijuana delivery, and marijuana dispensaries are necessary for the preservation and protection of the public health, safety, and welfare for the City and its community. The City Council's prohibition of such activities is within the authority conferred upon the City Council under State law as a general law city.

9.20.020 Definitions.

For purposes of this chapter, the following definitions shall apply:

"Marijuana" shall have the same meaning as that set forth in California Health and Safety Code Section 11018.

"Marijuana Cultivation" means the planting, growing, harvesting, drying, curing, grading, trimming or processing of all Marijuana, including Medical Marijuana.

"Marijuana Dispensary" shall have the same meaning as "dispensary" set forth in California Business and Professions Code section 19300.5(n).

"Marijuana Processing" means any method used to prepare Marijuana or its by-products for commercial retail and/or wholesale, including but not limited to: drying, cleaning, curing, packaging, and extraction of active ingredients to create Marijuana related products and concentrates.

"Medical marijuana collective" or "cooperative or collective" means any group that is collectively or cooperatively cultivating and distributing marijuana for medical purposes that is organized in the manner set forth in the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, as may be amended from time to time, that was issued by the office of the Attorney General for the state of California or subject to the provisions of California Health and Safety Code Section 11362.5

(Compassionate Use Act of 1996) or California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act).

#### 9.20.030 Prohibited Activities.

Marijuana cultivation, marijuana processing, marijuana delivery, and marijuana dispensaries shall be prohibited activities in the City, except where the City is preempted by federal or state law from enacting a prohibition on any such activity. No use permit, variance, building permit, or any other entitlement, license, or permit, whether administrative or discretionary, shall be approved or issued for the activities of marijuana cultivation, marijuana processing, marijuana delivery, or the establishment or operation of a marijuana dispensary in the City, and no person shall otherwise establish or conduct such activities in the City, except where the City is preempted by federal or state law from enacting a prohibition on any such activity for which the use permit, variance, building permit, or any other entitlement, license, or permit is sought.

#### 9.20.040 Violations.

Violation of any provision of this section shall subject the violator to suit for either civil remedy, pursuant to WMC 18.117.030, or criminal penalty, pursuant to WMC 1.05.080, or both.

### **Section 5. Chapter 18.117 to the Willows Municipal Code is added as follows:**

#### Chapter 18.117 — MARIJUANA CULTIVATION

18.117.10 - Definitions.

18.117.20 - Marijuana Cultivation.

18.117.30 - Violations—Penalty.

#### 18.117.010 - Definitions.

"Marijuana" shall have the same meaning as that set forth in California Health and Safety Code Section 11018.

"Marijuana Cultivation" means the planting, growing, harvesting, drying, or processing of all Marijuana, including Medical Marijuana.

"Medical Marijuana" means Marijuana that has been recommended by a licensed physician in strict accordance with California Health and Safety Code Sections 11362.5 through Section 11362.83, inclusive, commonly referred to as the Compassionate Use Act and the Medical Marijuana Program.

18.117.020 - Marijuana cultivation.

Marijuana Cultivation by any person or entity is prohibited in all zone Districts within the City of Willows.

18.117.030 - Violations—Penalty.

- A. Violation of the provisions of WMC 18.117 is declared to be a public nuisance per se, which shall be abated by way of civil abatement procedures.
- B. Each violation of this chapter and each day a violation of this chapter continues to exist shall be considered a separate and distinct violation.
- C. All means of enforcement authorized under this code may be used to address violations of this chapter, including but not limited to: Civil penalties, nuisance abatement, civil actions, and administrative citations.
- D. Nothing in this chapter is intended to authorize, legalize, or permit the establishment, operation, or maintenance of any business, building, or use which violates any city of Willows ordinance or statute of the state of California regarding public nuisances, sexual conduct, lewdness, obscene or harmful matter, exhibition, or public display thereof. [Ord. 632-91 § 8.06, 10-22-91].

**Section 6:** If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one (1) or more sections, subsections, sentences, clauses or phrases be declared, invalid or unconstitutional.

**Section 7:** This interim ordinance shall be in full force and effect, upon approval of four-fifths of the City Council, immediately, pursuant to California Government Code section 65858(a), and shall remain in effect for a period of forty-five (45) days, unless extended pursuant to California Government Code section 65890. The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause this ordinance, or a summary thereof, to be published pursuant to applicable state law.

This ordinance was introduced at a regular meeting of the City Council of the City of Willows, held on January 26, 2016, and adopted at a regular meeting of the City Council of Willows, held on the January 26th, 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

**AGENDA ITEM**

January 26, 2016

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

**FROM:** Scott Taylor, City Manager

**SUBJECT:** Consideration and possible adoption of an Ordinance Amending Title II, Section 2.10 of the Willows Municipal Code; establishing City Treasurer classification as subordinate to the City Manager.

---

**RECOMMENDATION**

Staff is recommending Council read by title only and pass first reading of an Ordinance amending Section 2.10.100 of the Willows Municipal Code; establishing the City Treasurer classification as subordinate to the City Manager.

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**SUMMARY**

This ordinance is introduced to correct an over-looked erroneous section(s) of the Willows Municipal Code in conjunction with the City Treasurer Position. At some point during the evolution of the Willows Municipal Organization, the City Treasurer may have been an "elected" city official; a practice not uncommon in many small general law cities across the state. Just as common in many cities was the practice to "sunset" those elected positions and create an appointed position within the organizational structure. This likely occurred in Willows around the time the City Manager form of government was adopted by the City Council. Typically in smaller cities the early city managers wore numerous hats and shouldered the responsibility for multiple organizational roles. As organizations grew in complexity and size; many specific position classifications were developed to fulfill more specialized requirements of municipal government and community services.

This is possibly the evolution status of the City Treasurer Classification within the city's workforce structure. Although the City Treasurer may have existed once upon a time; at some point the position has become non-existent and moot. Financial matters within the City now fall under the purview of the Director of Finance, a position subordinate to the City Manager and a contributing member of the City's Executive Management Staff. Unfortunately, the WMC was not completely corrected to coincide with this evolution.

Council has previously requested periodic review of City ordinances and introduce any necessary corrections. It was noted that Section 2.10.100 contained language that was consistent with an elected city treasurer position classification. This correction will properly place the classification as a subordinate employee of the City Manager. Although, the position is not funded and not filled from a personnel perspective, administratively, the City Manager will authorize this position classification to be included as an FLSA Exempt Employee Class, prohibited from earning over-time pay and recognizing the position as equivalent to director status among the executive management team. Staff is recommending approval of this correction.

**FINANCIAL CONSIDERATIONS**

None.

**RECOMMENDATION**

Staffs is recommending Council read by title only and pass first reading of an Ordinance amending Section 2.10.100 of the Willows Municipal Code; establishing the City Treasurer classification as subordinate to the City Manager.

---

Respectfully submitted,

Scott Taylor  
City Manager

C: Draft Proposed Ordinance

**ORDINANCE NO. XXX-2016**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS  
AMENDING TITLE II SECTION 2.10.100 OF CHAPTER 2.10; CITY  
MANAGER, OF THE WILLOWS MUNICIPAL CODE**

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

**SECTION 1.** Chapter 2.10 of the Willows Municipal Code is hereby amended to read as follows:

**2.10.100 - Appointment, removal, etc., of employees.**

*It shall be the duty of the city manager to, and he shall, appoint, remove, promote, and demote any and all officers and employees of the city, except the city attorney ~~and city treasurer~~. All such duties shall be performed in accordance with the personnel system of the city from time to time existing. All promotions, appointments and demotions shall be subject to the approval of the city council, and such action shall be temporary until such action is approved by order or resolution of the city council. The city manager shall inform the city council of such appointments, promotions or demotions at the next regular or special meeting of the city council following the action by the city manager.*

**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 26th day of January 2016 and passed and adopted at a regular meeting thereof, held on 9th day of February, 2016, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

APPROVED:

ATTESTED:

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Gary Hansen, Mayor

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Natalie Butler, City Clerk

**AGENDA ITEM**

January 26, 2016

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

**FROM:** Scott Taylor, City Manager

**SUBJECT:** Consideration and possible adoption of an Ordinance Amending Title IX, Section 9.15.010 of the Willows Municipal Code; modifying curfew hours for minors and repealing Section 9.15.040 enforcement guidelines as archaic, unnecessary, and redundant.

---

**RECOMMENDATION**

Staff is recommending Council read by title only and pass first reading of an Ordinance amending Section 9.15.010 of the Willows Municipal Code; modifying curfew hours for minors and repealing Section 9.15.040 as archaic and redundant.

---

**SUMMARY**

This ordinance is introduced to simplify over-looked complicated section(s) of the Willows Municipal Code in conjunction with curfew hours for minors. Police Department personnel brought to staff's attention the request to review and modify language and hours within the City's curfew ordinance. Staff indicated that the current definition of curfew hours is convoluted, complicated and confusing in terms of its "real world" application.

A review of the curfew hours revealed police personnel were accurate in their description. The current definition provides for several different scenarios of time frames and ages. Thus, the application of the ordinance becomes an exercise in mathematics as opposed to providing for the health, safety, and welfare of our citizens and young people.

Staff reviewed numerous other agency curfew ordinances including Glenn County, Orland, and Corning. This review revealed that all other curfew ordinances were simplistically defined, providing for one set of curfew timeframes for minors within the respective jurisdictions. The proposed modification to the City of Willows curfew hours is modeled after Glenn County's definition and reflects elementary criteria which is easily understood by parents and minors and easily interpreted and applied when the appropriate situations arise.

Further, the proposed ordinance repeals Section 9.15.040 in its entirety. The current section is archaic and redundant in its language and intent. It spells out the basics of law enforcement in establishing reasonable suspicion and probable cause to take further legal enforcement action. These concepts are basic elements and basic experience in law enforcement not requiring recital in the municipal code. Moreover, the language arguably limits discretionary decisions inherent in law enforcement activities and functions.

Council has previously requested periodic review of City ordinances and introduce any necessary corrections. Section 9.15.010 contains language that is confusing, convoluted, and in need of simplification. Section 9.15.040 is archaic and redundant of basic law enforcement principles and mandates. The requested ordinance

modification and repletion will simplify application of the ordinance and remove unnecessary and repetitive language.

Staff is recommending approval of the ordinance modifications.

**FINANCIAL CONSIDERATIONS**

None.

**RECOMMENDATION**

Staffs is recommending Council read by title only and pass first reading of an Ordinance amending Section 9.15.010 and repealing Section 9.15.040 of the Willows Municipal Code; amending the definition of curfew hours and repealing Section 9.15.040 in its entirety.

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Respectfully submitted,

Scott Taylor  
City Manager

Attachment(s): Draft Proposed Ordinance  
Copy of current Ordinance proposed for amendment(s)

**ORDINANCE NO XXX-2016**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS  
AMENDING TITLE IX SECTION 9.15.010 OF CHAPTER 9.15, CURFEW  
HOURS, AND REPEALING TITLE IX SECTION 9.15.040 OF CHAPTER 9.15  
OF THE WILLOWS MUNICIPAL CODE**

**WHEREAS**, the City Council of the City of Willows hereby intends to and does and amend Section 9.15.010 of the Willows Municipal Code, and

**WHEREAS**, the City Council of the City of Willows hereby intends to and does repeal Section 9.15.040 of the Willows Municipal Code, and

**WHEREAS**, the Willows Police Department expressed concern relative to convoluted and confusing verbiage within the existing ordinance; and

**WHEREAS**, the Willows Police Department expressed concern that the current language of the ordinance creates confusion and difficulty in enforcement; and

**WHEREAS**, amending the language and verbiage of the ordinance will provide clearer understanding for the citizens and young people of Willows; and

**WHEREAS**, amending the ordinance will improve delivery of police services and provide improved understanding for the people of Willows; and

**WHEREAS**, repealing section 9.15.040 eliminates archaic language and allows for enforcement discretion inherent in law enforcement services; and

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

**SECTION 1.** Chapter 9.15.010 of the Willows Municipal Code is hereby amended to read as follows:

*Curfew Hours means:*

*The period of time commencing at ten p.m. on each day of the week, including Friday and Saturday, and terminating at six a.m. of the next following day.*

~~(a) For minors under the age of 16 years:~~

~~(i) 9:00 p.m. on any Sunday, Monday, Tuesday, Wednesday, or Thursday, until 6:00 a.m. of the following day; and~~

~~(ii) 11:00 p.m. Friday and Saturday until 6:00 a.m. on any Saturday and Sunday.~~

~~(b) For minors between the ages of 16 and 18:~~

~~(i) 11:00 p.m. on any Sunday, Monday, Tuesday, Wednesday, or Thursday until 6:00 a.m. of the following day; and~~

~~(ii) 12:30 a.m. until 6:00 a.m. on any Saturday or Sunday.~~

**SECTION 2:** Chapter 9.15, **Section: 9.15.040** of the Willows Municipal Code is hereby repealed in its entirety.

**SECTION 3:** 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 4:** 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 5. *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 6. *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 7. *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 26th day of January 2016 and passed and adopted at a regular meeting thereof, held on 9th day of February, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

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Gary Hansen, Mayor

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Natalie Butler, City Clerk

**AGENDA ITEM**

**TO:** Scott Taylor, City Manager

**FROM:** Tim Sailsbery, Finance Director

**SUBJECT:** Annual Audit of City of Willows' Financial Statements

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**RECOMMENDATION**

Accept, by motion, the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2015

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**SITUATION (or BACKGROUND):**

Roy R. Seiler, CPA, has completed the annual audit of the financial statement for the City of Willows. As a summary of City performance and activity, please refer to the Management Discussion and Analysis section of the City of Willows financial statements.

**FINANCIAL CONSIDERATIONS:**

N/A

**NOTIFICATION**

Upon acceptance of the audits

California State Controller  
United States Department of Agriculture  
United States Federal Audit Clearinghouse (If Applicable)  
Municipal Finance Corporation

**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**

Accept, by motion, the audited financial statements of the City of Willows as of and for the fiscal year ending June 30, 2015.

Respectfully submitted,



Tim Salsbery  
Finance Director

Approved,



Scott Taylor  
City Manager

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Items Available for Review at [www.cityofwillows.org](http://www.cityofwillows.org):

City of Willows Financial Statements  
Auditor's Transmittal Letter

**AGENDA ITEM**

January 26, 2016

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

**FROM:** Scott Taylor, City Manager

**SUBJECT:** Approve by Resolution, authorization for the City Manager to enter into a development agreement with Basin Street, 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 recommends that the City Council approve by Resolution, authorization for the City Manager to enter into a development agreement with Basin Street, LLC in conjunction with the EDA Grant Award.

---

**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 Basin Street, 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 Basin Street, LLC.

Staff has drafted an agreement with Basin Street, LLC incorporating appropriate performances including contribution of Basin Street, 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 Basin Street Properties 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, Basin Street, 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 Basin Street, 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 Basin Street, 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 recommends that the City Council approve by Resolution, authorization for the City Manager to enter into the proposed development agreement with Basin Street, LLC and all other action necessary to fully perform in accordance with the agreement requirements.

Respectfully submitted,

Scott Taylor City Manager

Attachments:           Resolution  
                              Proposed Development Agreement  
                              Exhibits as part of the Agreement

**RESOLUTION No. XXX-2016**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF WILLOWS, STATE OF CALIFORNIA,  
AUTHORIZING THE CITY MANAGER TO SIGN A DEVELOPMENT AGREEMENT  
WITH BASIN STREET, LLC FOR THE “NORTH VALLEY COMMERCIAL CENTER”  
PROJECT**

**WHEREAS**, Basin Street, LLC, 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, LLC, has expressed to the Council that 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, LLC, 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, LLC, plans to make on the Initial Development Site and eventually on the balance of the aforesaid property; and

**WHEREAS**, Basin Street, LLC, has agreed to contributions to public infrastructure improvements funded by an EDA Grant Award previously accepted by Council, including the Initial Development Site, on the condition that the City commit to assist Basin Street, LLC, with meeting the infrastructure needs thereof as described in a proposed development agreement between Basin Street, LLC, and the City that has been heretofore furnished to and reviewed by the Mayor and the members of the Council and is ordered attached to the minutes of the meeting at which this resolution is adopted; and

**WHEREAS**, the Council believes that if the aforesaid property, including the Initial Development Site, is developed by Basin Street, LLC located within the City, substantial economic benefits would accrue to the City by expanding the ad valorem tax base of the City, increasing City sales tax collections while simultaneously increasing the number of jobs available within the City, and enhance the overall quality of life for the citizens of the City; so

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Willows, in consideration of the mutual benefits, covenants, and agreements described and set forth in the aforesaid agreement, a copy of which was presented at the meeting at which this resolution was adopted, hereby authorizes and directs the City Manager to execute, for and on

behalf of the City, the said agreement and to take all such action as shall be necessary and appropriate to the circumstances to accomplish compliance by the City with the requirements and to satisfy the obligations of the City under the agreement.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council on this 26<sup>th</sup> day of January 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

\_\_\_\_\_  
Gary L. Hansen, Mayor

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

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: \_\_\_\_\_, 2016**

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (hereafter "Agreement") is made and entered into on \_\_\_\_\_, 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 MND was adopted by the City Council on July 29, 2009 and 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 [\_\_\_\_\_] the City conducted a Public Hearing in connection with the City Council's approval of this Agreement. On [\_\_\_\_\_] 2016, the City Council adopted Ordinance No. [\_\_\_\_\_] 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 ordinance 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. Uniform Codes Applicable. The Project shall be constructed in accordance with the provisions of the Uniform 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: \_\_\_\_\_  
Mayor

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

\_\_\_\_\_  
City Attorney

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

(NOTARIZATION ATTACHED)

EXHIBIT A

List of Project Approvals

# **SOUTH WILLOWS COMMERCIAL CENTER**

## **PLANNED DEVELOPMENT STANDARDS**

**June 29, 2009**

## SECTION 1.0: PERMITTED USES

### From the CC District

- 1) Banks, business offices, food, hardware, variety, department, drug, jewelry, clothing stores, and general retail establishments.
- 2) Music and dance studios.
- 3) Printing shops and photographic stores.
- 4) Cafes, restaurants and catering shops.
- 5) Art and antique shops, pawn shops, and florists.
- 6) Newspapers and commercial printing shops and repair shops.
- 7) Laundries.
- 8) Barber shops and beauty parlors.
- 9) Libraries.
- 10) Movie theaters.
- 11) Museums and galleries.
- 12) Bakeries, including only retail sales on the premises and baking to supply not more than three (3) retail outlets.
- 13) Outdoor advertising signs and structures pertaining to the use or operation on the site and not exceeding two (2) square feet of sign per linear foot of site frontage.
- 14) Professional offices, studios, and clinics.
- 15) Public utility offices, substations, communications equipment buildings and related structures and uses unless a Conditional Use Permit is required for such uses by other provisions of the City of Willows Zoning Ordinance.
- 16) Incidental storage when contained within an enclosed building and when it is clearly incidental to an integral to the operation of the primary business.
- 17) Other uses, which, in the opinion of the Planning commission are similar to those uses listed above.
- 18) Health Clubs (moved from conditional).
- 19) Hotels, motels and similar lodging facilities (moved from conditional).
- 20) Churches and civic clubs (moved from conditional).

### From the CG District

- 21) Pet shop and veterinarian offices.
- 22) Mortuaries and funeral parlors.
- 23) Private schools and business colleges.
- 24) Commercial parking lots and parking garages.
- 25) Automobile service stations.

From the ML District

- 26) Assembly and storage of goods, materials, liquids and equipment, except storage of flammable or explosive matter or materials which create dust, odors or fumes.
- 27) Wholesale and storage warehouses.
- 28) Feed stores.
- 29) Manufacturing, processing, fabricating, refining, repairing, packaging or treatment of goods, materials or produce by electric power, oil or gas (except operations involving fish fats and oils, bones and products or similar substances commonly recognized as creating offensive conditions in the handling thereof).
- 30) Dyeing and dry cleaning plants, rug cleaning plants, laundries, veterinary hospitals and enclosed animal kennels, cabinet shops, and construction materials yards (~~except~~ including gravel, rock and cement materials yards).
- 31) The following, when conducted within a building or enclosed within a solid wall or fence of a type approved by the Planning Commission not less than six (6) feet in height: Major automobile repairs, body and fender repair shops, auto painting shops, cooperage and bottling works, sheet metal shops, welding shops, truck terminals and retail lumberyards.
- 32) Automobile sales and service including used car lots.
- 33) Caretaker's residence provided that the legally established use requires the continuous supervision of a caretaker or security person.

SECTION 2.0: CONDITIONAL USES

- 1) Boarding houses and group dwellings.
- 2) Bars and cocktail lounges.
- 3) Adult businesses.
- 4) Other uses which, in the opinion of the Planning Commission, are of similar nature to those uses listed above.

SECTION 3.0: DEVELOPMENT STANDARDS

	Commercial Lots	Industrial Lots
Maximum Acreage <sup>1</sup>	15 acres	50 acres
Minimum Lot Size	5,000 square feet	10,000 square feet
Yards		
Front	0	0
Side	0	0
Rear	12 feet if accessible from a street or alley	0
Lot Coverage (Gross Building sq.ft.)	75%	60%
Height	35 feet, maximum	50 feet, maximum
Loading	1 private off-street	1 private off-street

	space per 25,000 gross square feet of building area	space per 50,000 square feet of building area
Parking	Section 9 of the City of Willows Zoning Ordinance, June 2000	Section 9 of the City of Willows Zoning Ordinance, June 2000
Signs	Section 10 of the City of Willows Zoning Ordinance, June 2000	Section 10 of the City of Willows Zoning Ordinance, June 2000
Noise Regulations: Uses within the South Willows Commercial Center shall be subject to and follow the noise regulations established by the City of Willows.		

<sup>1</sup>: This regulation limits the total commercial acreage in the 50 acre project to 15 acres. The total 50 acre project may be built out with industrial uses.

# **SOUTH WILLOWS COMMERCIAL CENTER**

## **DESIGN GUIDELINES**

**June 29, 2009**

## South Willows Commercial Center Design Guidelines

**I) PURPOSE:** The purpose of the Design Guidelines is to communicate with the development community in advance the design expectations for all future projects within the South Willows Commercial/Industrial Center to facilitate the review process. The goal is to facilitate the fair and consistent application of design objectives which will guide future development to ensure each new building: is appropriately placed on each site; the height, bulk and mass of the building is consistent with the desires of the community and the surrounding commercial projects; and that the materials utilized for the building reflect the agricultural setting of the site.

**II) APPLICABILITY:** To accomplish this purpose, the guidelines within this section apply to all new development in the South Willows Commercial Center. These guidelines should be used by owners/developers when designing projects. Substantial changes to these guidelines will require approval by the City of Willows planning staff.

**III) ORGANIZATION:** The Design Guidelines in this section are organized into two main sections: Site Design and Architecture.

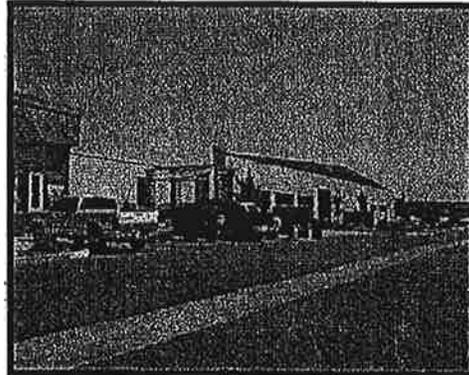
### **IV) SITE DESIGN:**

#### **A) Circulation and Parking**

**Design Objective:** Develop a circulation system within the project that promotes the safe movement of motor vehicles and pedestrians.

#### **Design Guidelines:**

- i. Integrate signage and other elements that facilitate way finding and emergency vehicle access.
- ii. Provide proper internal vehicle stacking distance at entrances.
- iii. Include safe and convenient pedestrian connections across parking lots and driveways. Delineate pedestrian pathways by providing physical separation or visual separation in texture or color.
- iv. Where practical, develop parking areas that are shared by multiple buildings
- v. For buildings/projects primarily dedicated to retail use:
  - a. Use canopy trees in the customer parking lots to provide additional shading and to reduce "heat island" impacts.
  - b. Where practical, keep truck access/delivery areas separate from customer parking areas.

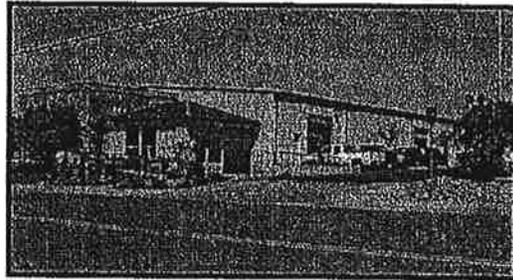


## B) Building Placement and Orientation

**Design Objective:** For sites located adjacent to the Commercial Street, locate buildings to make a positive contribution to the streetscape

### Design Guidelines for lots adjacent to the Commercial Street:

- i. Orient building to screen storage and outdoor yard areas to the maximum extent feasible.
- ii. Orient office uses forward, toward the front of the site
- iii. For lots adjacent to the Commercial Street, design vehicle, equipment and material storage areas on the side or rear of buildings to minimize views from public areas. Utilize fencing and/or landscaping to screen views.
- iv. Separate public/visitor areas from truck delivery and maneuvering areas where practical.
- v. Screen trash enclosures with walls, fencing and/or vegetation.
- vi. At primary pedestrian building entrances, provide weather and sun protection, such as overhangs, awnings, canopies, etc. to mitigate climatic and solar conditions
- vii. Parking spaces should be accessible to building entries.
- viii. Fencing should be constructed of chain link with wood or plastic slats. No fence shall exceed ten feet in height.
- ix. For buildings developed on the rear lots, not adjacent to the Commercial Street:
  - a. Access must be from the dedicated common driveway.
  - b. The common driveway may not be used for parking or stacking.
  - c. The lot must be fenced from the adjacent lots if not under the same ownership.
- x. For buildings developed primarily for retail use:
  - a. Customer parking should be located in proximity to customer entrances.
  - b. Truck loading should be located away from pedestrian/customer areas.



## C) Signage and Lighting

**Design Objective:** Provide building and pedestrian lighting that promotes safety and enhances architectural details

### Design Guidelines:

- i. In multi-building projects, coordinate signage design and materials, including building addresses, to create a consistent style of building identification.

- ii. In multi-building projects, street number signs should be provided at main entrances using directory signs. On individual buildings, building address numbers should be readable from the street.
- iii. Building signage shall clearly communicate business name and if desired company product.
- iv. Select lighting fixtures that complement the general architectural style of the development.
- v. Provide security lighting that is both effective and attractive to promote a safe and secure facility.
- vi. Light sources should be concealed or shielded to the maximize extent necessary in order to reduce and minimize the effects of light glare and shall be directed away from the vision of passing motorists.
- vii. Use energy efficient light fixtures
- viii. Locate fixtures away from tree canopies when possible.

#### **D) LANDSCAPING**

**Design Objective:** Install landscaping that makes a positive contribution to the streetscape.

**Design Guidelines:**

- i. Design the project landscape to enhance the Commercial Street.
- ii. Low water use and drought tolerant trees, plants and ground cover are preferred
- iii. Shade trees should be located in the larger customer parking lots serving primarily the retail uses. Enclosed service, loading and storage areas are excluded
- iv. Coordinate landscaping plans with above and below ground utility locations.
- v. Use a combination of evergreen and deciduous trees and shrubs.
- vi. Use trees and shrubs to break up large building expanse.

#### **V) ARCHITECTURE:**

##### **A) Building Design**

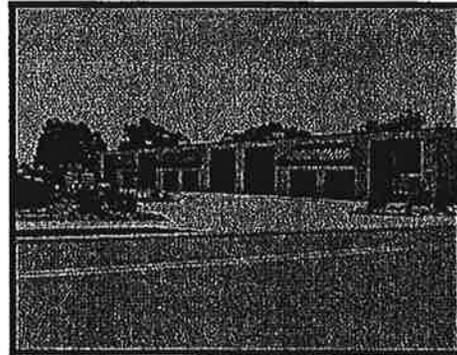
**Design Objectives:** Develop attractive, functional and lasting buildings consistent with the desires of the community and the surroundings.



**Design Guidelines:**

- i. Forms and shapes should be used to break up building mass where practical and where consistent with the proportions of the architectural style selected and surrounding uses.
- ii. Where the building mass cannot be broken up due to unique use constraints (i.e. manufacturing or warehouse space) building walls should be articulated through the use of texture, color, material changes, shadow lines and other façade treatments including providing landscaping along the building walls.

- iii. Encourage the architectural integration of exposed industrial systems and equipment as a design option where practical.
- iv. All elevations generally visible from public view should reflect the overall design, colors and textures used on the front façade
- v. Design multi-building projects to include consistent design elements throughout the project.
- vi. Roof mounted mechanical equipment should be screened to the extent practical.
- vii. Where practical, orientate favorable elevation of office or warehouse toward Commercial Street.
- viii. For lots adjacent to the Commercial Street, design loading docks on the sides or rear of buildings to minimize views from the road. Utilize setbacks and/or landscaping to minimize view from neighboring property.



#### **B) Building Materials and Colors**

**Design Objectives:** Use building materials and colors that clearly support a projects overall design concept, style and blend with local surroundings.

#### **Design Guidelines:**

- i. For building siding, utilize metal, concrete, textured concrete, stone/concrete block, and /or stucco.
- ii. Details can introduce accent colors and materials; however, avoid too many bright colors which overpower the building.
- iii. Paint roll-up doors and service doors to blend with the main building colors.
- iv. Buildings should have clearly defined public and employee entrances incorporating a combination of elements
- v. Building colors shall reflect the agricultural setting of the site and compliment colors of surrounding building or structures.

#### **VI) APPLICATION REVIEW PROCESS:**

**A) Administrative Review:** City of Willows Planning Department Staff will utilize the South Willows Commercial Center Design Guidelines to review and approve, or approve with conditions all future development within the project boundary.

**B) Planning Commission Review:** In the event that City of Willows Staff is concerned with the proposed design of a project within the South Willows Commercial Center, at the discretion of the City Manager, said development applications may be forwarded to the Planning Commission for final Design Review.

## 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]