



**REGULAR CITY COUNCIL MEETING
MEETING AGENDA
WEDNESDAY, AUGUST 26, 2015**

Regular Meeting - 6:30 PM

**City Hall – Beryl P. Robinson, Jr. Conference Room
317 Broad Street, Nevada City, CA 95959**

MISSION STATEMENT

The City of Nevada City is dedicated to preserving and enhancing its small town character and historical architecture while providing quality public services for our current and future residents, businesses and visitors.

Jennifer Ray, Mayor

Robert Bergman, Council Member

Evans Phelps, Vice Mayor

Terri Andersen, Council Member

Duane Strawser, Council Member

The City Council welcomes you to its meetings which are scheduled at 6:30 PM on the 2nd and 4th Wednesdays of each month. Your interest is encouraged and appreciated. This meeting is recorded on DVD and is televised on local public television Channel 17. Other special accommodations may be requested to the City Clerk 72 hours in advance of the meeting. Please turn off all cell phones or similar devices. Action may be taken on any agenda item. Agenda notices are available at City Hall. Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Hall at 317 Broad Street, Nevada City, CA during normal business hours.

ANY MEMBER OF THE PUBLIC DESIRING TO ADDRESS THE COUNCIL ON ANY ITEM ON THIS AGENDA: After receiving recognition from the Mayor, give your name and address, and then your comments or questions. Please direct your remarks to the Councilmembers. In order that all interested parties have an opportunity to speak, please limit your comments to the specific item under discussion. All citizens will be afforded an opportunity to speak, consistent with their Constitutional rights. Time limits shall be at the Mayor's discretion. **IF YOU CHALLENGE** the Council's decision on any matter in court, you will be limited to raising only those issues you or someone else raised at the meeting or Public Hearing described on this agenda, or in written correspondence delivered to the City Council at, or prior to, the meeting or Public Hearing.

REGULAR MEETING – 6:30 PM - Call to Order

Roll Call: Andersen, Bergman, Strawser, Vice Mayor Phelps, & Mayor Ray

PLEDGE OF ALLEGIANCE

PROCLAMATION:

PRESENTATION:

BUSINESS FROM THE FLOOR

1. PUBLIC COMMENT

Under Government Code Section 54954.3, members of the public are entitled to address the City Council concerning any item within the Nevada City Council's subject matter jurisdiction. Comments on items NOT ON THE AGENDA are welcome at this time. Normally, public comments are limited to no more than three minutes each. **Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.**

2. COUNCIL MEMBERS REQUESTED ITEMS AND COMMITTEE REPORTS:

3. CONSENT ITEMS:

All matters listed under the Consent Calendar are to be considered routine by the City Council and will be enacted by one motion in the form listed. There will be no separate discussion of these items unless, before the City Council votes on the motion to adopt, members of the Council, City staff or the public request specific items to be removed from the Consent Calendar for separate discussion and action.

A. **Subject:** Award of Measure S Paving Contract

Recommendation: Award the Measure S Paving Contract to Central Valley Engineering and Asphalts, Inc. of Roseville, CA in the amount of \$426,705 plus \$50,000 contingencies.

B. **Subject:** Acceptance of Unrestricted Anonymous Donation of \$5,000

Recommendation: Pass a Motion accepting unrestricted anonymous donation of \$5,000.

C. **Subject:** Declaring Three City Vehicles as Surplus

Recommendation: Pass Resolution No. 2015-XX declaring the 2008 Ford Crown Victoria, 2001 Dodge Durango SUV, and 1985 GMC Sierra 1500 as surplus property and authorize the Assistant City Manager to salvage the surplus property by direct sale to BidCal.com Online Auctions.

D. **Subject:** Quarterly Sales Tax Update – 1st Quarter 2015

Recommendation: Receive and File

E. **Subject:** Implementation of Land Management Plan for Hirschman's Pond – Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Program

Recommendation: Authorize Mayor to sign a Memorandum of Understanding (MOU) between Sierra Streams Institute (SSI) and the City of Nevada City Affirming Rights to Access and Responsibilities for the Hirschman's Pond Forest Health Project.

F. Subject: Creation of Land Management Plan for Sugarloaf Mountain – Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Program
Recommendation: Authorize Mayor to sign a letter of support for Sierra Streams Institute (SSI) to apply for funding to create a Land Management Plan for the Sugarloaf and Old Airport property.

G. Subject: Bad Debt Write-Off for Fiscal Year 2014-15
Recommendation: Pass Resolution No. 2014-XX Approving Bad Debt Write-Off for Fiscal Year 2014-15.

4. APPROVAL OF ACTION MINUTES:

A. City Council Meeting – August 12, 2015

5. DEPARTMENT REQUESTED ACTION ITEMS AND UPDATE REPORTS:

6. PUBLIC HEARINGS:

A. Subject: Public Hearing to Consider Proposed Rezoning of Property located on Pello Lane, Nevada City, to add a “PD” Planned Development overlay to the existing “R2-AN-SC” zoning (Multiple-family/Annexed/Scenic Corridor) on said property, which contains 2.36 acres.

Recommendation: Hold the Public Hearing and, after consideration, adopt Ordinance 2015-XX rezoning the property by adding the “PD” Planned Development overlay as approved by the Planning Commission in 2006.

7. OLD BUSINESS:

A. Subject: Consider a 15-year Extension of the Current Development Agreement between the City of Nevada City and Kenmawr-Nevada City LLC and Nevada City Tech Center, LLC (Second Reading)

Recommendation: Adopt Ordinance 2015-XX approving and extending the proposed 15-year extension of the current Development Agreement, and authorize the Mayor to sign the final draft of the extended Agreement.

8. NEW BUSINESS:

A. Subject: City Council Appointments for Fiscal Year 2015-2016

Recommendation: Appoint City Council Members to City and External Boards, Committees and Commissions for Fiscal Year 2015-2016.

B. Subject: Proposal for Terrazzo Lights Pilot Project on Lower Commercial Street

Recommendation: Authorize Nevada City Chamber of Commerce proposal for Terrazzo Lights Pilot Project on Lower Commercial Street.

C. Subject: Nevada City Strategic Investment Fund

Recommendation: Review and provide direction to the City Manager to prepare draft Strategic Economic Investment Fund guidelines to support programs and projects that benefit the City's long-term economic development goals.

D. Subject: Consideration of Supporting a Stage Host Application for The Amgen Tour of California

Recommendation: Authorize a City contribution to offset local host expenses if Nevada City is selected as a Stage Host for The Amgen Tour of California in an amount to be determined by the City Council.

E. Subject: Placement of Council-Requested Items on City Council Agendas

Recommendation: Discuss and provide direction to the City Manager.

9. CORRESPONDENCE:

10. ANNOUNCEMENTS:

11. CITY MANAGER'S REPORT:

12. ADJOURNMENT

Certification of Posting of Agenda

I, Corey Shaver, Deputy City Clerk for the City of Nevada City, declare that the foregoing agenda for the August 26, 2015 Regular Meeting of the Nevada City City Council was posted August 21, 2015 at the office of the City of Nevada City (City Hall). The agenda is also posted on the City's website www.nevadacityca.gov.

Signed this August 21, 2015 at Nevada City, California

_____, Corey Shaver, Deputy City Clerk

**CITY OF NEVADA CITY
City Council
Long Range Calendar**

September 7, 2015	Labor Day
September 9, 2015	Regular City Council Meeting (Admissions Day-floating holiday)
September 23, 2015	Regular City Council Meeting
October 12, 2015	Columbus Day
October 14, 2015	Regular City Council Meeting
October 28, 2015	Regular City Council Meeting

NOTE: This list is for planning purposes; items may shift depending on timing and capacity of a meeting.

NOTICE: *As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council and to enforce the rules of the Council.*

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Award of Measure S Paving Contract

RECOMMENDATION: Award the Measure S Paving contract to Central Valley Engineering and Asphalts, Inc. of Roseville, CA in the amount of \$426,705 plus \$50,000 contingencies.

CONTACT: William J. Falconi, Consulting City Engineer

BACKGROUND/DISCUSSION:

City Staff selected twelve streets, public works yard, and Hirschman's Pond Trail parking lot for paving with map location (attached).

City of Nevada City spends about \$400,000 - \$450,000 per year of Measure S funds which are funded by sales tax, for paving and improvements of city streets.

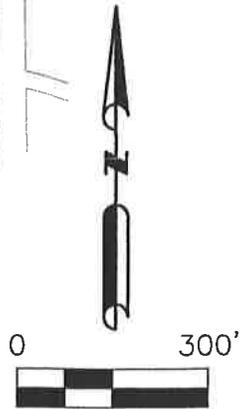
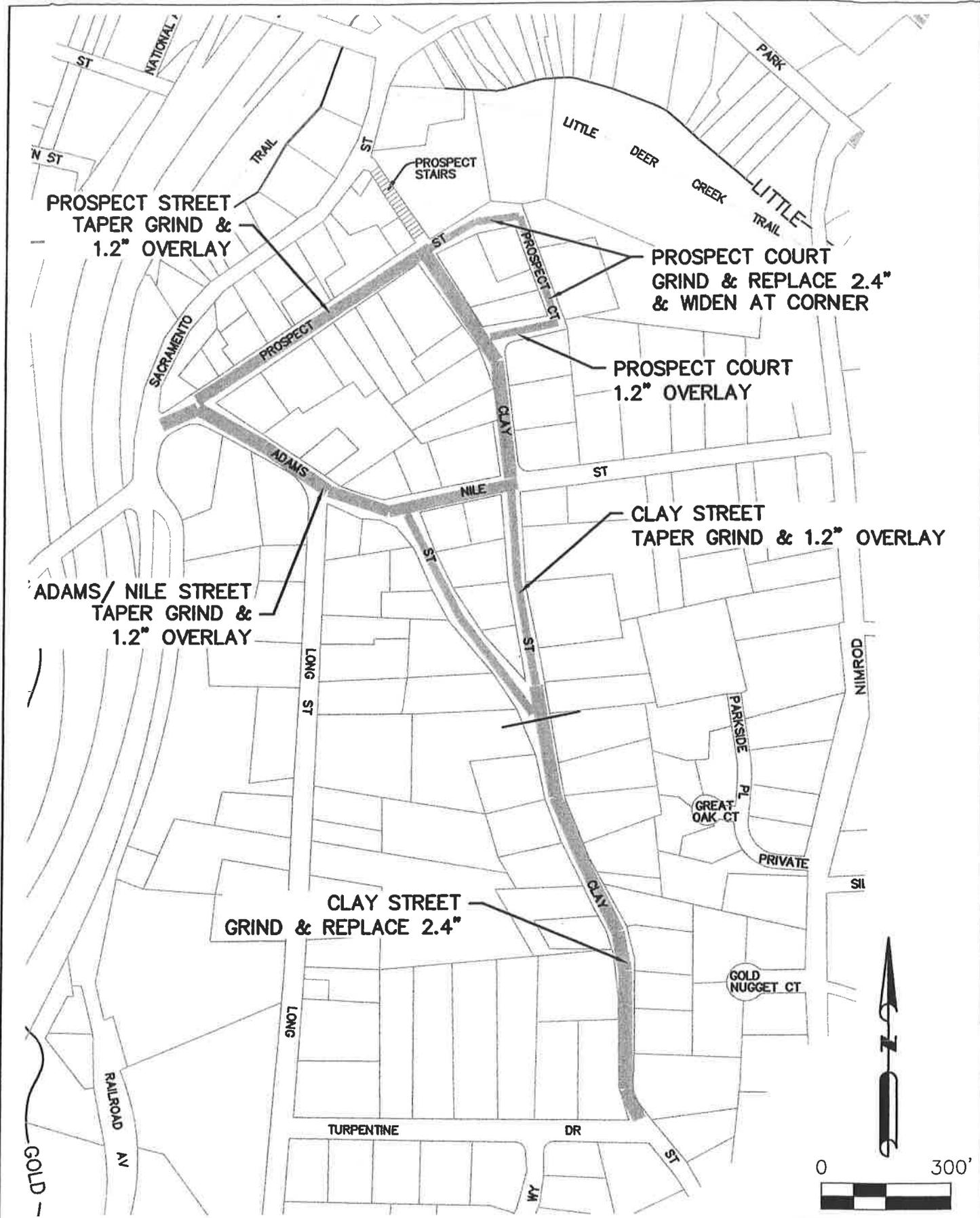
City staff advertised and received 3 bids for the paving project:

- Central Valley Engineering & Asphalt, Inc. \$426,705
- Hansen Bros, Enterprises \$448,715
- Teichert Construction \$513,813

FISCAL IMPACT:

All paving work funded by Measure S funds tax over-ride until 2023.

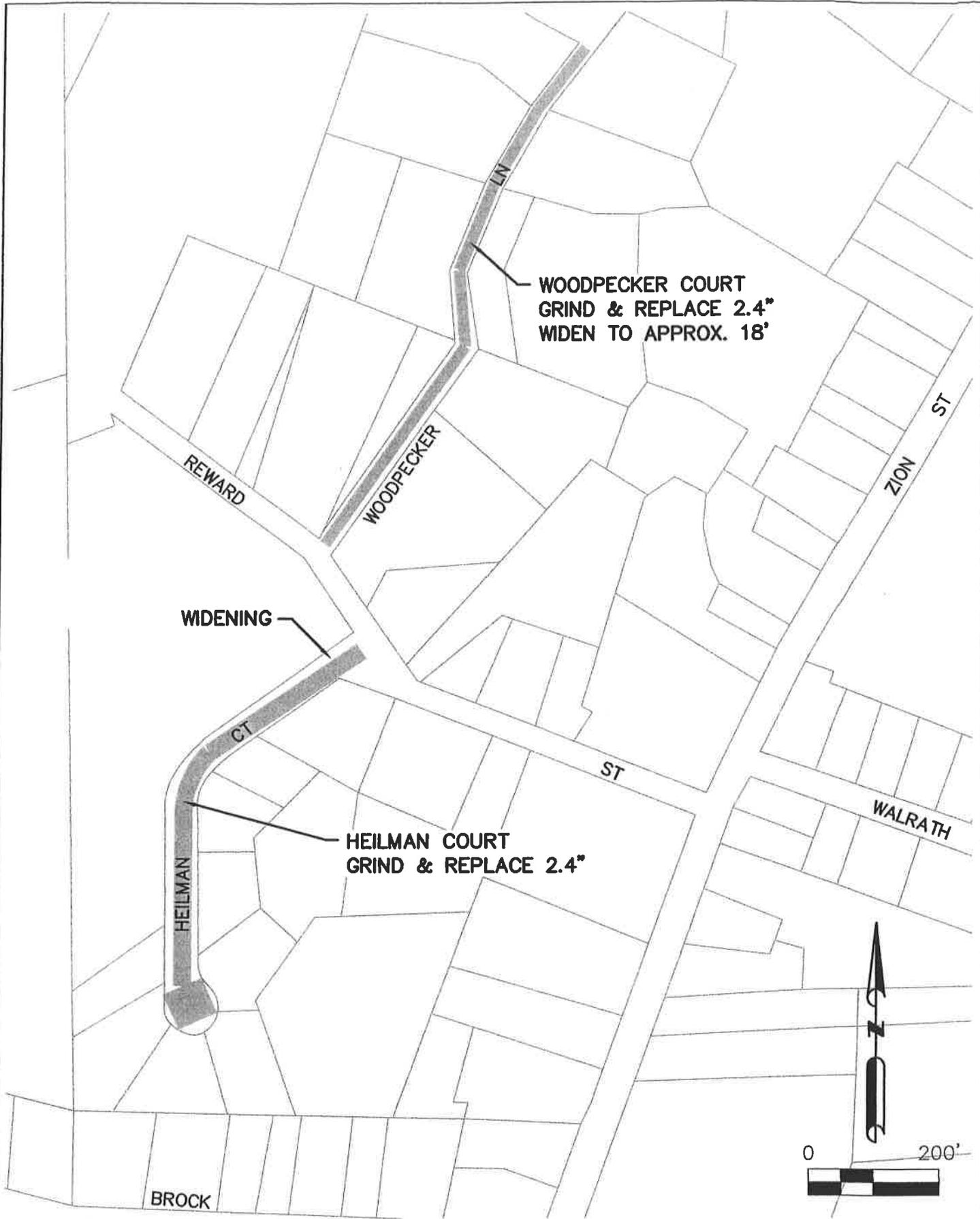
ATTACHMENTS: 2015 Paving Locations (map)

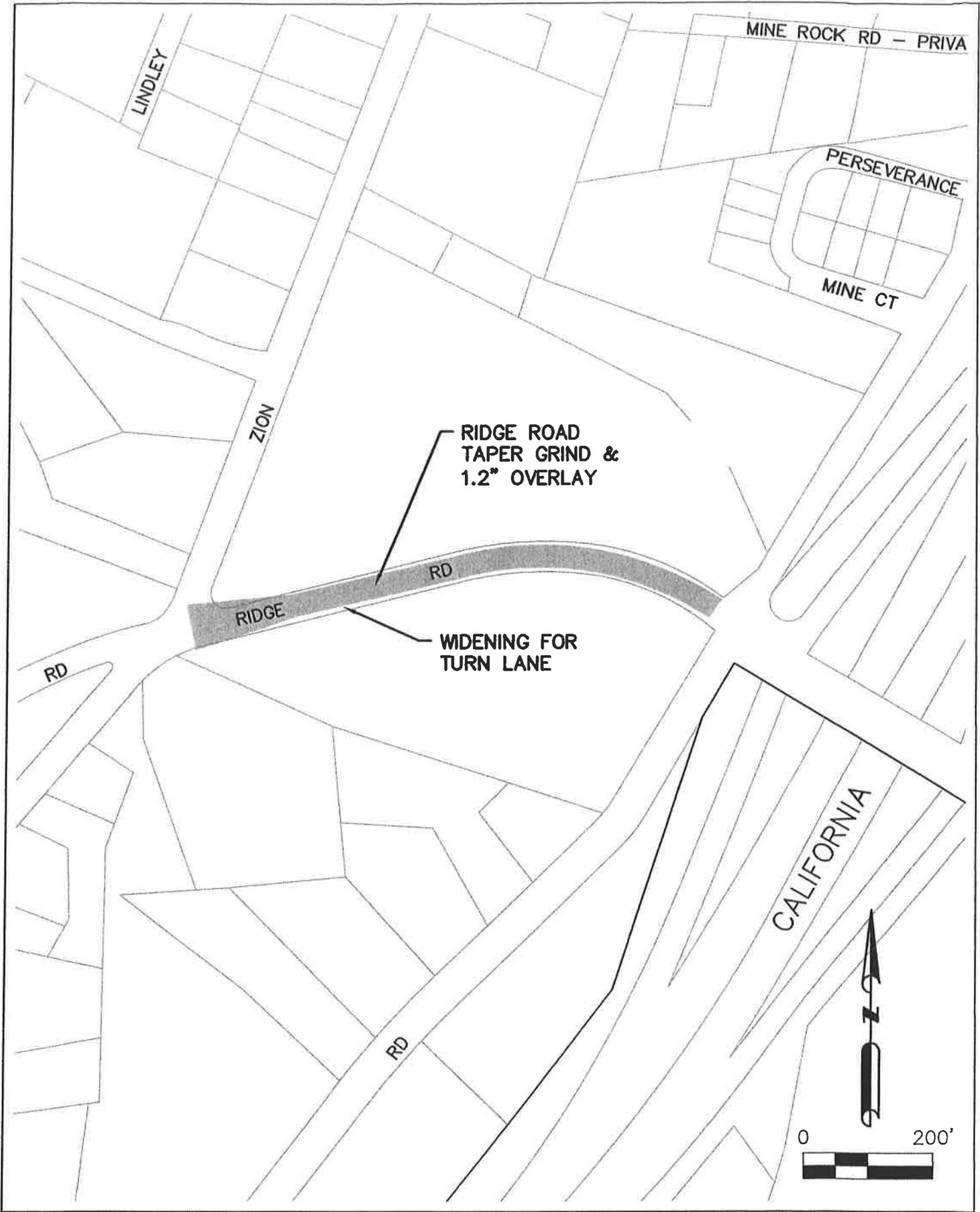


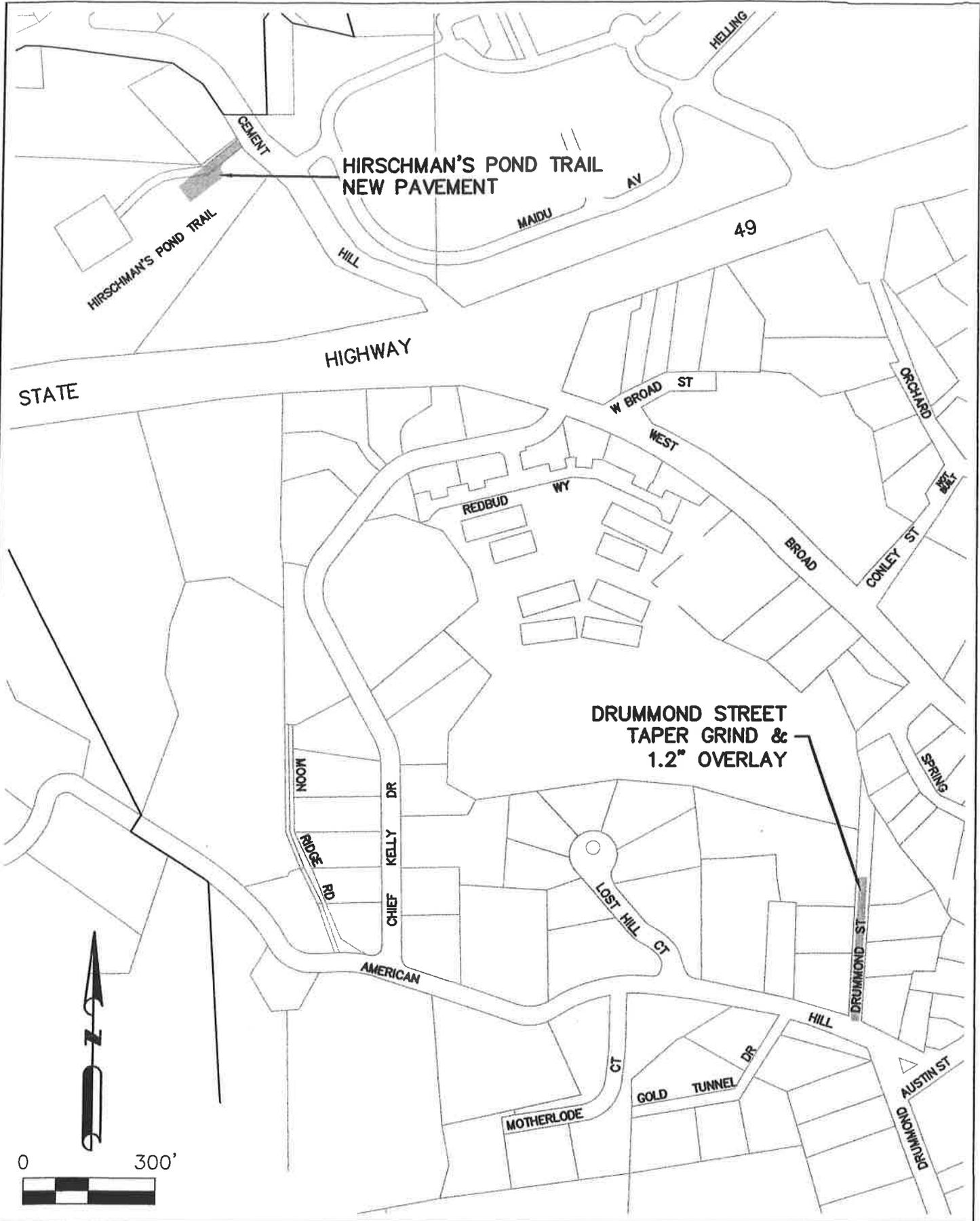
2015

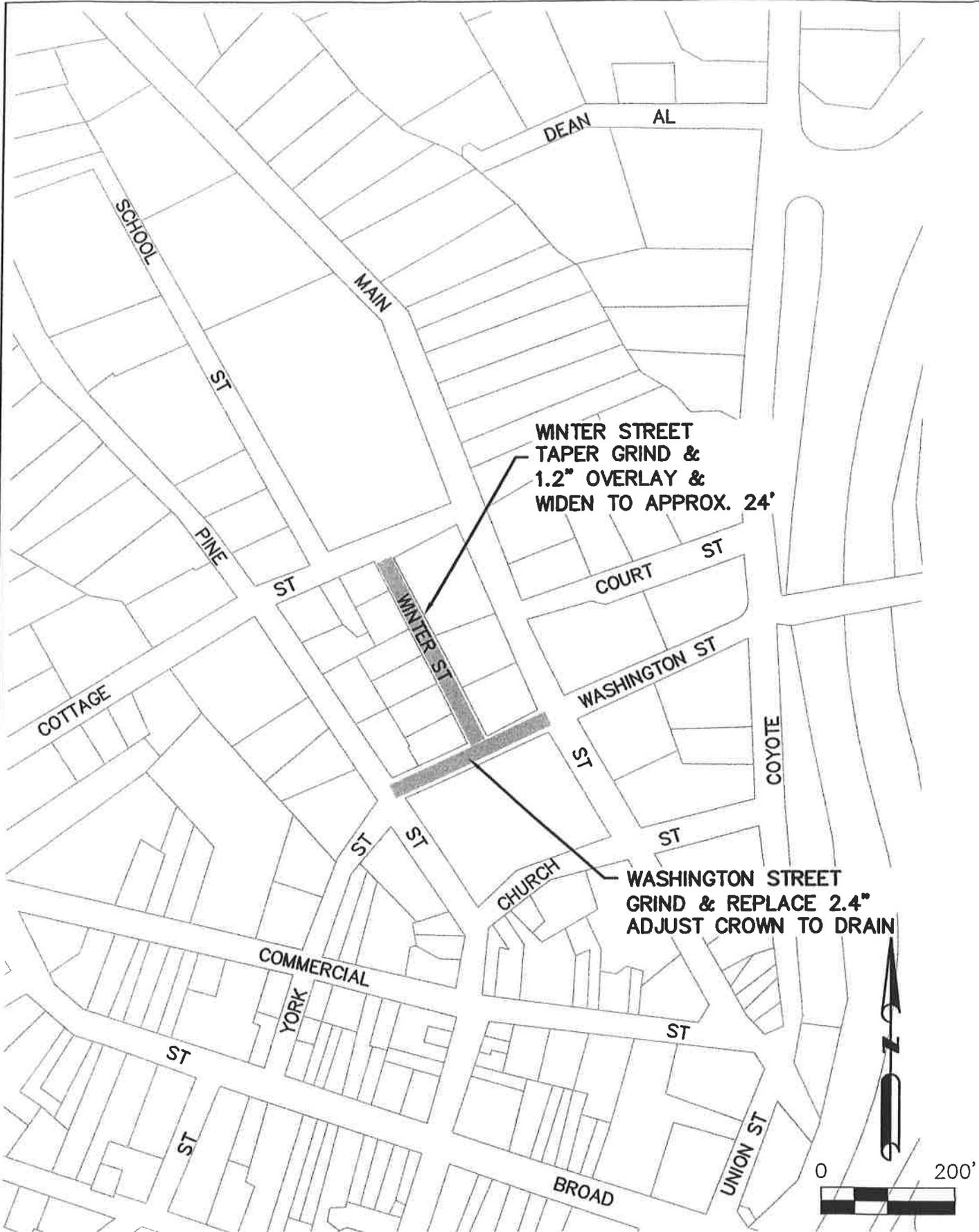
Nevada City
Measure S Paving

1 of 6



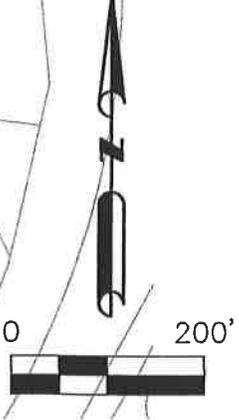


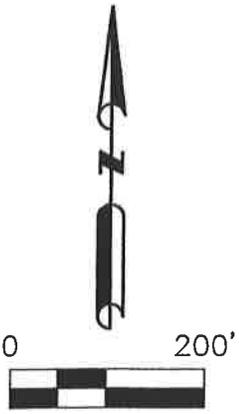
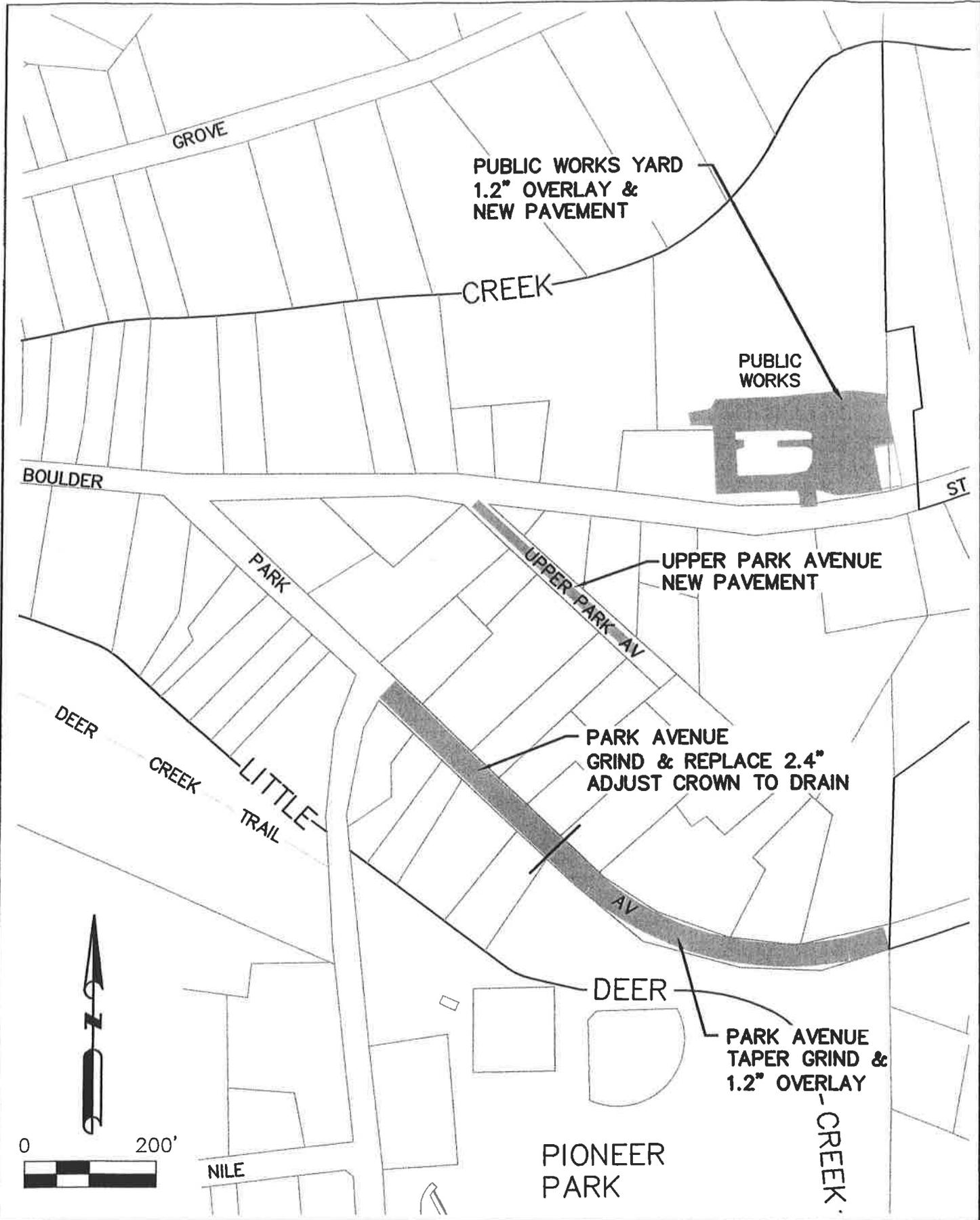




WINTER STREET
 TAPER GRIND &
 1.2" OVERLAY &
 WIDEN TO APPROX. 24'

WASHINGTON STREET
 GRIND & REPLACE 2.4"
 ADJUST CROWN TO DRAIN





REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Acceptance of Unrestricted Anonymous Donation \$5,000

RECOMMENDATION: Pass a Motion accepting unrestricted anonymous donation of \$5,000.

CONTACT: Mark Prestwich, City Manager; Catrina Olson, Assistant City Manager

BACKGROUND / DISCUSSION: Members and supporters of the Nevada City community from time to time wish to support the community by making donations to the City. The City welcomes unrestricted donations as well as restricted donations that enhance City services, reduce costs that the City would otherwise incur, or that provide a benefit to the City.

The City recently received an anonymous unrestricted donation in the form of a \$5,000.00 check dated July 14, 2015 (Bank of America). Pursuant to Government Code Section 37354, "The legislative body may accept or reject any gift, bequest, or devise made to or for the city, or to or for any of its officers in their official capacity or in trust for any public purpose." Government Code Section 37355 states, "If the terms of a gift, bequest, or devise do not prescribe or limit the uses to which the property received or the income or increase from it is put, it may be put to such uses as the legislative body prescribes." Staff recommends the City Council accept the unrestricted donation.

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FISCAL IMPACT: Donations to the City provide revenue to fund new and existing facilities, projects, programs and activities for the benefit of the City and its residents.

ATTACHMENT: None

REPORT TO CITY COUNCIL

August 26, 2015

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

TITLE: Declaring Three City Vehicles as Surplus

RECOMMENDATION: Pass Resolution 2015-XX declaring the Police Department's 2008 Ford Crown Victoria, 2001 Dodge Durango SUV, and the Department of Public Works (WWTP) 1985 GMC Sierra 1500 as surplus property and authorize the Assistant City Manager to salvage the surplus property by direct sale to BidCal.com Online Auctions.

CONTACT: Catrina Olson, Assistant City Manager

BACKGROUND / DISCUSSION: It is good business practice to declare an aged vehicle as surplus so it can be removed from the City inventory and free up needed storage. Each of these vehicles are at 100k miles or more and two of the vehicles are 10+ years old and cannot be effectively used by the City.

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FINANCIAL CONSIDERATIONS: The City will receive a portion of proceeds from the sale of the surplus vehicles.

ATTACHMENT:

- ✓ Resolution No. 2015-XX

RESOLUTION NO. 2015-XX

**A RESOLUTION OF THE CITY COUNCIL OF NEVADA CITY
DECLARING THE 2008 FORD CROWN VICTORIA, 2001 DODGE DURANGO SUV,
AND 1985 GMC SIERRA 1500 AS SURPLUS**

WHEREAS, it is good business practice to declare vehicles that are aged and with high miles as surplus so they can be removed from the City inventory and to free up needed storage; and

WHEREAS, vehicles that have 100k miles or more and two of the vehicles are 10+ years in age and cannot be used effectively by the City.

NOW, THEREFORE, BE IT RESOLVED, the 2008 Ford Crown Victoria VIN 2FAHP71V08X132695, 2001 Dodge Durango SUV VIN 1B4HS28Z51F644648 and 1985 GMC Sierra 1500 VIN 1GTEK14N2FJ509442, are hereby declared surplus and the Assistant City Manager is directed to proceed with disposal of the vehicles.

Passed and Adopted at the regular meeting of the City Council of the City of Nevada City on the 26th day of August by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jennifer Ray, Mayor

ATTEST:

Niel Locke, City Clerk

Q1 2015



City of Nevada City Sales Tax *Update*

Second Quarter Receipts for First Quarter Sales (January - March 2015)

Nevada City In Brief

The allocation of sales and use taxes for Nevada City's January through March sales was 24.7% higher than the same quarter one year ago, but an adjustment that inflated postings from the business and industry group skewed the data. Actual sales activity was down 1.0% when this and other anomalies were factored out.

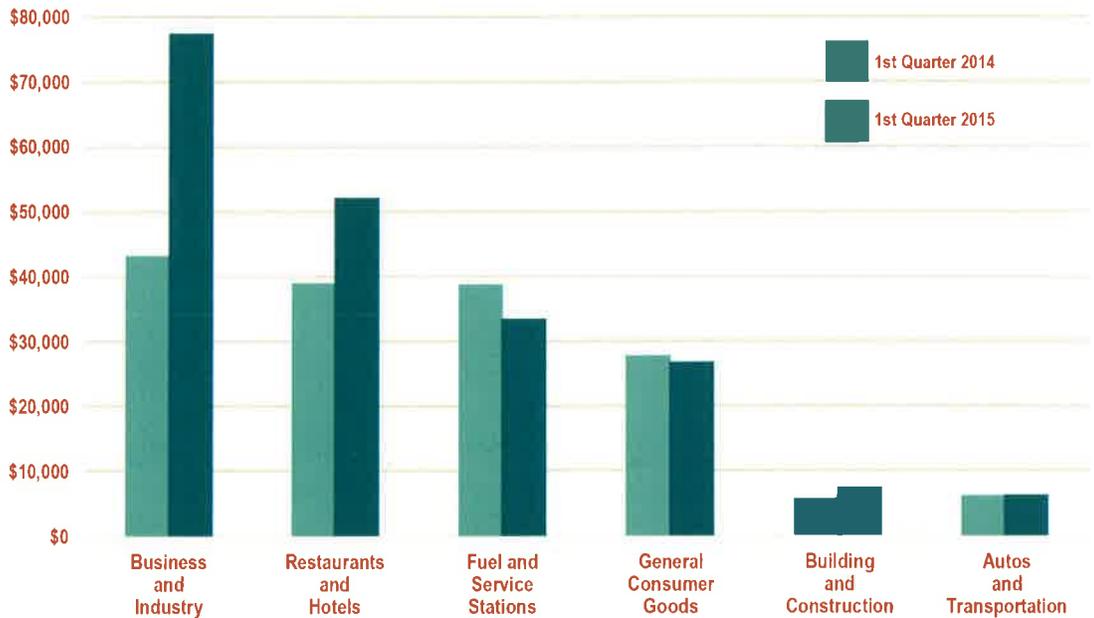
The city experienced lower sales from some categories within the business and industry group as well as several classifications of consumer goods. Lower fuel prices pared receipts from the fuel and service station group.

Sales were up from the building and construction sector. Casual dining gains were overstated by payment events that affected one or both quarters as were comparisons for both gift and specialty stores.

In addition to the amounts described above, receipts from voter-approved Measure "S" totaled \$101,221 for the quarter net of retroactive adjustments; Measure "L" added \$107,713.

Adjusted for aberrations, taxable sales for all of Nevada County increased 4.8% over the same period, while the Far North region as a whole was up 4.9%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

Crazy Horse Saloon & Grill	Plaza Tire & Auto Service
Earth Song Market & Cafe	Port of Subs Express Market
Express Mart & Liquor	Ray A Morgan Company
Friar Tucks Restaurant	Riebes Auto Parts
Fur Traders	Robinson Enterprises
Grass Valley Products	Robinson Enterprises
Grass Valley USA	Sierra Metal Fabricators
Jernigans Tap House & Grill	Sopa Thai Cuisine
JH Petroleum	SPD Market
Leftys Grill	Three Forks Bakery & Brewing Company
Matteos Public	Tour of Nevada City Bicycle Shop
New Moon Cafe	Vital Garden Supply
Northridge of Nevada City	

REVENUE COMPARISON

Four Quarters – Fiscal Year To Date

	2013-14	2014-15
Point-of-Sale	\$777,615	\$805,600
County Pool	162,836	172,511
State Pool	566	543
Gross Receipts	\$941,017	\$978,654
Less Triple Flip*	\$(235,254)	\$(244,663)
Measure S	\$569,407	\$569,658
Measure L	\$420,010	\$455,241

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California as a Whole

Local one cent tax receipts from sales occurring January through March rose 3.65% over 2014's comparable quarter after adjusting for reporting anomalies.

An exceptionally strong quarter for auto sales/leases and restaurants was the primary contributor to the overall increase. A rise in building-construction materials was also a factor although much of this growth came from specific office and sports facility projects in Northern California.

Gains from sales of general consumer goods were primarily in value priced clothing, home furnishings and specialty retail which includes pet supplies and cosmetics. Online shopping involving goods shipped from out of state continues to shift a major portion of the growth in general consumer goods to the countywide pools.

The statewide gains were largely offset by a 21% decline in receipts from fuel and service stations.

Tax on Services

The Board of Equalization has released an estimate that levying sales and use tax on services would raise over \$122.5 billion in state and local revenues or enough to lower the overall tax rate to under 4%.

Originally imposed in 1933 as a 2 ½% tax with only three exemptions, the legislature has gradually exempted more and more goods from the sales tax while raising rates to compensate for the corresponding revenue loss. This and the state's shift from a manufacturing to service economy has created the nation's highest sales tax rate on the narrowest basket of goods.

Although more discussion is needed, there is interest in expanding the sales tax to services and lowering the rate to make the tax less regressive and

more competitive while providing greater flexibility in the development of local tax bases.

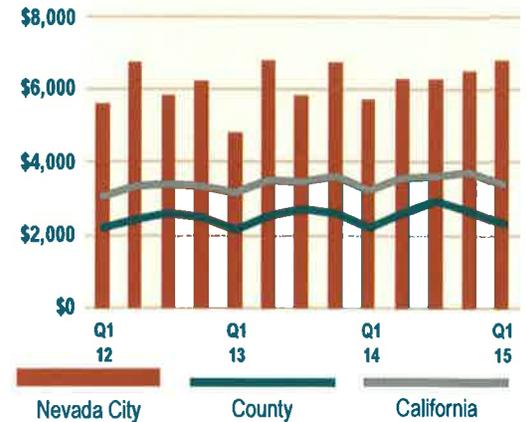
Tax on Jet Fuel

The Federal Aviation Administration has ruled that sales taxes on jet fuel must only be used for airport and aviation programs. The rule applies to taxes levied after 1987 but is unclear as to transactions tax districts, Proposition 172 revenues, or revenues collected by jurisdictions without airports. Clarification will not be available until FAA review and approval of a plan that has to be submitted by the state Department of Finance by December 8, 2015.

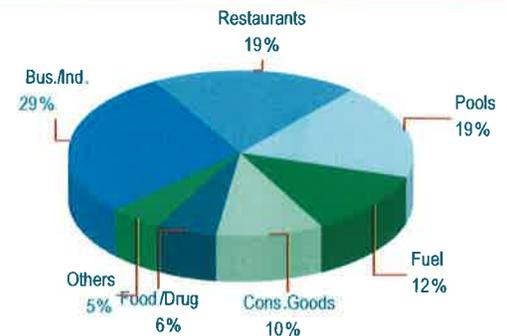
Tax on Marijuana

A pilot study for more effective tracking and collection of sales taxes on medical cannabis is underway in the central and northern California districts. Because current registration policy allows a "decline to state" to avoid self-incrimination, the precise number of cannabis retailers is unknown. BOE findings are expected by November 2015.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP
Nevada City This Quarter



NEVADA CITY TOP 15 BUSINESS TYPES

Business Type	Nevada City		County	HdL State
	Q1 '15	Change	Change	Change
Art/Gift/Novelty Stores	3,411	55.3%	27.8%	-0.5%
Auto Repair Shops	3,436	-14.3%	-9.2%	7.0%
Casual Dining	47,956	37.9%	10.6%	5.9%
Contractors	— CONFIDENTIAL —	—	86.6%	15.3%
Electrical Equipment	— CONFIDENTIAL —	—	59.4%	-2.8%
Garden/Agricultural Supplies	— CONFIDENTIAL —	—	43.7%	17.0%
Grocery Stores Liquor	— CONFIDENTIAL —	—	0.6%	5.0%
Heavy Industrial	— CONFIDENTIAL —	—	22.1%	13.7%
Office Supplies/Furniture	— CONFIDENTIAL —	—	-9.0%	0.5%
Petroleum Prod/Equipment	— CONFIDENTIAL —	—	-7.9%	-18.0%
Quick-Service Restaurants	3,413	0.7%	6.9%	10.5%
Second-Hand Stores	2,737	-1.9%	17.3%	6.8%
Service Stations	— CONFIDENTIAL —	—	-31.7%	-21.9%
Specialty Stores	6,499	18.2%	17.9%	9.6%
Women's Apparel	3,602	8.9%	-8.0%	1.8%
Total All Accounts	\$218,518	24.8%	6.0%	3.6%
County & State Pool Allocation	\$49,701	24.4%	5.7%	1.1%
Gross Receipts	\$268,218	24.7%	5.9%	3.3%

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Implementation of Land Management Plan for Hirschman's Pond – Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Program

RECOMMENDATION: Authorize Mayor to sign a Memorandum of Understanding (MOU) between Sierra Streams Institute (SSI) and the City of Nevada City Affirming Rights to Access and Responsibilities for the Hirschman's Pond Forest Health Project.

CONTACT: Dawn Zydonis, Parks & Recreation Supervisor

BACKGROUND / DISCUSSION: At the August 12, 2015 City Council meeting the Council approved the mayor to sign a letter of support for Sierra Streams to apply for an implementation grant for fire clearing on the Hirschman's Pond property. The grant application also requires that the City – as the land owner – agree to an MOU that gives SSI permission to be on City property for the proposed work.

ENVIRONMENTAL CONSIDERATIONS: A Notice of Exemption was completed for the Land Management Plan and an Implementation of the Plan.

FISCAL IMPACT: Sierra Streams Institute will be the lead agency on the grant application. Grant funding will cover all costs of completing the work on the Hirschman's Pond Property. There will be funds available through the grant to cover staff time to assist with the project.

ATTACHMENTS:

- ✓ Memorandum of Understanding

**MEMORANDUM OF UNDERSTANDING BETWEEN
SIERRA STREAMS INSTITUTE AND CITY OF NEVADA CITY**

**Affirming Rights of Access and Responsibilities for
the Hirschman’s Pond Forest Health Project**

This Memorandum of Understanding (MOU) is made by and between Sierra Streams Institute (“SSI”) and the City of Nevada City (“City”) effective on the date the last party executes this MOU, to set forth a statement of mutual understanding regarding access to the City-owned property at Hirschman’s Pond for completion and maintenance of the Hirschman’s Pond Forest Health Project.

RECITALS

WHEREAS, City owns the property known as Hirschman’s Pond which includes several parcels that were acquired between 2004 and 2007 with the intention of preserving the property as open space; and

WHEREAS, SSI and City have partnered to develop the Hirschman’s Pond Land Management Plan, with funding from Sierra Nevada Conservancy and with final approval of the plan by the City Council on [date]; and

WHEREAS, SSI is developing a proposal to Sierra Nevada Conservancy for further funding to implement said Plan;

NOW THEREFORE, the parties to this MOU agree to the following statement of mutual understanding.

Right of Access

The City affirms SSI’s right to access Hirschman’s Pond as long as may be necessary for the purpose of completing and maintaining the proposed implementation of the Hirschman’s Pond Land Management Plan, and for monitoring as needed.

Project Management

The respective roles and responsibilities of the parties are understood to be as follows:

- SSI will perform all implementation and monitoring tasks that pertain to the proposed project
- City Parks and Recreation Department will retain responsibility for maintenance of Hirschman’s Pond as a recreational and wildlife resource
- SSI will be the project’s fiscal lead and will coordinate with Sierra Nevada Conservancy if funded, including all progress and financial reporting
- City will review and approve all plans and work performance

Agreed to the parties whose signatures appear below:

Sierra Streams Institute

City of Nevada City

Title: _____

Title: _____

Date: _____, 2015

Date: _____, 2015

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Creation of Land Management Plan for Sugarloaf Mountain – Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Program

RECOMMENDATION: Authorize Mayor to sign a letter of support for Sierra Streams Institute (SSI) to apply for funding to create a Land Management Plan for the Sugarloaf and Old Airport property.

CONTACT: Dawn Zydonis, Parks & Recreation Supervisor

BACKGROUND / DISCUSSION: Sierra Streams Institute would like to submit a grant application to Sierra Nevada Conservancy for a Proposition 84 Healthy Forests Grant Program. SSI was awarded funding under this same grant program to create a Land Management Plan for the Hirschman's Pond property, which was adopted by the City Council in 2010.

SSI kept the City well informed of the work and studies that they were completing on the Hirschman's property and staff believe they would be a good partner for the development of a Sugarloaf Land Management Plan as well. This plan would include a focus on the Old Airport Property as well. The grant application will be more compelling to Sierra Nevada Conservancy if there are more acres of land that are being included in the project. The Land Management Plan will be created with a focus on fire clearing while keeping animal habitat intact and preserving native plants.

This project is consistent with the City's goal to be good stewards our open space parcels.

ENVIRONMENTAL CONSIDERATIONS: The Land Management Plan will need to go through the California Environmental Quality Act (CEQA) process.

FISCAL IMPACT: Sierra Streams Institute will be the lead agency on the grant application. Grant funding will cover all costs of completing the Plan. There will be funds available through the grant to cover staff time to assist with the project.

ATTACHMENT:

- ✓ Letter of Support

Sierra Nevada Conservancy
11521 Blocker Drive Suite 205
Auburn, CA 95603

August 26, 2015

Dear Sierra Nevada Conservancy Grant Team,

On behalf of the City of Nevada City I am writing to affirm the City's support for the proposal by Sierra Streams Institute entitled "Sugarloaf Mountain Fuel Reduction Project", an effort to complete planning and permitting for vegetation management work on Sugarloaf Mountain and our nearby Old Airport Property.

The City of Nevada City owns the property known as Sugarloaf Mountain, located in Nevada City, CA. The property was purchased by the City in January 2011. In the City's General Plan adopted in 1985, Sugarloaf was designated as property that the city would like to acquire and maintain as open space for the scenic backdrop it provides to the City, as well as the potential for hiking trails and other low impact recreational activities. One of the first goals that the city identified upon acquisition of the property was fire clearing.

The Old Airport Property was acquired by the City in 1981. There are bike trails on the property and many people use the space for star gazing. Like Sugarloaf Mountain the City's purpose for this property is to keep the area around the City green with Open Space parcels that can provide passive recreational opportunities.

The City allows groups such as Friends of Sugarloaf, Sierra Streams Institute, and the Fire Safe Council of Nevada County, access to these properties for the purposes of doing fire clearing and removal of invasive non-native vegetation. In cooperation with our partners, the City has made great strides in removing highly flammable materials from these spaces. There is much more work to be done and the City embraces opportunities and partnerships that enable that work to be completed.

Please contact our City Manager, Mark Prestwich, if you need further information about this worthwhile proposal.

Regards,

Jennifer M. Ray, Ph.D
Mayor

REPORT TO CITY COUNCIL

August 26, 2015

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

TITLE: Bad Debt Write-Off for Fiscal Year 2014-15

RECOMMENDATION: Pass Resolution No. 2015-XX Approving Bad Debt Write-Off for Fiscal Year 2014-15.

CONTACT: Catrina Olson, Assistant City Manager

BACKGROUND / DISCUSSION: Some residents of the City of Nevada City incur a debt for water and/or sewer usage and there is limited opportunity to collect those debts. Good accounting procedures direct the City to write off debts doubtful for collection.

Three delinquent accounts have been forwarded to the Nevada County Tax Collectors Department as they are the legal owners of that property and three accounts have been sent to collections as they are not the property owners but have vacated the property. The amount proposed for bad-debt write off is \$2,943.18.

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FINANCIAL CONSIDERATIONS: The City has been unable to collect to date on the bad-debt.

ATTACHMENT:

- ✓ Resolution No. 2015-XX

RESOLUTION NO. 2015-XX

**A RESOLUTION OF THE CITY OF NEVADA CITY APPROVING
BAD DEBT WRITE-OFF FOR FISCAL YEAR 2014-15**

WHEREAS, some previous residents of the City of Nevada City incurred a debt for water and sewer usage to the City of Nevada City; and

WHEREAS, there is limited opportunity to collect those debts; and

WHEREAS, good accounting procedures direct the City to write off debts doubtful for collection; and

WHEREAS, three delinquent customers, Sasaki, Koski, and Olson have been forwarded to the Nevada County Tax Collectors Department to be collected on the property tax roll.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Nevada City, hereby approves the write-off of the following bad debt as listed:

Customer	Amount Owed	Utility
Shauna Droivold	\$ 94.00	Sewer
Beau Miller	\$ 27.30	Water/Sewer
Carolene Watkins	\$ 631.88	Water
Ronald Sasaki	\$ 744.00	Sewer
Bart Koski	\$ 454.00	Water
Mark Olson	\$ 992.00	Sewer
TOTAL	\$ 2943.18	

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Nevada City on the 26th day of August by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jennifer Ray, Mayor

ATTEST:

Niel Locke, City Clerk

CITY OF NEVADA CITY
DRAFT SUMMARY MINUTES
REGULAR CITY COUNCIL MEETING OF AUGUST 12, 2015

NOTE: This meeting is available to view on the City's website www.nevadacityca.gov – Go to **Quick Links** and Click on **Agendas & Minutes** and find the Archived Videos in the middle of the screen. Select the meeting date and Click on **Video** to watch the meeting. For website assistance, please contact Corey Shaver, Deputy City Clerk at (530) 265-2496, ext 133.

- City Council Meetings are available on DVD. To order, contact City Hall - cost is \$15.00 per DVD.
- Closed Session Meetings are not recorded.

Closed Session called to order at 6:00 PM

Regular meeting called to order at 6:30 PM

ROLL CALL

Present: Council Members Phelps, Strawser, Bergman, Mayor Andersen, Vice Mayor Ray

PLEDGE OF ALLEGIANCE

Closed Session – Consulting City Attorney DeGraw announced for staff to proceed as directed.

PROCLAMATION:

150th Anniversary of Nevada City Theatre

PRESENTATION:

Swearing In Ceremony – Canine Officer Rüdiger

BUSINESS FROM THE FLOOR – PUBLIC COMMENT (Per Government Code Section 54954.3)

John Givens, Kathryn Barkley, Tom Andersen, Gus DeValle commented - Please refer to the August 12, 2015 meeting video on the City's website at www.nevadacityca.gov.

2. COUNCILMEMBERS REQUESTED ITEMS AND COMMITTEE REPORTS:

Council Member Bergman

ERC – Update on Digital Media Campus.

Request item for a future Council meeting:

- 1) Re-visit Measure L funds available for AMGEN 2015
- 2) Dissolve Park & Recreation Committee

3. CONSENT ITEMS:

A. Subject: Memorial Bench Request for Pioneer Park

Recommendation: Pass a motion approving a bench with plaque to be placed at the Pioneer Park playground in memory of Donna Rocker.

B. Subject: Approval of Hiring a New City Planner

Recommendation: Approve hiring of Amy Wolfson as the City of Nevada City's City Planner pursuant to City's Personnel Policy Guide.

C. Subject: Implementation of Land Management Plan for Hirschman's Pond – Sierra Nevada Conservancy Proposition 84 Healthy Forests Grant Program

Recommendation: Authorize Mayor to sign a letter of support for Sierra Streams Institute to apply for funding to complete fire clearing on the Hirschman's Pond property.

D. Subject: Memorandum of Understanding (MOU) for Deer Creek Environs Fuel Reduction Project

Recommendation: Accept the Memorandum of Understanding (MOU) between Sierra Streams Institute, The Fire Safe Council and the City of Nevada City and approve the Mayor to sign on behalf of the City.

Action: Motion by Strawser, seconded by Bergman to approve Items A, B, C and D as presented.
(Approved 5 - 0)

4. APPROVAL OF MINUTES

A. Regular City Council Meeting – July 22, 2015

MINUTE ORDER: City Manager Prestwich stated the Minutes for July 22, 2015 will be pulled. Future written minutes will be action items with a motion and a vote only and the video of the meeting will be the official record. Verbatim transcript will be prepared for the meeting of July 22, 2015 only.

5. DEPARTMENT REQUESTED ACTION ITEMS AND UPDATE REPORTS:

A. Subject: League of Women Voters Request for Use of Nevada City Council

MINUTE ORDER: City Manager to authorize the League of Women Voters to use the City Council Chambers the first Friday of each month from noon to 1:00 PM for their monthly board meetings.

6. PUBLIC HEARING:

A. Subject: Public Hearing to Consider a 15-year Extension of the Current Development Agreement between the City of Nevada City and Kenmawr-Nevada City LLC and Nevada City Tech Center, LLC

Action: Motion by Phelps, seconded by Bergman to adopt Ordinance No. 2015-XX Approving an Extension of the Existing Development Agreement Between the City of Nevada City and KenMawr-Nevada City, LLC and Campus Properties, LLC Owners of Property on Providence Mine Road – First Reading, read title only.

(Approved 5 – 0)

B. Subject: Public Hearing to Consider Adoption of Proposed Amendments to the Existing Nevada City Design Guidelines, Relative to Architectural Review

Action: Motion by Strawser, seconded by Bergman adopt Design Guidelines.

(Approved 5 – 0)

7. OLD BUSINESS:

None

8. NEW BUSINESS:

None

9. CORRESPONDENCE:

None

10. ANNOUNCEMENTS:

Please refer to the August 12, 2015 meeting video on the City's website at www.nevadacityca.gov.
Please refer to the video.

11. CITY MANAGER'S REPORT:

Please refer to the August 12, 2015 meeting video on the City's website at www.nevadacityca.gov.
Please refer to the video.

12. ADJOURNMENT:

Action: Motion by Phelps, seconded by Andersen to adjourn – 8:09 PM
(Approved 5 – 0)

Jennifer Ray, Mayor

Attest:

Niel Locke, City Clerk

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Public Hearing to Consider Proposed Rezoning of Property located on Pello Lane, Nevada City, to add a “PD” Planned Development overlay to the existing “R2-AN-SC” zoning (Multiple-family/Annexed/Scenic Corridor) on said property, which contains 2.36 acres.

RECOMMENDATION: Hold the Public Hearing and, after consideration, adopt Ordinance 2015-XX rezoning the property by adding the “PD” Planned Development overlay as approved by the Planning Commission in 2006.

CONTACT: Cindy Siegfried, City Planner

BACKGROUND / DISCUSSION: The Planning Commission, in May of 2006 approved a tentative map, site plan and PD Planned Development Overlay for the “Pello Lane Project”; such project proposed an 11-lot residential subdivision with 15 residential units (11 primary and four second units). The “PD” overlay as defined in Zoning Ordinance Section 17.68.230 allows for greater flexibility in the design of the development which would not otherwise be possible through strict interpretation of the zoning standards, and encourages design of well-planned facilities. With the Pello Lane project, the development places the lots in the interior of the parcel, reduces the front and side yard setbacks on the residential lots, includes an extensive landscaping plan and provides a large portion of the lot remaining in open space.

The owner of the property is pursuing recordation of the final map approved in 2006 and subject to several State of California extensions of time; the map is valid until May of 2017. The Planning Commission, at their meeting of July 16, 2015 approved a revised architectural review application as to the design of the homes and approved the landscaping plan.

With the nearing of the recordation of the final map, staff was unable to locate the mechanism which officially rezoned the property. With the Council’s adoption of the ordinance rezoning the property by adding the “PD” overlay, the project can continue with the completion process.

ENVIRONMENTAL CONSIDERATIONS: None as the environmental process occurred with the 2006 approval.

FISCAL IMPACT: None.

ATTACHMENTS:

- ✓ City map location of property and Site Plan
- ✓ Ordinance 2015-XX

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Consider a 15-year Extension of the Current Development Agreement between the City of Nevada City and Kenmawr-Nevada City LLC and Nevada City Tech Center, LLC

RECOMMENDATION: Adopt Ordinance 2015-XX approving and extending the proposed 15-year extension of the current Development Agreement, and authorize the Mayor to sign the final draft of the extended Agreement.

CONTACT: Cindy Siegfried, City Planner

BACKGROUND / DISCUSSION: The City originally entered into a Development Agreement regarding the subject property with then owner Grass Valley Group on November 12, 1985. The City Council, on December 11, 2000, approved an extension of that Development Agreement with the new owner, Tektronix, Inc. for 15 years to January 9, 2016. The Development Agreement's policies, rules and regulations are currently valid and the current owners (Kenmawr-Nevada City LLC and Nevada City Tech Center, LLC both wish to extend the Agreement; such extension will continue to affect future build-out of the two properties.

The owners desire to continue development of a business park project, consisting of two properties of approximately 400,000 square feet of light industrial space, and 20,000 square feet of related facilities; each of these two parcel are entitled to 200,000 square feet of building space and 10,000 square feet of related ancillary facility space. The project will continue to generate jobs and revenue which, as previously found in entering into the Development Agreement and extending it, will benefit the City and its residents.

The Planning Commission, at their meeting of July 16, 2015, held a public hearing and considered an extension of the current Development Agreement by entering into a new proposed Development Agreement between the City of Nevada City and the current owners (Kenmawr-Nevada City, LLC and Nevada City Tech Center, LLC of two separate parcels located on Providence Mine Road for a term of 15 years; said properties are commonly referred to as the Nevada City Tech Center and the prior Textronix/Grass Valley Group site (containing 112 acres).

ENVIRONMENTAL CONSIDERATIONS: The proposed Development Agreement extension is found to be consistent with prior Council findings regarding environmental review under the California Environmental Quality Act (CEQA), referencing the prior Environmental Impact Report (SCH #8310717) and as found in the approved Agreement Exhibits.

FISCAL IMPACT: None

ATTACHMENTS: The proposed Development Agreement is attached; it contains minor changes to the Agreement which reflect an updated land use map indicating the approved R3, R2 and R1

zone changes approved in 2011 and a clarification of the permitted uses associated with the property's Industrial/Employment Center zoning.

- ✓ Ordinance 2015-XX, Approving Extension of Development Agreement
- ✓ Proposed Development Agreement (original DA with strikeout)

ORDINANCE NUMBER 2015-XX

**CITY OF NEVADA CITY
APPROVING AN EXTENSION OF
THE EXISTING DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF NEVADA CITY AND
KENMAWR-NEVADA CITY, LLC
AND CAMPUS PROPERTIES, LLC
OWNERS OF PROPERTY ON PROVIDENCE MINE ROAD**

WHEREAS, the City Council held a public hearing at their meeting of August 12, 2015 to consider an extension of the current Development Agreement between the City of Nevada City and Tektronix, Inc. entered into on December 22, 2000 for another fifteen (15) years by entering into an agreement on similar terms with Kenmawr-Nevada City, LLC and Nevada City Tech Center, LLC the current owners of the subject property now consisting of two separate parcels (containing approximately 112 acres) located on Providence Mine Road for a term of 15 years; said properties are commonly referred to as the Nevada City Tech Center and the prior Textronix/Grass Valley Group site.

The City originally entered into a Development Agreement regarding the subject property with then owner Grass Valley Group on November 12, 1985. The City Council, on December 11, 2000, approved an extension of that Development Agreement for 15 years to January 9, 2016.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Nevada City as follows:

Section 1 Legislative Findings

1. The proposed Development Agreement extension is found to be consistent with prior Council findings regarding environmental review under the California Environmental Quality Act (CEQA), referencing the prior Environmental Impact Report (SCH #8310717) and as found in the approved Agreement Exhibits, as found in Ordinance 2000-07, dated December 11, 2000.
2. Further extension of Agreement will continue to affect future build-out of the two properties as a business park project for light industrial use and related facilities continuing to generate jobs and revenue which will benefit the City and its residents.
3. The Planning Commission held a public hearing at their meeting of July 16, 2015 and recommended the City Council approve the extension of the Development Agreement for a 15-year period.

PASSED AND ADOPTED at a regular scheduled meeting of the City Council of the City of Nevada City held this 12th day of August, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Mayor

ATTEST: _____
Niel Locke, City Clerk

RECORDING REQUESTED BY:

CITY OF NEVADA CITY

WHEN RECORDED RETURN TO:

CITY OF NEVADA, CITY
317 Broad Street
Nevada City, CA 95959

Space Above for Recorders Use

DEVELOPMENT AGREEMENT

This Development Agreement (hereinafter sometimes referred to as this "Agreement") is made and entered into this _____ day of _____, 2015, by and between _____, 2015, by and between

the CITY OF NEVADA CITY, a municipal corporation in the State of California (hereinafter "City"), and

NEVADA CITY TECH CENTER, LLC
12555 Dunbar Road
Glen Ellen Ca 95442, and

KENMAWR-NEVADA CITY, LLC
530 Madison Avenue
New York, NY 10022

(hereinafter collectively, "Owner")

RECITALS

1. Owner owns in fee that real property located within the City of Nevada City and more particularly described in Exhibit "A" hereto and incorporated herein by this reference, hereinafter called the "Subject Property."

2. Owner desires to continue development of a business park project on the Subject Property consisting of approximately 400,000 square feet of light industrial space, and 20,000 square feet of related facilities, hereinafter called the "Project." Owner may also desire to subdivide the Subject Property into two or more legal parcels for purposes of sale, lease, or finance. At the initial approval of dividing the subject property into two parcels by prior owner Tektronix, Inc. it was been determined that half the approved development would flow to each half of the property, now in separate ownership. The two original parcels are designated as Parcels 1 and 2 on Exhibit C attached hereto and made a part hereof, and ~~EACH~~ each of these two parcel ~~are is~~

~~allocated entitled to~~ 200,000 square feet of building space and 10,000 square feet of related ancillary facility space.

3. The Project shall increase the employment base of the City of Nevada City and shall further have a substantial positive beneficial impact on City financial resources.

4. The City, in accordance with applicable local and state laws, ordinances, and regulations, previously approved General Plan Amendment No. 84-18, Zoning Amendment No. 84-9, Site Plan No. 84-17, a Development Agreement By and Between the City of Nevada City and Grass Valley Group Relative to Grass Valley Group Site Development, dated November 12, 1985 (hereinafter "1985 Development Agreement"), and Annexation No. 36; and all terms and all remaining applicable conditions of said permits and approvals are as set forth in Exhibit "B" and incorporated herein by this reference; and further, that said terms and conditions shall be hereinafter called "The Development Program."

5. Other Prior City Actions:

(a) The City Planning Commission and the City Council previously approved the Final Environmental Impact Report (hereinafter "Final EIR") prepared for the Project on August 13, 1984, and the City hereby concurs in and ratifies the certification that said Final EIR has been completed in accordance with the California Environmental Quality Act and all State and local ordinances and guidelines pertaining thereto.

(b) The City Planning Commission and the City Council previously unanimously approved a further extension of this Development Agreement by Ordinance 2000-07, including environmental findings, adopted on December 11, 2000, and the Development Agreement was filed as Document Number 2001-0005473 in Nevada County Official Records on February 27, 2001. The City also approved and the then owner filed a parcel map dividing the property into two major parcels as shown on the parcel map filed in Book 19 of Parcel Maps at Page 74, Nevada County, CA official records. Said parcels ~~and are~~ shown as Parcel 1 and Parcel 2 on Exhibit C attached hereto and made a part hereof. Said map included a companion reciprocal access, utility, and maintenance agreement filed as Document No. 2001-0042549, Nevada County Official Records, and all lands within the Project remain subject to this document or as amended.

(c) The City Council approved a tentative final map in the southerly portion of the property for Nevada City Tech Center LLC on February 14, 2006, which included an overall Site Plan Amendment to allow buildings and parking to flow through both Zones I and II, subject to City design control. The City filed a Notice of Exemption for this approval. Portions of the approved tentative final map have been filed and completed.

(d) The City Planning Commission and the City Council previously unanimously approved a general plan amendment and zone change for portions of the Subject Property by Ordinances 2011-03 and 2011-04, on January 12, 2011, zoning portions of previous development agreement Zone III to allow housing, recognizing that a housing mix could serve the business park well by reducing traffic and off-site impacts. The zoning also implement parts of the City's housing element, providing an area of use-by-right with up to 16 units per acre. This housing area is now designated as development agreement Zone IV in this development agreement extension. The City filed a Notice of Determination for a Mitigated Negative Declaration for this zoning approval.

6. In order to complete the Project, construct all necessary project related improvements and commence the use of the Subject Property in conformance with the Development Program additional governmental approvals required from the City do and shall consist of building permits, architectural design approval in conformance with City architectural review requirements. Building permit and architectural approval are deemed ministerial in that City approval is mandatory in the event the improvement designs submitted by the Owner conform to presently adopted ordinances, rules and regulations of the City.

7. The Owner hereby represents and the City hereby acknowledges that the Owner is the successor in interest to the Grass Valley Group, identified as the Owner in the 1985 Development Agreement, and I Tektronix, Inc., identified as the Owner in the 2000 Development Agreement extension. The City and Owner hereby acknowledge the repeal of the earlier development agreements dated November 12, 1985 and December 22, 2000, and filed as Document Numbers 85-27746 and 2001-0005473, respectively, in the office of the Nevada County Recorder. The City hereby finds and agrees that no further environmental review or documents are or shall be required to adopt this Agreement.

8. The City zoning ordinance sets forth procedures and regulations relating to the consummation of development agreements in conformance with and in furtherance of the purposes of California Government Code Section 65864 et seq.

9. Owner has prepared, and City has amended through prior City actions, a "Land Use Plan" of the subject property that is attached hereto as Exhibit "C" and incorporated herein by this reference. City hereby finds and agrees that said Land Use Plan is in conformance with the Development Program. Said Land Use Plan is intended to remain intact regard less of any future land division of the Subject Property.

10. The City, in consideration of Owner's agreement to develop the Project in accordance with the conditions of the approved Development Program, Land Use Plan, and the terms of this Agreement, desires and agrees to vest certain development rights in the Subject Property and process any remaining applications for development permits or entitlements for use and development of the Subject Property pursuant to the approved Land Use Plan expeditiously and in accordance with the terms of this Agreement and applicable state and local laws.

11. ———City, in consideration of Owner's agreement herein to develop the entire Project in accordance with the Development Program and Land Use Plan, desires and agrees to assure that Owner may proceed and complete the Project, and in accordance with those policies, rules, regulations, ordinances, design, improvement and construction standards and specifications, as such rules, regulations, ordinances and policies exist on the date of approval of this Agreement, subject to certain exceptions provided for herein.

12. ———The City Council has previously approved the Land Use Plan for the Project attached hereto as Exhibit "C", and finds that said Plan and this Agreement is in conformance with the City General Plan and applicable state and local law and that their implementation is in the best interest of the City and the health, safety and welfare of its residents, all in furtherance of the legislative purpose set forth in California Government Code Section 65864 et seq.

NOW, THEREFORE, it is agreed by the parties hereto as follows:

ARTICLE I.

GENERAL PROVISIONS

1.1 Property Subject to the Agreement. All of that real property located in the City of Nevada City, State of California, described in Exhibit "A", shall be subject to this Agreement. It is intended and determined that the provisions of this Agreement shall constitute covenants which shall run with the Subject Property and the benefits and burdens hereof shall bind and inure to all successors in interest to the parties hereto relative to all portions of the Subject Property. The applicable provisions of this Agreement apply to each parcel and, in the event that the Subject Property is further divided into two or more legal parcels, the applicable provision of this Agreement shall apply to each and every parcel.

1.2 Term. The term of this Agreement shall commence upon the effective date of the ^{ORDINANCE} resolution approving this Agreement and shall extend for a period of fifteen (15) years thereafter, unless said term is extended by circumstances set forth in Section 4.4 of this Agreement or by mutual consent of the parties hereto. Following the expiration of said term, this Agreement shall be deemed terminated and have no further force and effect.

1.3 Parties to the Agreement.

(a) City of Nevada City. The City of Nevada City is a political subdivision of the State of California, exercising general governmental functions and powers. The principal office of the City is located at 317 Broad Street, Nevada City, California 95959. "City" as used in this Agreement refers to the City of Nevada City, California, and any assignee or successor to its rights, powers and responsibilities with respect to said property "Council" as utilized herein refers to the City Council of the City of Nevada City.

(b) The Owner. All references to "Owner" in this Agreement refer to both of the following, whose principal business addresses for the purposes of this Agreement are as is shown:

NEVADA CITY TECH CENTER, LLC
12555 Dunbar Road
Glen Ellen Ca 95442

Andand

KENMAWR-NEVADA CITY, LLC
530 Madison Avenue
New York, NY 10022

1.4 Assignment and Assumption. Owner shall have the right to sell, assign, or transfer this Agreement with all the rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement. Such assignment and assumption may apply to all or portions of the Subject Property if it is subdivided into two or more legal parcels for purposes of sale, lease, or finance. The conditions and covenants set forth in this Agreement and incorporated herein by exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. Owner shall provide City with a signed and complete copy of the Assumption Agreement as provided for in Exhibit "E". Owner shall provide City with written notice of its intent to sell, assign or transfer this Agreement at least thirty (30) days in advance of such action. Express written assumption by such purchaser, assignee or transferee, to the satisfaction of the City Attorney, of the obligations and other terms and conditions of this Agreement with respect to the Subject Property or such portion thereof sold, assigned or transferred, shall relieve the Owner selling, assigning or transferring such interest of such obligations so expressly assumed. Any such assumption of Owner's obligations under this Agreement shall be deemed to be to the satisfaction of the City Attorney if executed in the form of the Assumption Agreement in Exhibit "E" and incorporated herein by this reference.

1.5 Development Program. "Development Program" as used herein refers to the Project as proposed by Owner and reviewed and approved by City together with only the remaining applicable conditions of approval thereon as set forth in Exhibit "B" hereto, together with any amendments thereto as may be agreed to by the parties from time to time.

1.6 Land Use Plan. "Land Use Plan" as used herein refers to that Land Use Plan Map attached hereto as Exhibit "C". Said Land Use Plan may be amended from time to time by mutual consent of the parties hereto and in conformance with the provisions of Government Code Section 65868. The term Land Use Plan herein shall include any such amendments properly approved and executed. Notwithstanding the fact that the Subject Property is zoned LI-Light Industrial, the only uses permitted on the Subject Property are the permitted, conditional, and accessory uses consistent with City's prevailing regulations for the EC-Employment Center zoning district and including these additional land uses:

Permitted accessory uses typically associated with the technological, research and development, and a digital campus such as classrooms, child care facilities, and other similar uses that support such businesses.

1.7 Notices, Demands and Communications Between-among the Parties. Formal written notices, demands, correspondence and communications between the City and Owner shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the City and Owner. Such written notices, demands, correspondence and communications may be sent in the same manner to such other persons and addresses as either party may from time to time designate by mail as provided this section.

___—1.8 Amendment. This Agreement may be amended from time to time by mutual consent of the parties hereto and in accordance with the provisions of Government Code Section 65868 and any procedures adopted by the City of Nevada City. The term "Development Agreement" or "Agreement" herein shall include any such amendments properly approved and executed.

___1.9 Estoppel Certificates. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such other Party to certify in writing that to the knowledge of the certifying Party:

- (1) This Agreement is in full force and effect and is a binding obligation of the Parties;
- (2) This ~~agreement~~ Agreement has not been amended or modified and, if so amended, to identify the nature and dates of such amendments;
- (3) No current uncured default in the performance of the requesting Party's obligations under this Agreement exists or, if in default, the nature and amount of any defaults;
- (4) This ~~agreement~~ Agreement has terminated with respect to a Parcel, and such Parcel has been released from this Agreement.
- (5) Owner shall reimburse City for actual costs of providing Estoppel Certificates, and the City may require an advanced deposit for such costs.

ARTICLE II.

DEVELOPMENT OF THE PROPERTY

ZONES I, II, AND III

2.1 Permitted Uses. The Subject Property shall be used and developed only for such uses as are per mitted by the Employment Center zoning district regulations as set forth in the Zoning Ordinance of the City, and as further defined or restricted by the terms of the Development Program and this Agreement.
~~See Section 1.6 above for additional land uses.~~

2.2 Permitted Location and Intensity of Development. The location and intensity of development of the Subject Property shall be in conformance with the Development Program and the Land Use Plan. Modifications of the location of development from that set forth in the Development Program shall be permitted in conformance with Section 3.2(d) hereof.

2.3 ———Reservations and Dedications of Land for Public Purposes. Provisions for reservation or dedication of land for public purposes, construction, installation and extension of public improvements, and other terms and conditions of development relevant thereto shall be those set forth in the Development Program (Exhibit "B"), Land Use Pl an (Exhibit "C"), the herein Agreement and as set forth in the applicable ordinances, rules, regulations and official policies of the City in force at the time of approval of this Agreement.

2.4 Phasing of Development. The completion of the Project shall be phased based on the growth demands of the owner and of prevailing market demands.

2.5 Rules, Regulations and Official Policies: With regard to the development of the Subject Property and completion of the Project, the City rules, regulations, ordinances, laws, general and specific plans and official policies governing development, density, permitted uses, improvement standards and specifications, public services fees and charges, and environmental considerations shall be those provided by this Development Agreement and otherwise in force and effect upon the commencement of the term of this Agreement. Notwithstanding the above, the parties agree that prevailing building code technical design standards shall apply during the course of Project completion.

2.5.1 The City may thereafter, during the term of this Agreement apply only such newer, modified rules, regulations, ordinances and laws which are not in conflict with this Agreement and the rules regulations, ordinances and laws in effect on the date of this Agreement. This Section shall not preclude the application to development of the Subject Property such changes in City laws, regulations, plans or policies specifically mandated and required by changes in state or federal laws or regulations. In the event that such changes in state or federal laws prevent or preclude compliance with one or more provisions of this Agreement and implementation of the Land Use Plan, the parties shall take appropriate actions as may be required by Section 3.3 of this Agreement.

2.5.2 Application, processing and inspection fees as set forth in the City ordinances and regulations shall be those fees in effect at the time the fee is payable and shall apply to this Project pursuant to this Agreement.

2.5.3 Except as provided herein, this section shall not be construed to limit the authority or obligation of the City to hold necessary public hearings, to limit discretion of City or any of its officers or officials with regard to rules, regulations, ordinances, laws and entitlements of use which require the exercise of discretion by the City or any of its officers or officials. In no event shall subsequent discretionary or ministerial action or inaction of the City prevent the development of the Subject Property for the uses and to the density and intensity of development as set forth in the Land Use Plan and Development Program or render implementation of this Agreement impossible or economically infeasible. City shall not be responsible for project impairment solely caused by mandated changes in Federal or State laws and regulations.

2.6— Special Development Fees and Improvements: Owner shall pay specified development fees and install off-site road improvements as follows:

(a) Road Improvements: The City Council finds that the owner has previously completed the road improvements generally described in Site Plan condition of approval No. 19 as more specifically described in Exhibit "D" attached hereto and incorporated herein by this reference.

(b) Traffic Mitigation Fees:

(1) Prior to issuance of a Certificate of Occupancy as to any phase of the Project, Owner shall pay to the City a sum equal to not more than One Hundred and Forty Dollars (\$140.00) times the number of parking spaces required to be installed by Nevada City Ordinance No. 85-4 necessary to serve the structure for which occupancy is desired by Owner. Should the owner install parking spaces in excess of those required by said City Ordinance, said additional spaces shall not be included in the traffic fee calculation.

(2) Based on the Owner's previous completion of the road improvements as indicated in Subsection (a) that primarily benefit the general public, which improvements are described in Section (b) of Exhibit "D", the owner has a current credit balance of 332 pre-paid parking spaces distributed as 238 spaces prepaid for Parcel 1 and 94 spaces prepaid for Parcel 2.

(3) City has retained the funds paid by owner in a separate account and has applied the same for the purpose of installing improvements to the regional and local transportation system necessary to mitigate the impacts caused by the development of the Project. Compliance with the herein Subparagraph is deemed full satisfaction of Site Plan condition of approval No. 22.

(4) The completion of the off-site improvements -described in Exhibit "D", together with the on-going requirement to pay additional per-parking space fees, shall constitute the traffic mitigation for the Project, and additional construction consistent with the Development Program shall be exempt from the traffic mitigation component of the City's prevailing AB1600 Development fees.

(c) Fire Protection Fee: Owner has previously paid a fire protection fee in the sum of Fifteen Thousand Dollars (\$15,000.00), which funds have been applied by the City to secure fire service facilities, equipment and manpower necessary to serve the Project. Said fee shall apply only to the development shown on Site Plan No. 84-17, and any further development may be subject to additional fees. All project development shall be subject to the prevailing fire department annual parcel charge as applied throughout the City. However, the prepayment of this fee constitutes full development fee mitigation of fire service impacts, and further development of the Project consistent with the Development Program shall be exempt from the fire department component of the City's prevailing AB 1600 Development fees.

(d) Sewage Treatment Facility and Connection Fee:

(1) Owner shall pay a onetime Sewage Treatment Facility Fee to the City, a sum equal to \$2.657/gallon/day of sewage effluent requiring treatment generated by the Project. Said fee shall be due and payable for each phase of the Project for which Owner requests occupancy prior to issuance of a Certificate of Occupancy.

(2) Owner shall pay a onetime sewage service connection fee of \$4.173/gallon/day of sewage effluent requiring treatment generated by the Project, which shall be due and payable at the same time as the fee provided for in sub-section (d)(1), above.

(3) In addition to the above sewer service related fees Owner shall be solely responsible for the cost of such works of improvement as may be necessary to connect Project sewage transmission lines with City transmission facilities.

(4) Payment of the here-in sewage service related fees by Developer shall be deemed to fully satisfy the requirements of Site Plan Condition of Approval No. 42 with respect to sewage service. Acceptance of sewage fee payment by City shall constitute full satisfaction of Site Plan Condition of Approval No. 33.

(5) Payment of the fees outlined above constitute mitigation for the project and future development of the Project consistent with the Development Program shall be exempt from the sewer component of the City's prevailing AB 1600 Development Fee Program.

(6) Owner shall be required to comply with all existing and later adopted ordinances regarding discharge into the City sewer system. Further, Owner shall not discharge into the City sewer system any substance in sufficient quantity to injure or interfere with any sewage treatment process or cause water quality violations.

(e) Special Fees. The parties acknowledge and agree that the Special Fees and road improvement obligations set forth in this Section shall constitute the sole fees that may be imposed on Owner for the purpose of securing the public services described herein as a condition of Project implementation and use of the Subject Property in conformance with the Land Use Plan and Development Program and the herein Agreement. One purpose of the herein Special Fees provisions is to provide a ministerial means of determining fee and improvement obligations imposed by Site Plan conditions of approval. Owner acknowledges and agrees that certain existing City ordinances and regulations provide for additional public service related charges (for example - plan check and inspection fees), and it is not the intent of the herein Section to preclude the imposition of such charges.

(f) AB 1600 Development Fees. Owner shall be responsible for payment of the prevailing AB 1600 Development fee for future project development, excepting the components for traffic, fire, and sewer, as outlined above. Said fees shall be paid prior to the issuance of a Certificate of Occupancy and shall be based on the gross square footage and use for the building being occupied.

(g) Sales Tax. To the extent reasonably feasible, Owner will implement tax reporting procedures which will provide Nevada City the greatest benefit from California sales and use tax revenues. Such procedures may include designating the City of Nevada City as the point of sale for sales tax and use for self-reporting use tax under regulation 1699 on out of state purchases of goods used in the City of Nevada City in accordance with the rules outlined in SB 100, and reporting the City of Nevada City as the location of construction costs as allowed by the California State Board of Equalization per their December 1994 amendment to Regulation 1806. Owner shall not be obligated to implement procedures contrary to the sales and use tax laws or regulations of California or any other state. In the event Owner or any of its assigns or successors in interests lease the Subject Property hereafter, Owner will include this paragraph in such lease.

ZONE IV

2.7 City Review and Approval. Development of the residential portion of the Subject Property is pending at the time of the extension of the herein development agreement, and said Zone IV development approval shall be subject to the City's ordinary development review and tentative map approval processes.

2.8 Prior Environmental Review. The Residential Area general plan and zoning designations were subject to overall environmental review with the adoption of Ordinances 2011-03 and 2011-04. Development details during the City's ordinary development review and tentative map processes, shall include subsequent environmental review and appropriate mitigations based on the site plan specific public reviews under City ordinances, General Plan Housing Element, and the California Environmental Quality Act (CEQA).

ARTICLE III

DEVELOPMENT PROGRAM

3.1 3.1 Owner. Owner agrees to develop the property in conformance with the terms of this Agreement including the terms and conditions of development set forth in the Development Program. Improvement scheduling or dates or times of performance of either party hereto may be subject to revision from time to time as mutually agreed in writing. Such revisions are within the framework of this Agreement as presently drafted and executed and do not constitute contract amendments requiring new notice and hearing under State and local law.

3.2 -The City

(a) The City hereby agrees that it will accept for processing, review and approval all applications for development permits or other entitlements for use of the Subject Property necessary to implement the Land Use Plan, the Development Program and the herein Agreement provided that such applications are in conformance here with.

(b) In all instances, the City shall inform Owner upon request of necessary submission requirements for each application for permit or other entitlements for use in advance and review and schedule such application for Planning Commission and/or City Council action pursuant to the times set forth in this Section. Should the City fail to act within said time limitations, Owner may elect to take other action under Article IV hereof.

(c) In addition to its contractual obligations to cooperate with Owner in implementing the project in a timely fashion, City acknowledges that, in any event, it must take action upon the application for development permit or other entitlements for use necessary to implement the Land Use Plan in this Agreement within the time limitations established under existing or subsequently amended State and local planning, zoning, environmental, and subdivision laws, or be subject to the additional penalties set forth herein.

(d) (1) Owner may submit building, parking, and circulation improvement plans for portions of the Project located in "Zone I - Primary Use Area and Zone II -Secondary Use Area as shown on Exhibit C the Land Use Plan describing modifications in building and related improvement locations and the size of individual structures different from that shown on the approved original Site Plan without Site Plan amendment or further environmental review if such modifications are otherwise consistent with the terms of said Site Plan and this Agreement.

~~(2) (DELETED ZONES I AND II ARE TREATED EQUALLY UNDER THE CITY'S PRIOR SITE PLAN AMENDMENTS FOR NEVADA CITY TECH CENTER)~~

(32) The submittal of plans by Owner for building permit approval proposing development in "Zone III - Open Space/Reserved Development Area" shall require Site Plan amendment and amendment of the herein Agreement, actions subject to the discretionary approval authority of the City, including a determination of whether existing environmental documents are adequate to address the impact of any said amendment.

(43) The Residential District in Zone IV shall be subject to ordinary City design review, environmental review and conditional approval. See also Section 2.7 et seq. above.

3.3 - Cooperation in Securing Governmental Permits - Conflict of Laws. The City shall cooperate with the Owner in securing for Owner all permits which may be required by the City or any other governmental agency.

(a) In the event that State or Federal laws or regulations enacted or otherwise effective after this Agreement have been entered into, or the action or inaction of any other affected governmental jurisdiction 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 hereto agree that the provisions of the Agreement shall be promptly modified or suspended as may be necessary to comply with such State or Federal laws or regulations or applicable action or inaction of other affected governmental jurisdictions so long as such action or inaction is not inconsistent with City law and policy. City shall not be deemed in breach hereof if compliance by City is precluded by said State or Federal laws and regulations, or said governmental action and inaction.

(b) Each party to this Agreement agrees to extend to the other its prompt and reasonable cooperation in so modifying this Agreement or approved plans, map or permits to allow continued development of the Subject Property to the extent feasible and consistent with the principles and provisions of this Agreement.

ARTICLE IV

DEFAULT, REMEDIES, TERMINATION

4.1 - General Provisions.

(a) Subject to extensions of time by mutual consent in writing or as set forth in Sections 4.2 and 4.3 hereof, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement.

(b) In the event of default or breach of this Agreement or any of its terms or conditions, the party alleging such default or breach shall give the breaching party not less than thirty (30) days' notice in writing, measured from the date of certified mailing, specifying the nature of the alleged default and, where appropriate, the manner in which said default may be satisfactorily cured. During any such thirty-day period of curing, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

(c) After proper notice and the expiration of said thirty-day cure period, the other party to this Agreement, at its option, may institute legal proceedings pursuant to Section 4.5 hereof or give notice of intent to terminate this Agreement pursuant to California Government Code Section 65868. The matter shall be scheduled for consideration and reviewed in the manner set forth in California Government Code Sections 65864 et seq. by the City of Nevada City within thirty (30) days after notice of intent to terminate.

(d) Following consideration of the evidence presented before the City of Nevada City, either party alleging a default by the other party may, at its option, give written notice of termination of this Agreement to the other party by certified mail. Written notice of termination of this Agreement shall be effective immediately upon certified mailing to the defaulting party.

(e) Evidence of default by either party may also arise in the course of a regularly scheduled periodic review of this Agreement pursuant to California Government Code Section 65865.1. If either party determines that the opposing party is in default following the completion of the normally scheduled periodic review of progress under the Agreement, it may at its option, give, by certified mail, written notice of termination of this Agreement to the opposing party, specifying therein the alleged nature of the default, feasible actions to cure said default where appropriate, and granting the alleged defaulting party thirty (30) days in which to cure said default. If the alleged default is not cured within thirty (30) days or the defaulting party waives its right to cure such alleged default, this Agreement shall be deemed terminated thirty-one (31) days from the date of mailing of the notice of intent.

(f) Failure or delay in giving notice of default pursuant to this Section shall not constitute a waiver of any default, nor shall it change the time of default.

(g) Except as otherwise expressly provided in this Agreement, any failure or delay by either party in, asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

4.2 Default of Owner.

(a) The City shall, at least once every twelve (12) months during the term hereof, review the good faith substantial compliance of Owner with the terms of this Agreement. Such periodic review shall be limited in scope to compliance with the terms of this Agreement, and notice shall be provided pursuant to California Government Code Sections 65867 and 65868, including a statement that any review may result in amendment or termination of this Agreement, after notice and hearing as provided in Section 4.1.

(b) In connection with each periodic review, the City's finding of good faith compliance by Owner with the terms of the Agreement shall conclusively determine said issue up to the date of said review for purposes of future periodic reviews or legal action between the parties.

(c) The City shall deposit in the mail to Owner a copy of all staff reports and, to the extent practicable, related exhibits concerning contract performance a minimum of ten (10) calendar days prior to such review or action upon the Development Agreement by the Planning Commission or the City Council.

(d) Upon request by Owner, Owner shall be permitted an opportunity to be heard orally and in writing regarding its performance under this Agreement before each appropriate Departmental, Planning Commission or City Council review or action on the Agreement.

4.3 Default By City.

(a) In the event that the City does not accept, review, approve or issue necessary development permits or entitlements for use in a timely fashion as defined by this Agreement, despite a good faith effort by Owner to file timely complete application therefore or the City otherwise defaults under this Agreement, the City agrees that Owner shall in no event be obligated to proceed with or complete the project or any phase thereof, nor

shall resulting delays in Owner performance constitute grounds for termination or cancellation of this Agreement or the loss of density and use rights of Owner hereunder.

(b) Within thirty (30) days after receipt of a written request from Owner, the City shall consent in writing to reasonable adjustment or extension in any time schedule for Owner's performance hereunder.

4.4. Enforced Delay: Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to any of the following factors, the existence and impact of which are satisfactorily demonstrated: war; insurrection; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; the enactment of conflicting state or federal laws or regulations; new or supplemental environmental regulation; litigation; unusually severe weather; acts or failure to act of any public or governmental agency or entity (other than that, acts or failure to act of the City shall not excuse performance by the City); any abnormal delay in issuance of the permits referred to in Sections 3.2 and 3.3; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time in writing for any such cause shall be granted for the period of the enforced delay, or longer as mutually agreed upon, which period shall commence at the time of the commencement of the cause.

4.5. Institution of Legal Actions. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default; to enforce any covenants or agreements herein or to enjoin any threatened or attempted violation thereof; to recover damages for any default; or to obtain any other remedy consistent with the purpose of this Agreement. Notwithstanding the above; Owner shall not be entitled to recover damages for any loss of profits derived from product sales; in no event shall City be entitled to recover for loss of tax or assessment revenues as a measure of damages; and any monetary damage award shall be limited to compensatory damages only. Such legal actions must be instituted in the Superior Court of the County of Nevada, State of California, ~~in an appropriate municipal court in that County,~~ or in the Federal District Court in the Eastern District of California.

4.6. Applicable Law/Attorney's Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing party in such action shall be entitled to all reasonable attorney's fees, court costs and necessary disbursements in connection with such litigation.

ARTICLE V

PROJECT AS A PRIVATE UNDERTAKING

4.1 It is specifically understood and agreed by and between the parties hereto that the subject development is a private development; that the City has no interest in or responsibility for or duty to third parties concerning any of said improvements until such time and only until such time as City accepts the same pursuant to the provisions of this Agreement or in connection with the various subdivision map approvals; and that Owner shall have full power over and exclusive control of the Subject Property herein described, subject only to the limitations and obligations of the Owner under this Agreement.

ARTICLE VI

COOPERATION IN THE EVENT OF LEGAL CHALLENGE TO THIS AGREEMENT

5.1 In the event any legal action is instituted by a third party or other governmental entity or official challenging the validity of one or more provisions of this Agreement, the state and local legislation authorizing the City to enter into this Agreement, or discretionary action and approvals of the City on development permits or other entitlements for use and development of Subject Property pursuant to the approved Land Use Plan and this Agreement, the parties hereto agree to cooperate in defending said action .

ARTICLE VII

ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

6.1 Counterparts. This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement consists of fourteen (~~16~~14) pages and five (5) exhibits, which constitute the entire understanding and agreement of the parties. Said exhibits are as follows:

Exhibit "A" - Legal Description of Subject Property

Exhibit "B" - Development Program

Exhibit "C" - Land Use Plan

Exhibit "D" - Off-Site Road Improvements

Exhibit "E" - Assumption Agreement

7.2 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

7.3 Waiver. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Owner, and all Amendments hereto must be in writing, signed by the appropriate authorities of the City and the Owner and in a form suitable for recording in the Office of the Recorder, County of Nevada.

7.4 Recordation.

(a) Within ten (10) days of the date of this Agreement, or subsequent Amendments thereto, a copy thereof shall be recorded in the Official Records of Nevada County, California.

(b) Upon completion of contract performance by the parties or revocation of this Agreement, a written statement acknowledging such completion or revocation, signed by the appropriate agents of the City and Owner, shall be recorded in the Official Records of Nevada County, California.

ARTICLE IX

SEVERABILITY

8.1 the parties hereto agree that the provisions are severable. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected and shall remain in full force and effect unless amended or modified by mutual consent of the parties.

IN WITNESS WHEREOF, the parties hereto do affix their signatures as follows:

CITY OF NEVADA CITY _____ NEVADA CITY TECH CENTER, LLC
By: _____ By: CAMPUS PROPERTIES, LLC, Manager

By: _____ By: Robert and Linda
Upton Trust, Manager

____ Mayor

ATTEST: _____ By: _____
Robert Upton, Trustee

By: _____ KENMAWR-NEVADA CITY, LLC
Niel Locke, City Clerk
By: _____
_____ its _____ NEVADA CITY
TECH CENTER, LLC, a California limited liability company

By: CAMPUS PROPERTIES, LLC, a California limited liability company, Manager

By: Robert and Linda Upton Trust, Manager

By: _____
_____ Robert Upton, Trustee

By: _____ By: _____

~~KENMAWR NEVADA CITY, LLC~~

By: _____ By: _____

Attach Notary's Acknowledgment

CONSENT TO RECORDING of DEVELOPMENT AGREEMENT
RELATIVE TO DEVELOPMENT SITE, PROVIDENCE MINE ROAD

I, the undersigned Mayor of the City of Nevada City, California, pursuant to Ordinance _____85-10, hereby consent to the recording of the attached Development Agreement By and Between the City of Nevada City and Nevada City Tech Center LLC and Kenmawr-Nevada City, LLC
., relative to Providence Mine Road Site Development.

Date: _____ By: _____

Mayor

City of Nevada City

Attest:

Date: _____ By: _____

Niel Locke, City Clerk, ~~CITY OF NEVADA CITY~~ City of Nevada City

EXHIBIT A

Subject Property

Providence Mine Road Development Agreement Property Description:

All that portion of real property located within the incorporated area of the City of Nevada City, County of Nevada, State of California and described as Parcel B on Nevada City Parcel Map 85-01, recorded on July 26, 1985 and filed in Book 17 of Parcel Maps at Page 29, Nevada County, California, EXCEPTING THEREFROM that portion conveyed to the City of Nevada City along the abandoned Rough and Ready Canal for public trail purposes along the northerly line of said Parcel B.

EXHIBIT B

DEVELOPMENT PROGRAM

(ORIGINAL PROJECT CONDITIONS OF APPROVAL: THE PARTIES HERETO ACKNOWLEDGE THAT CERTAIN ORIGINAL CONDITIONS AS MARKED BY AN ASTERISK (*) HAVE BEEN FULLY SATISFIED)

July 12, 1984

Mr. Ken Myers
GRASS VALLEY GROUP, INC
Post Office Box 1114
Grass Valley, California 95945

SUBJECT: GRASS VALLEY GROUP, INC.
General Plan Amendment, P rezoning, Site Plan, and Development Agreement: FINAL EIR and PROJECT.

Dear Mr. Myers:

Please be advised that at their regular meeting of July 12, 1984, the Nevada City Planning Commission took the following actions regarding the above referenced project:

1. REGARDING THE PROJECT ENVIRONMENTAL -IMPACT REPORT:

The Planning Commission found that the Final EIR for the Grass Valley Group, Inc. application was adequate and complete, contained all of the information that could reasonably be included, and recommend that the City Council certify that:

A. The final EIR has been completed in compliance with CEQA, and

B. The final EIR was presented to the City of Nevada City, and that the City reviewed and considered the information contained in the final EIR prior to any action on the project.

2. REGARDING THE PROJECT APPLICATIONS:

A. ENVIRONMENTAL FINDINGS: The Planning Commission considered the information in the Final EIR for the project, and found that with mitigations attached to the site plan as conditions of approval, any potential significant adverse effects would be reduced below the level of significance. However, because of the large size of this project and because it will not be completed for another 15 years, the Commission found that it is difficult to accurately predict the environmental impacts caused by the project. Because of this, it is possible that reasonable minds could differ as to whether the project, even after adoption of the mitigation measures, may cause a significant environmental impact. In reviewing the final EIR the Commission noted that the EIR author pointed to traffic, sewer, water, and air quality as having possible "moderate" impacts, even after mitigation. The EIR author indicated to the City staff that "moderate" impacts should be considered as impact below the level of significance. However, the Planning Commission incorporated the Findings of Overriding

Consideration, as stated in the attached memorandum from the City Attorney, Mr. James Anderson, dated July 12, 1984, Items 1, 2, 3, and 4 .

B. ANNEXATION: The Planning Commission recommended that the City Council approve the annexation of the project area to the City of Nevada City, subject to the approval of the Nevada County Local Agency Formation Commission (LAFCO).

C. GENERAL PLAN AMENDMENT: The Planning Commission recommended that the City Council amend the General Plan to show the project area as Industrial and Commercial, with the areas as defined by the project application. In making this recommendation, the Commission further recommended that the updated general plan designate the project area as Employment Center, and Office and Professional, with the areas as outlined in the application.

D. PREZONING: The Planning Commission recommended that the City Council prezone the project lands to LI-light industrial and LB-local business, with the areas as defined by the project application. The intent of the Commission is to limit the area represented as Office and Professional to those uses, without retail sales, and the Commission further recognized that development of this area would be subject to future site plan and environmental review.

E. DEVELOPMENT AGREEMENT: The Planning Commission recommended that the City Council enter into a development agreement with Grass Valley Group, Inc., with the agreement to be in a form approved by the City Attorney.

F. SITE PLAN: The Planning Commission approved the site plan submitted by Grass Valley Group, Inc., subject to the following conditions of approval (numbers in parenthesis refer to the applicable mitigation measure(s) outlined in the Final EIR):

*_____1.____—The site plan approval is subject to approval of the annexation, general plan amendment, and rezoning by the City Council.

*_____2.____—As required by City ordinance 82-1, the applicant shall pay \$660.00 in park and recreation fees, prior to final City Council acceptance of the Annexation (following LAFCO action).

*_____3.____—Prior to site disturbance or the issuance of a grading or building permit for any phase of the project, the developer shall submit geotechnical (soils engineering) information as required by the City Engineer, which should provide the following information: The location of mine shafts or tunnels, soil stability limitations, methods of construction in the vicinity of mine shafts or tunnels, and cut/fill slope recommendations. (1, 2, 3, 4, 11)

4. All construction shall be in accordance with the geotechnical recommendations and shall be subject to the approval of the City Engineer with respect to grading, location of improvements, and cut/fill slopes. (3, 8, 9)

5. Prior to site disturbance or the issuance of a grading or building permit for any phase of the project, the developer shall prepare, submit, and obtain approval from the City Engineer of an engineered grading, drainage, and utility plan, showing the extent of clearing and grading, limits of cut/fill slopes, drainage improvements, and erosion control. Any construction beyond the areas indicated on the site plan, which encroaches into areas exceeding 20% cross-slope, shall be planned and implemented in accordance with techniques and specifications required and approved by the City Engineer. Road grades shall be between 0.25% and 15%. Trail systems shall be designed to avoid any geologic hazards. These plans may be submitted in phases. (6, 7, 9, 10, 29)

6. Prior to the issuance of a building permit, the Nevada County Building Department shall approve the foundation and pad design based on the geotechnical study, and shall approve the structural design of the buildings based on applicable earthquake standards. (12, 13, 14, 31)

7. The property owner shall conduct an ongoing maintenance program to fill holes or ground subsidence if and when it should occur. (5)

8. Prior to any site disturbance or the issuance of a grading or building permit, the developer shall prepare an Erosion and Sediment Control Plan, and shall obtain approval of the plan from the City Engineer or the Nevada County Resource Conservation District. The Plan should consider the following features: Temporary and permanent erosion control methods, the possible assignment of an Erosion Control/Water Quality supervisor to the construction team, limiting construction to the dry season (March-October), immediate revegetation of disturbed soils with drought-resistant vegetation, protection of existing vegetation through temporary fencing

during construction, removal or stabilization of excavated material before the rainy season, paving of roads and parking areas, washing equipment tires before leaving the site if possible, the use of interceptor ditches to divert water from cut slopes, and the possible use of a sediment ponds or natural marsh to filter runoff. (15 through 28, 30, 36, 51)

9. The engineered drainage plan required by condition number 5 above, shall consider the following objectives: direction of existing and new storm flows away from erosion prone areas, correction of existing drainage runoff, temporary correction of construction related flow increases, incorporation of collection, filtration, and detention facilities, a study of Peck Ravine's capacity and role in controlling surface water flows, and if recommended by the soils study, on-site construction monitoring by an Erosion Control/Water Quality specialist. (32 through 35, 37)

10. To minimize water quality impacts, the developer shall implement a regular street sweeping program and shall implement a regular maintenance schedule of drainage facilities. There shall be no on-site disposal of oil, oil filters, or other contaminants, nor shall salt be used to control frost and ice. If deemed necessary by the City Engineer, oil and grease traps and/or sedimentation settlement areas shall be incorporated into the drainage design of the roads and parking areas. (38 through 42, 52, 54 55)

11. There shall be no development in the riparian area of the property, and any drainage into the riparian area shall be controlled and filtered. (43, 44)

12. A tree removal permit shall be required from the City of Nevada City by separate application for any tree removal that exceeds 20% the on-site resource. (45)

13. Prior to any site disturbance, the developer shall prepare and submit to the City, a Timber Management Plan that establishes long range management techniques and goals, and emphasizes management for a healthy forest, provides for minimizing insect and disease infestations, provides for wildlife and fire protection, and presents criteria for the use of herbicides for thinning. (46, 47)

14. Flammable brush understory shall be cleared in the vicinity of buildings and parking areas to reduce fire hazard. (48)

15. The use of natural, drought-resistant, non-invasive species for landscaping is encouraged to minimize water consumption for irrigation, and to maximize food, forage, nesting, and shelter habitat for wildlife (49, 50)

16. Chemical toilets shall be provided for construction crews. (53)

*17. Prior to site disturbance, the developer shall prepare and submit engineered improvement plans for reconstruction of Lone Pine Road and the project access road, to the City Engineer for approval. Plan check and inspection fees shall be paid to the City for this review. Improvement plans for improvements to Zion Street, the Ridge/Zion intersection, and the encroachment of Lone Pine Road shall be prepared by the City Engineer at the expense of the developer. No plan check fee will be required for this design work, but inspection fees shall be assessed. The developer shall dedicate any needed right-of-way on Zion Street, and shall offer for dedication the right-of-way along Lone Pine Road. Unless and until this offer is accepted by the City, the maintenance and snow removal on Lone Pine Road shall remain the responsibility of the benefitting property owners.

*_____18. Prior to issuance of a certificate of occupancy, the developer shall complete the following road improvements:

a. Widen Zion Street with channelization and striping as required by the City Engineer. (57)

b. Improve Lone Pine Road to a width of 24' with encroachment reconstruction to the specifications required by the City Engineer, in condition number 17 above. The City Engineer may require construction of a temporary turn-around and gate beyond the project access, to prevent casual traffic over private lands, to Deer Creek. (56)

c. The value of the construction of road way improvements on Zion Street and the Zion/Ridge intersection beyond the direct needs of the Grass Valley Group project shall be credited toward any future mitigation fee programs adopted by the City, as outlined in Condition Number 22 below.

19. Interior parking areas shall be constructed in phases and shall contain 55% regular stalls of 9'x 18' and no more than 45% compact stalls of 8'x14' (dimensions for 90 parking spaces). Travel aisles shall be 24' wide where two way traffic is planned. The City Engineer may approve parking area dimensions where one-way and/or angled parking spaces are provided, during the review of the grading plan as required by Condition 5, above.

20. The project shall operate using flex-time for employee work hours, as represented by the applicant. (60, 67)

21. As represented by the applicant, the project operation shall encourage the use of car and van pools. The developer will initiate a dialogue with the Gold Country Stage, in an effort to maximize the use of bus service for employee commuting. Bicycle parking facilities and pedestrian access ways shall be provided as a part of the project. (58, 59, 67, 69, 70, 72)

*—22. To offset the impacts of the project on traffic in the area of the Gold Flat interchange and Ridge/Zion intersection, the applicant shall comply with then-current mitigation fee schedules or programs, as may be adopted by the City Council, applicable to similar development. Mitigation fees may be paid in proportion to phase development, prior to the issuance of a building permit. (61 through 66)

23. Dust shall be controlled during construction, by the application of water as needed, immediate revegetation, and minimal site clearance. (68)

24. All permanent noise generating equipment shall be muffled or silenced to limit noise levels to 60 dBA or lower, at the project property line. (71)

25. Development of the project shall substantially comply with the representations of the applicant, incorporating vegetation buffers, entrance treatment, landscaping, and low profile building design. Prior to issuance of a building permit, the developer shall obtain final architectural approval from the Planning Commission under a separate application. (73)

26. All known or newly discovered archaeological or historical resources shall be fenced and protected from construction activity. Permanent treatment and interpretive signing to preserve the features is encouraged. (74, 75)
27. To protect unidentified archaeological features, the plans and contract specifications for site development shall contain a brief summary of identification criteria for construction personnel and a notification procedure to initiate the review of suspected resources by a qualified person. (76, 77, 78)
28. Prior to the issuance of each building permit for phased construction, the developer shall obtain a commitment for water service, and submit evidence of the service to the City. (79)
29. Extension of water service to the site shall be subject to the review and approval of Nevada Irrigation District (NID) unless service areas are adjusted to allow City service. If NID water is used, annexation of the lands outside the District will be required prior to service, unless waived by NID. The developer is encouraged to initiate long term planning discussions and evaluation for the provision of total project water service. (82, 83, 84)
30. Engineered grading plans shall include a landscaping plan using native, drought-resistant species, drip irrigation, and possible use of grey water. (80)
31. Low water flow fixtures shall be used throughout the construction. (81)
32. In order to assure adequate fire protection, the developer shall provide a hydraulic analysis to estimate on-site fire flows, and shall obtain City clearance of on-site hydrants and fire protection measures, prior to the issuance of a building permit or any site disturbance. Unless waived by the City, all buildings shall include an engineered sprinkler system with central alarm. Roofing material shall be fire resistant. Other building materials are encouraged to be fire retardant materials. Flammable understory brush shall be cleared within 30' of buildings. (85, 86, 91, 92, 93, 94, 95)
33. Prior to the issuance of each phase building permit, the applicant shall verify that there is sufficient sewage treatment plant capacity and that wastewater discharge standards would not be violated. (87)
34. On-site sewage collection improvements and sewer trunks to the treatment plant shall be reviewed and approved by the City Engineer along with the grading and utility plan required by Condition 5, above. (89)
35. The project sponsor is encouraged to participate in solid waste recycling programs. Site development should be coordinated with the solid waste hauler, if those services are utilized, to provide for adequate dumpster facilities and access. (96)
36. The use, storage, handling, and disposal of any hazardous or toxic materials shall be in strict compliance with Federal, State, and local requirements. Storage facilities shall be properly maintained at all times. (96a, 96d)
37. The applicant shall advise the City Fire Department and California Division of Forestry of the location and type of materials being stored, shall provide those agencies with an emergency spill contingency plan outlining

equipment and procedures needed to clean up any spill, and shall provide a list of agencies to be contacted in the event of a spill. (96b,96c)

38. The project shall be developed in phases, as represented by the applicant.

39. Any development beyond the site plan proposed on the project area, including any future office and professional use, shall be processed under then-current City procedures, including new environmental review. (101)

* 40. The areas adjacent to Deer Creek, and other areas represented by the applicant to remain as open space, shall remain as open space.

* 41. The developer shall dedicate access and utility easements to the City along existing improvements serving the Nevada City Wastewater Treatment Plant. The developer shall also dedicate utility easements as may be required by other utilities providers.

* 42. To offset cumulative impacts on public services, the developer shall comply with then-current mitigation fees or programs, as may be adopted by the City Council, for mitigating the impacts on sewer treatment and collection, fire protection, and water service (if water is provided by the City) .

As indicated herein, City Council action is required on the environmental impact report and project, in order for you to obtain final City approval. The site plan action by the Planning Commission is final, subject to the City Council's approval of the annexation, general plan amendment, and rezoning. There is a fifteen day appeal period for site plan conditions. All other components of the application will go to the Council automatically.

Originally signed by:
NEVADA COUNTY PLANNING COMMISSION
/S/W. Lon Cooper, Chairman

PROPOSED ADDITIONAL FINDING
Originally Dated July 12, 1984

RE: GRASS VALLEY GROUP

Because of the large size of this project and because it will not be completed for another 15 years, it is difficult to accurately predict the environmental impacts caused by the project. Because of this, it is possible that reasonable minds could differ as to whether the project, even after adoption of the mitigation measures, may cause a significant environmental impact. In reviewing the final EIR I note that Kate Burdick points to traffic, sewer, water and air quality as having possible moderate impacts even after mitigation. In talking with her it does appear that she feels that there will be no significant impact in these areas as long as the mitigation measures are vigorously enforced. However, in view of the potential economic benefit to the City, and in fairness to the applicant, I believe the Commission should deal with the issue of whether it would approve the project even if it were to be determined that the project would have a significant environmental impact on the traffic, water, sewer or air quality.

I recommend that the Commission find that even if the project should be determined to have significant environmental impacts even after mitigation that it approve the site plan and make the following findings:

1. The Planning Commission finds that in view of the size of the project, the fact that it would be a phased development over a 14-year period and that it is extremely difficult to determine how many other projects would be approved in this project's vicinity, that it may be possible that this project and others that may be approved in the future may contribute to a cumulative decrease in air quality in the future in the project vicinity which is significant. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact that may be caused by the decrease in air quality due to the cumulative impact of this project and others in the vicinity.

2. The Planning Commission finds that in view of the size of the project, the fact that it would be a phased development over a 14-year period, and the uncertainty in projecting local government revenue over the next 14 years, it may be possible that in the future this project may have a significant impact on local governments' ability to provide adequate water and sewer treatment in spite of the implementation of the suggested mitigating measures. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact on sewer and water treatment systems.

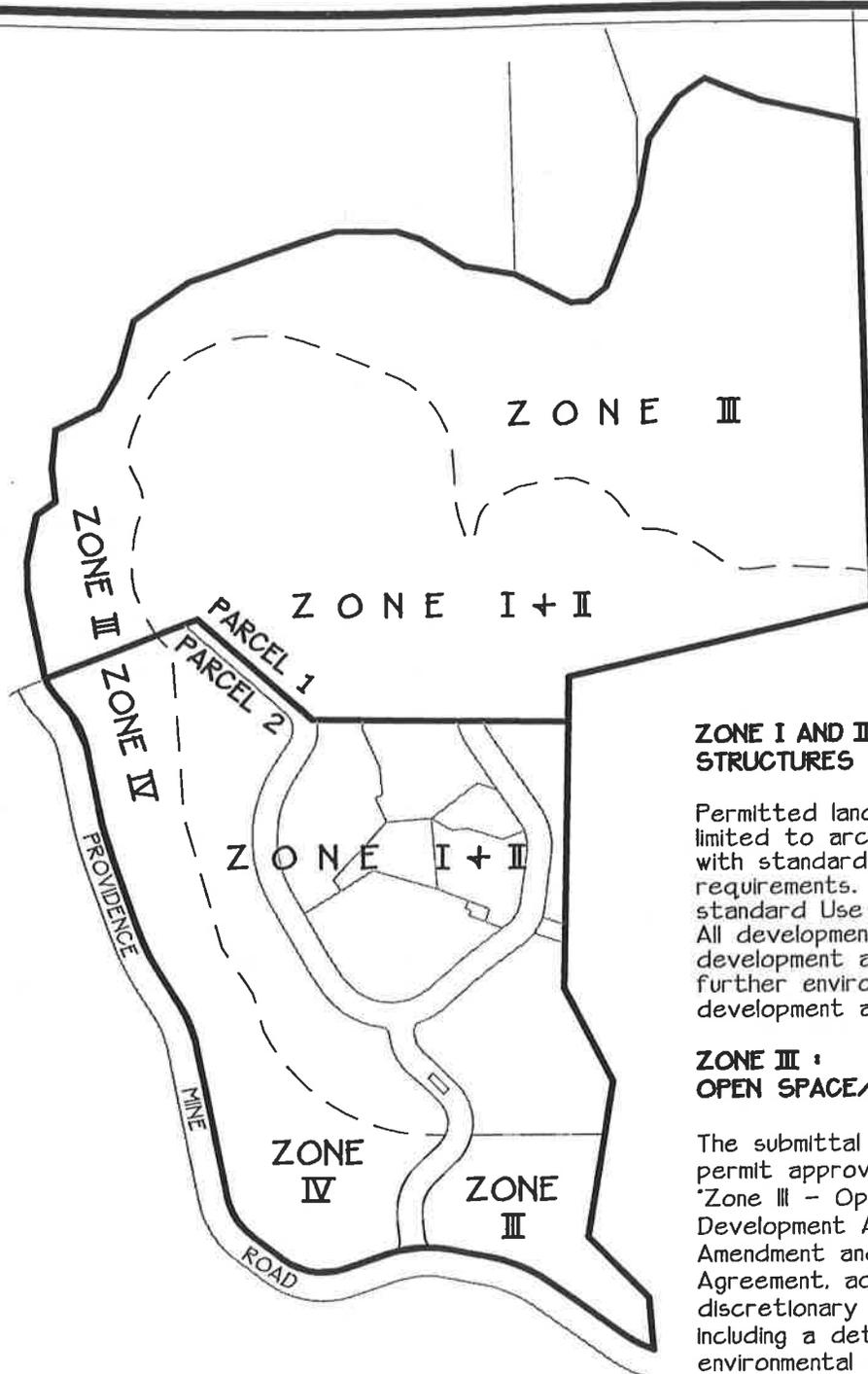
3. The Planning Commission finds that in view of the size of the project, and the fact that it would be a phased development over a 14-year period, that it may be possible that the increased traffic volumes generated by the project, including its contribution to the cumulative traffic volumes in the project area, may cause in the future a significant environmental impact in spite of the implementation of the suggested mitigation measures. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact that may be caused by the increased traffic generated by the project.

4. The Planning Commission finds that the economic benefit to the City of Nevada City from the project is as follows:

A. The City of Nevada City and its surrounding area have a chronic high unemployment rate and this project will create approximately 2,000 new jobs.

B. The City of Nevada City is currently facing financial difficulty, and the project will generate net revenue to the City of Nevada City in the approximate sum of \$200,000 annually at build-out.

Originally signed by
/S/ James R. Anderson City Attorney



SCALE: 1"=500'

**ZONE I AND II :
STRUCTURES + PARKING DEVELOPMENT AREA**

Permitted land uses allowed with City review limited to architectural review and compliance with standard parking and landscaping requirements. Conditional uses require a standard Use Permit application and process. All development consistent with this development agreement is exempt from further environmental review. See overall development agreement for additional details.

**ZONE III :
OPEN SPACE/RESERVED DEVELOPMENT AREA**

The submittal of plans by Owner for building permit approval proposing development in "Zone III - Open Space/Reserved Development Area" shall require Site Plan Amendment and amendment of the herein Agreement, actions subject to the discretionary approval authority of the City, including a determination of whether existing environmental documents are adequate to address the impact of any said amendment.

**ZONE IV :
RESIDENTIAL AREA**

The development plans by Owner for residential use are in process with the City at the time of this Development Agreement extension. The development proposal shall be subject to the ordinary review and approval process applied to other properties in the City, except for reliance on prior environmental reviews, the General Plan Housing Element, and zoning ordinances.

**EXHIBIT "C"
LAND USE MAP**

EXHIBIT D

GRASS VALLEY GROUP

NEVADA CITY SITE DEVELOPMENT (ORIGINAL EXHIBIT-

THE PARTIES HERETO ACKNOWLEDGE THAT THE HEREIN ROAD IMPROVEMENTS HAVE BEEN COMPLETED)

Road Improvements:

- a. Required road improvements consist of improvements to Zion Street, Nevada City Highway, Gold Fl at Road, Ridge Road, and Providence Mine Road, as defined by the Improvement Plans for Grass Valley Group and Providence Park prepared by Nevada City Engineering, Inc., in April, 1985, as Job Number 85-20.
- b. The portion of the road improvements that primarily benefit the general public and therefore are eligible for a credit towards the payment of traffic mitigation fees includes all improvement on the Nevada City Highway, Gold Flat Road, and Ridge Road; and all improvements on Zion Street with the exception of one left-turn lane consisting of aggregate base and paving 10 feet wide x 300 feet long.

EXHIBIT E

(ANDY: IS THIS REALLY NEEDED? I do not think so? Robert)

ASSIGNMENT AND ASSUMPTION AGREEMENT RELATIVE TO THAT CERTAIN DEVELOPMENT
AGREEMENT

ENTERED INTO BETWEEN

THE CITY OF NEVADA CITY AND _____ RELATIVE TO PROVIDENCE MINE
ROAD SITE DEVELOPMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (hereinafter "this Agreement") is entered into this
day of _____, 19____, by and between
, a _____ (hereinafter called "Owner") and
, a _____ (hereinafter called "Assignee")

RECITALS

A. On _____, 20____, Owner and the City of Nevada City entered into that certain agreement entitled
"Development Agreement", relative to the development known as Providence Mine Road Site Development
(hereinafter "Agreement"). This Agreement concerns the property located within the City of Nevada City and
more particularly described in Exhibit "A" of the Agreement and incorporated herein by this reference,
hereinafter called the "Subject Property."

B. Owner entered into a purchase and sale agreement whereby a portion (or all) of the Subject Property will
be sold to Assignee, which portion of the Subject Property is identified and described in Exhibit "A",
attached hereto and incorporated herein by this reference (hereinafter the "Assigned Parcel(s)").

C. Owner desires to assign all of its interests, rights, obligations and other terms and conditions under the
Agreement with respect to the Assigned Parcel(s).

D. Assignee desires to assume all Owner's rights and obligations and other terms and conditions under the
Agreement with respect to the Assigned Parcel(s).

NOW, THEREFORE, Owner and Assignee hereby agree as follows:

1. Owner hereby assigns effective as of Owner's conveyance of the Assigned Parcel(s) to Assignee, all of the
rights, interest, burdens and obligations of Owner under the Agreement with respect to the Assigned Parcel(s).
Owner retains all the rights, interest, burdens and obligations under the Agreement with respect to all other
property within the Subject Property owned thereby.

2. Assignee hereby assumes all of the burdens and obligations of Owner under the Agreement, and agrees to
observe and fully perform all of the duties and obligations of Owner under the Agreement, and to be subject to
all the terms and conditions thereof, with respect to the Assigned Parcel(s), it being the express intention of
both Owner and Assignee that, upon the execution of this Agreement and conveyance of the Assigned Parcel(s)
to Assignee, Assignee
shall become substituted for Owner as the "Owner" under the Agreement with respect to the Assigned
Parcel(s).

RECORDING REQUESTED BY:

CITY OF NEVADA CITY

WHEN RECORDED RETURN TO:

CITY OF NEVADA, CITY
317 Broad Street
Nevada City, CA 95959

Space Above for Recorders Use

DEVELOPMENT AGREEMENT

This Development Agreement (hereinafter sometimes referred to as this "Agreement") is made and entered into this _____ day of August, 2015, by and between the CITY OF NEVADA CITY, a municipal corporation in the State of California (hereinafter "City"), and

NEVADA CITY TECH CENTER, LLC
12555 Dunbar Road
Glen Ellen Ca 95442, and

KENMAWR-NEVADA CITY, LLC
530 Madison Avenue
New York, NY 10022

(hereinafter collectively, "Owner")

RECITALS

1. Owner owns in fee that real property located within the City of Nevada City and more particularly described in Exhibit "A" hereto and incorporated herein by this reference, hereinafter called the "Subject Property."

2. Owner desires to continue development of a business park project on the Subject Property consisting of approximately 400,000 square feet of light industrial space, and 20,000 square feet of related facilities, hereinafter called the "Project." Owner may also desire to subdivide the Subject Property into two or more legal parcels for purposes of sale, lease, or finance. At the initial approval of dividing the subject property into two parcels by prior owner Tektronix, Inc. it was been determined that half the approved development would flow to each half of the property, now in separate ownership. The two original parcels are designated as Parcels 1 and 2 on Exhibit C attached hereto and made a part hereof, and each of these two parcel is allocated 200,000 square feet of building space and 10,000 square feet of related ancillary facility space.

3. The Project shall increase the employment base of the City of Nevada City and shall further have a substantial positive beneficial impact on City financial resources.

4. The City, in accordance with applicable local and state laws, ordinances, and regulations, previously approved General Plan Amendment No. 84-18, Zoning Amendment No. 84-9, Site Plan No. 84-17, a Development Agreement By and Between the City of Nevada City and Grass Valley Group Relative to Grass Valley Group Site Development, dated November 12, 1985 (hereinafter "1985 Development Agreement"), and Annexation No. 36; and all terms and all remaining applicable conditions of said permits and approvals are as set forth in Exhibit "B" and incorporated herein by this reference; and further, that said terms and conditions shall be hereinafter called "The Development Program."

5. Other Prior City Actions:

(a) The City Planning Commission and the City Council previously approved the Final Environmental Impact Report (hereinafter "Final EIR") prepared for the Project on August 13, 1984, and the City hereby concurs in and ratifies the certification that said Final EIR has been completed in accordance with the California Environmental Quality Act and all State and local ordinances and guidelines pertaining thereto.

(b) The City Planning Commission and the City Council previously unanimously approved a further extension of this Development Agreement by Ordinance 2000-07, including environmental findings, adopted on December 11, 2000, and the Development Agreement was filed as Document Number 2001-0005473 in Nevada County Official Records on February 27, 2001. The City also approved and the then owner filed a parcel map dividing the property into two major parcels as shown on the parcel map filed in Book 19 of Parcel Maps at Page 74, Nevada County, CA official records. Said parcels are shown as Parcel 1 and Parcel 2 on Exhibit C attached hereto and made a part hereof. Said map included a companion reciprocal access, utility, and maintenance agreement filed as Document No. 2001-0042549, Nevada County Official Records, and all lands within the Project remain subject to this document or as amended.

(c) The City Council approved a tentative final map in the southerly portion of the property for Nevada City Tech Center LLC on February 14, 2006, which included an overall Site Plan Amendment to allow buildings and parking to flow through both Zones I and II, subject to City design control. The City filed a Notice of Exemption for this approval. Portions of the approved tentative final map have been filed and completed.

(d) The City Planning Commission and the City Council previously unanimously approved a general plan amendment and zone change for portions of the Subject Property by Ordinances 2011-03 and 2011-04, on January 12, 2011, zoning portions of previous development agreement Zone III to allow housing, recognizing that a housing mix could serve the business park well by reducing traffic and off-site impacts. The zoning also implement parts of the City's housing element, providing an area of use-by-right with up to 16 units per acre. This housing area is now designated as development agreement Zone IV in this development agreement extension. The City filed a Notice of Determination for a Mitigated Negative Declaration for this zoning approval.

6. In order to complete the Project, construct all necessary project related improvements and commence the use of the Subject Property in conformance with the Development Program additional governmental approvals required from the City do and shall consist of building permits, architectural design approval in conformance with City architectural review requirements. Building permit and architectural approval are deemed ministerial in that City approval is mandatory in the event the improvement designs submitted by the Owner conform to presently adopted ordinances, rules and regulations of the City.

7. The Owner hereby represents and the City hereby acknowledges that the Owner is the successor in interest to the Grass Valley Group, identified as the Owner in the 1985 Development Agreement, and Tektronix, Inc., identified as the Owner in the 2000 Development Agreement extension. The City and Owner hereby acknowledge the repeal of the earlier development agreements dated November 12, 1985 and December 22, 2000, filed as Document Numbers 85-27746 and 2001-0005473, respectively, in the office of the Nevada County Recorder. The City hereby finds and agrees that no further environmental review or documents are or shall be required to adopt this Agreement.

8. The City zoning ordinance sets forth procedures and regulations relating to the consummation of development agreements in conformance with and in furtherance of the purposes of California Government Code Section 65864 et seq.

9. Owner has prepared, and City has amended through prior City actions, a "Land Use Plan" of the subject property that is attached hereto as Exhibit "C" and incorporated herein by this reference. City hereby finds and agrees that said Land Use Plan is in conformance with the Development Program. Said Land Use Plan is intended to remain intact regard less of any future land division of the Subject Property.

10. The City, in consideration of Owner's agreement to develop the Project in accordance with the conditions of the approved Development Program, Land Use Plan, and the terms of this Agreement, desires and agrees to vest certain development rights in the Subject Property and process any remaining applications for development permits or entitlements for use and development of the Subject Property pursuant to the approved Land Use Plan expeditiously and in accordance with the terms of this Agreement and applicable state and local laws.

11. City, in consideration of Owner's agreement herein to develop the entire Project in accordance with the Development Program and Land Use Plan, desires and agrees to assure that Owner may proceed and complete the Project, and in accordance with those policies, rules, regulations, ordinances, design, improvement and construction standards and specifications, as such rules, regulations, ordinances and policies exist on the date of approval of this Agreement, subject to certain exceptions provided for herein.

12. The City Council has previously approved the Land Use Plan for the Project attached hereto as Exhibit "C", and finds that said Plan and this Agreement is in conformance with the City General Plan and applicable state and local law and that their implementation is in the best

interest of the City and the health, safety and welfare of its residents, all in furtherance of the legislative purpose set forth in California Government Code Section 65864 et seq.

NOW, THEREFORE, it is agreed by the parties hereto as follows:

ARTICLE I.

GENERAL PROVISIONS

1.1 Property Subject to the Agreement. All of that real property located in the City of Nevada City, State of California, described in Exhibit "A", shall be subject to this Agreement. It is intended and determined that the provisions of this Agreement shall constitute covenants which shall run with the Subject Property and the benefits and burdens hereof shall bind and inure to all successors in interest to the parties hereto relative to all portions of the Subject Property. The applicable provisions of this Agreement apply to each parcel and, in the event that the Subject Property is further divided into more legal parcels, the applicable provision of this Agreement shall apply to each and every parcel.

1.2 Term. The term of this Agreement shall commence upon the effective date of the resolution approving this Agreement and shall extend for a period of fifteen (15) years thereafter, unless said term is extended by circumstances set forth in Section 4.4 of this Agreement or by mutual consent of the parties hereto. Following the expiration of said term, this Agreement shall be deemed terminated and have no further force and effect.

1.3 Parties to the Agreement.

(a) City of Nevada City. The City of Nevada City is a political subdivision of the State of California, exercising general governmental functions and powers. The principal office of the City is located at 317 Broad Street, Nevada City, California 95959. "City" as used in this Agreement refers to the City of Nevada City, California, and any assignee or successor to its rights, powers and responsibilities with respect to said property. "Council" as utilized herein refers to the City Council of the City of Nevada City.

(b) The Owner. All references to "Owner" in this Agreement refer to both of the following, whose principal business addresses for the purposes of this Agreement are as shown:

NEVADA CITY TECH CENTER, LLC
12555 Dunbar Road
Glen Ellen Ca 95442

and

KENMAWR-NEVADA CITY, LLC
530 Madison Avenue
New York, NY 10022

1.4 Assignment and Assumption. Owner shall have the right to sell, assign, or transfer this Agreement with all the rights, title and interests therein to any person, firm or corporation at any time during the term of this Agreement. Such assignment and assumption may apply to all or portions of the Subject Property if it is subdivided into two or more legal parcels for purposes of sale, lease, or finance. The conditions and covenants set forth in this Agreement and incorporated herein by exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. Owner shall provide City with a signed and completed copy of the Assumption Agreement as provided for in Exhibit "E". Owner shall provide City with written notice of its intent to sell, assign or transfer this Agreement at least thirty (30) days in advance of such action. Express written assumption by such purchaser, assignee or transferee, to the satisfaction of the City Attorney, of the obligations and other terms and conditions of this Agreement with respect to the Subject Property or such portion thereof sold, assigned or transferred, shall relieve the Owner selling, assigning or transferring such interest of such obligations so expressly assumed. Any such assumption of Owner's obligations under this Agreement shall be deemed to be to the satisfaction of the City Attorney if executed in the form of the Assumption Agreement in Exhibit "E" and incorporated herein by this reference.

1.5 Development Program. "Development Program" as used herein refers to the Project as proposed by Owner and reviewed and approved by City together with only the remaining applicable conditions of approval thereon as set forth in Exhibit "B" hereto, together with any amendments thereto as may be agreed to by the parties from time to time.

1.6 Land Use Plan. "Land Use Plan" as used herein refers to that Land Use Plan Map attached hereto as Exhibit "C". Said Land Use Plan may be amended from time to time by mutual consent of the parties hereto and in conformance with the provisions of Government Code Section 65868. The term Land Use Plan herein shall include any such amendments properly approved and executed. Notwithstanding the fact that the Subject Property is zoned LI-Light Industrial, the only uses permitted on the Subject Property are the permitted, conditional, and accessory uses consistent with City's prevailing regulations for the EC-Employment Center zoning district and including these additional land uses: Permitted accessory uses typically associated with the technological, research and development, and a digital campus, such as classrooms, child care facilities, and other similar uses that support such a business.

1.7 Notices, Demands and Communications among the Parties. Formal written notices, demands, correspondence and communications between the City and Owner shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the City and Owner. Such written notices, demands, correspondence and communications may be sent in the same manner to such other persons and addresses as either party may from time to time designate by mail as provided this section.

1.8 Amendment. This Agreement may be amended from time to time by mutual consent of the parties hereto and in accordance with the provisions of Government Code Section 65868 and any procedures adopted by the City of Nevada City. The term "Development Agreement" or "Agreement" herein shall include any such amendments properly approved and executed.

1.9 Estoppel Certificates. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such other Party to certify in writing that to the knowledge of the certifying Party:

(1) This Agreement is in full force and effect and is a binding obligation of the Parties;

(2) This Agreement has not been amended or modified and, if so amended, to identify the nature and dates of such amendments;

(3) No current uncured default in the performance of the requesting Party's obligations under this Agreement exists or, if in default, the nature and amount of any defaults;

(4) This Agreement has terminated with respect to a Parcel, and such Parcel has been released from this Agreement.

(5) Owner shall reimburse City for actual costs of providing Estoppel Certificates, and the City may require an advanced deposit for such costs.

ARTICLE II.

DEVELOPMENT OF THE PROPERTY

ZONES I, II, AND III

2.1 Permitted Uses. The Subject Property shall be used and developed only for such uses as are permitted by the Employment Center zoning district regulations as set forth in the Zoning Ordinance of the City, and as further defined or restricted by the terms of the Development Program and this Agreement.

2.2 Permitted Location and Intensity of Development. The location and intensity of development of the Subject Property shall be in conformance with the Development Program and the Land Use Plan. Modifications of the location of development from that set forth in the Development Program shall be permitted in conformance with Section 3.2(d) hereof.

2.3 Reservations and Dedications of Land for Public Purposes. Provisions for reservation or dedication of land for public purposes, construction, installation and extension of public improvements, and other terms and conditions of development relevant thereto shall be those set forth in the Development Program (Exhibit "B"), Land Use Plan (Exhibit "C"), the herein Agreement and as set forth in the applicable ordinances, rules, regulations and official policies of the City in force at the time of approval of this Agreement.

2.4 Phasing of Development. The completion of the Project shall be phased based on the growth demands of the owner and of prevailing market demands.

2.5 Rules, Regulations and Official Policies: With regard to the development of the Subject Property and completion of the Project, the City rules, regulations, ordinances, laws, general and specific plans and official policies governing development, density, permitted uses, improvement standards and specifications, public services fees and charges, and environmental considerations shall be those provided by this Development Agreement and otherwise in force and effect upon the commencement of the term of this Agreement. Notwithstanding the above, the parties agree that prevailing building code technical design standards shall apply during the course of Project completion.

2.5.1 The City may thereafter, during the term of this Agreement apply only such newer, modified rules, regulations, ordinances and laws which are not in conflict with this Agreement and the rules regulations, ordinances and laws in effect on the date of this Agreement. This Section shall not preclude the application to development of the Subject Property such changes in City laws, regulations, plans or policies specifically mandated and required by changes in state or federal laws or regulations. In the event that such changes in state or federal laws prevent or preclude compliance with one or more provisions of this Agreement and implementation of the Land Use Plan, the parties shall take appropriate actions as may be required by Section 3.3 of this Agreement.

2.5.2 Application, processing and inspection fees as set forth in the City ordinances and regulations shall be those fees in effect at the time the fee is payable and shall apply to this Project pursuant to this Agreement.

2.5.3 Except as provided herein, this section shall not be construed to limit the authority or obligation of the City to hold necessary public hearings, to limit discretion of City or any of its officers or officials with regard to rules, regulations, ordinances, laws and entitlements of use which require the exercise of discretion by the City or any of its officers or officials. In no event shall subsequent discretionary or ministerial action or inaction of the City prevent the development of the Subject Property for the uses and to the density and intensity of development as set forth in the Land Use Plan and Development Program or render implementation of this Agreement impossible or economically infeasible. City shall not be responsible for project impairment solely caused by mandated changes in Federal or State laws and regulations.

2.6 Special Development Fees and Improvements: Owner shall pay specified development fees and install off-site road improvements as follows:

(a) Road Improvements: The City Council finds that the owner has previously completed the road improvements generally described in Site Plan condition of approval No. 19 as more specifically described in Exhibit "D" attached hereto and incorporated herein by this reference.

(b) Traffic Mitigation Fees:

(1) Prior to issuance of a Certificate of Occupancy as to any phase of the Project, Owner shall pay to the City a sum equal to not more than One Hundred and Forty Dollars (\$140.00) times the number of parking spaces required to be installed by Nevada City Ordinance No. 85-4 necessary to serve the structure for which occupancy is desired by Owner. Should the owner install parking spaces in excess of those required by said City Ordinance, said additional spaces shall not be included in the traffic fee calculation.

(2) Based on the Owner's previous completion of the road improvements as indicated in Subsection (a) that primarily benefit the general public, which improvements are described in Section (b) of Exhibit "D", the owner has a current credit balance of 332 pre-paid parking spaces distributed as 238 spaces prepaid for Parcel 1 and 94 spaces prepaid for Parcel 2.

(3) City has retained the funds paid by owner in a separate account and has applied the same for the purpose of installing improvements to the regional and local transportation system necessary to mitigate the impacts caused by the development of the Project. Compliance with the herein Subparagraph is deemed full satisfaction of Site Plan condition of approval No. 22.

(4) The completion of the off-site improvements described in Exhibit "D", together with the on-going requirement to pay additional per-parking space fees, shall constitute the traffic mitigation for the Project, and additional construction consistent with the Development Program shall be exempt from the traffic mitigation component of the City's prevailing AB1600 Development fees.

(c) Fire Protection Fee: Owner has previously paid a fire protection fee in the sum of Fifteen Thousand Dollars (\$15,000.00), which funds have been applied by the City to secure fire service facilities, equipment and manpower necessary to serve the Project. Said fee shall apply only to the development shown on Site Plan No. 84-17, and any further development may be subject to additional fees. All project development shall be subject to the prevailing fire department annual parcel charge as applied throughout the City. However, the prepayment of this fee constitutes full development fee mitigation of fire service impacts, and further development of the Project consistent with the Development Program shall be exempt from the fire department component of the City's prevailing AB 1600 Development fees.

(d) Sewage Treatment Facility and Connection Fee:

(1) Owner shall pay a onetime Sewage Treatment Facility Fee to the City, a sum equal to \$2.657/gallon/day of sewage effluent requiring treatment generated by the Project. Said fee shall be due and payable for each phase of the Project for which Owner requests occupancy prior to issuance of a Certificate of Occupancy.

(2) Owner shall pay a onetime sewage service connection fee of \$4.173/gallon/day of sewage effluent requiring treatment generated by the Project, which shall be due and payable at the same time as the fee provided for in sub-section (d)(1), above.

(3) In addition to the above sewer service related fees Owner shall be solely responsible for the cost of such works of improvement as may be necessary to connect Project sewage transmission lines with City transmission facilities.

(4) Payment of the herein sewage service related fees by Developer shall be deemed to fully satisfy the requirements of Site Plan Condition of Approval No. 42 with respect to sewage service. Acceptance of sewage fee payment by City shall constitute full satisfaction of Site Plan Condition of Approval No. 33.

(5) Payment of the fees outlined above constitute mitigation for the project and future development of the Project consistent with the Development Program shall be exempt from the sewer component of the City's prevailing AB 1600 Development Fee Program.

(6) Owner shall be required to comply with all existing and later adopted ordinances regarding discharge into the City sewer system. Further, Owner shall not discharge into the City sewer system any substance in sufficient quantity to injure or interfere with any sewage treatment process or cause water quality violations.

(e) Special Fees. The parties acknowledge and agree that the Special Fees and road improvement obligations set forth in this Section shall constitute the sole fees that may be imposed on Owner for the purpose of securing the public services described herein as a condition of Project implementation and use of the Subject Property in conformance with the Land Use Plan and Development Program and the herein Agreement. One purpose of the herein Special Fees provisions is to provide a ministerial means of determining fee and improvement obligations imposed by Site Plan conditions of approval. Owner acknowledges and agrees that certain existing City ordinances and regulations provide for additional public service related charges (for example - plan check and inspection fees), and it is not the intent of the herein Section to preclude the imposition of such charges.

(f) AB 1600 Development Fees. Owner shall be responsible for payment of the prevailing AB 1600 Development fee for future project development, excepting the components for traffic, fire, and sewer, as outlined above. Said fees shall be paid prior to the issuance of a Certificate of Occupancy and shall be based on the gross square footage and use for the building being occupied.

(g) Sales Tax. To the extent reasonably feasible, Owner will implement tax reporting procedures which will provide Nevada City the greatest benefit from California sales and use tax revenues. Such procedures may include designating the City of Nevada City as the point of sale for sales tax and use for self-reporting use tax under regulation 1699 on out of state purchases of goods used in the City of Nevada City in accordance with the rules outlined in SB 100, and reporting the City of Nevada City as the location of construction costs as allowed by the California State Board of Equalization per their December 1994 amendment to Regulation 1806. Owner shall not be obligated to implement procedures contrary to the sales and use tax laws or regulations of California or any other state. In the event Owner or any of its assigns or successors in interests lease the Subject Property hereafter, Owner will include this paragraph in such lease.

ZONE IV

2.7 City Review and Approval. Development of the residential portion of the Subject Property is pending at the time of the extension of the herein development agreement, and said Zone IV development approval shall be subject to the City's ordinary development review and tentative map approval processes.

2.8 Prior Environmental Review. The Residential Area general plan and zoning designations were subject to overall environmental review with the adoption of Ordinances 2011-03 and 2011-04. Development details during the City's ordinary development review and tentative map processes, shall include subsequent environmental review and appropriate mitigations based on the site plan specific public reviews under City ordinances, General Plan Housing Element, and the California Environmental Quality Act (CEQA).

ARTICLE III

DEVELOPMENT PROGRAM

3.1 Owner. Owner agrees to develop the property in conformance with the terms of this Agreement, including the terms and conditions of development set forth in the Development Program. Improvement scheduling or dates or times of performance of either party hereto may be subject to revision from time to time as mutually agreed in writing. Such revisions are within the framework of this Agreement as presently drafted and executed and do not constitute contract amendments requiring new notice and hearing under State and local law.

3.2 The City

(a) The City hereby agrees that it will accept for processing, review and approval all applications for development permits or other entitlements for use of the Subject Property necessary to implement the Land Use Plan, the Development Program and the herein Agreement provided that such applications are in conformance here with.

(b) In all instances, the City shall inform Owner upon request of necessary submission requirements for each application for permit or other entitlements for use in advance and review and schedule such application for Planning Commission and/or City Council action pursuant to the times set forth in this Section. Should the City fail to act within said time limitations, Owner may elect to take other action under Article IV hereof.

(c) In addition to its contractual obligations to cooperate with Owner in implementing the project in a timely fashion, City acknowledges that, in any event, it must take action upon the application for development permits or other entitlements for use necessary to implement the Land Use Plan in this Agreement within the time limitations established under existing or subsequently amended State and local planning, zoning, environmental, and subdivision laws, or be subject to the additional penalties set forth herein.

(d) (1) Owner may submit building, parking, and circulation improvement plans for portions

of the Project located in "Zone I - Primary Use Area and Zone II –Secondary Use Area as shown on Exhibit C the Land Use Plan describing modifications in building and related improvement locations and the size of individual structures different from that shown on the approved original Site Plan without Site Plan amendment or further environmental review if such modifications are otherwise consistent with the terms of said Site Plan and this Agreement.

(2) The submittal of plans by Owner for building permit approval proposing development in "Zone III - Open Space/Reserved Development Area" shall require Site Plan amendment and amendment of the herein Agreement, actions subject to the discretionary approval authority of the City, including a determination of whether existing environmental documents are adequate to address the impact of any said amendment.

(3) The Residential District in Zone IV shall be subject to ordinary City design review, environmental review, and conditional approval. See also Section 2.7 et seq. above.

3.3 Cooperation in Securing Governmental Permits - Conflict of Laws. The City shall cooperate with the Owner in securing for Owner all permits which may be required by the City or any other governmental agency.

(a) In the event that State or Federal laws or regulations enacted or otherwise effective after this Agreement has been entered into, or the action or inaction of any other affected governmental jurisdiction 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 hereto agree that the provisions of the Agreement shall be promptly modified or suspended as may be necessary to comply with such State or Federal laws or regulations or applicable action or inaction of other affected governmental jurisdictions so long as such action or inaction is not inconsistent with City law and policy. City shall not be deemed in breach hereof if compliance by City is precluded by said State or Federal laws and regulations, or said governmental action and inaction.

(b) Each party to this Agreement agrees to extend to the other its prompt and reasonable cooperation in so modifying this Agreement or approved plans, map or permits to allow continued development of the Subject Property to the extent feasible and consistent with the principles and provisions of this Agreement.

ARTICLE IV

DEFAULT, REMEDIES, TERMINATION

4.1 General Provisions.

(a) Subject to extensions of time by mutual consent in writing or as set forth in Sections 4.2 and 4.3 hereof, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement.

(b) In the event of default or breach of this Agreement or any of its terms or conditions, the party alleging such default or breach shall give the breaching party not less than thirty (30) days' notice in writing, measured from the date of certified mailing, specifying the nature of the alleged default and, where appropriate, the manner in which said default may be satisfactorily cured. During any such thirty-day period of curing, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

(c) After proper notice and the expiration of said thirty-day cure period, the other party to this Agreement, at its option, may institute legal proceedings pursuant to Section 4.5 hereof or give notice of intent to terminate this Agreement pursuant to California Government Code Section 65868. The matter shall be scheduled for consideration and reviewed in the manner set forth in California Government Code Sections 65864 et seq. by the City of Nevada City within thirty (30) days after notice of intent to terminate.

(d) Following consideration of the evidence presented before the City of Nevada City, either party alleging a default by the other party may, at its option, give written notice of termination of this Agreement to the other party by certified mail. Written notice of termination of this Agreement shall be effective immediately upon certified mailing to the defaulting party.

(e) Evidence of default by either party may also arise in the course of a regularly scheduled periodic review of this Agreement pursuant to California Government Code Section 65865.1. If either party determines that the opposing party is in default following the completion of the normally scheduled periodic review of progress under the Agreement, it may at its option, give, by certified mail, written notice of termination of this Agreement to the opposing party, specifying therein the alleged nature of the default, feasible actions to cure said default where appropriate, and granting the alleged defaulting party thirty (30) days in which to cure said default. If the alleged default is not cured within thirty (30) days or the defaulting party waives its right to cure such alleged default, this Agreement shall be deemed terminated thirty-one (31) days from the date of mailing of the notice of intent.

(f) Failure or delay in giving notice of default pursuant to this Section shall not constitute a waiver of any default, nor shall it change the time of default.

(g) Except as otherwise expressly provided in this Agreement, any failure or delay by either party in, asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

4.2 Default of Owner.

(a) The City shall, at least once every twelve (12) months during the term hereof, review the good faith substantial compliance of Owner with the terms of this Agreement. Such periodic review shall be limited in scope to compliance with the terms of this Agreement, and notice shall be provided pursuant to California Government Code Sections 65867 and 65868, including a

statement that any review may result in amendment or termination of this Agreement, after notice and hearing as provided in Section 4.1.

(b) In connection with each periodic review, the City's finding of good faith compliance by Owner with the terms of the Agreement shall conclusively determine said issue up to the date of said review for purposes of future periodic reviews or legal action between the parties.

(c) The City shall deposit in the mail to Owner a copy of all staff reports and, to the extent practicable, related exhibits concerning contract performance a minimum of ten (10) calendar days prior to such review or action upon the Development Agreement by the Planning Commission or the City Council.

(d) Upon request by Owner, Owner shall be permitted an opportunity to be heard orally and in writing regarding its performance under this Agreement before each appropriate Departmental, Planning Commission or City Council review or action on the Agreement.

4.3 Default By City.

(a) In the event that the City does not accept, review, approve or issue necessary development permits or entitlements for use in a timely fashion as defined by this Agreement, despite a good faith effort by Owner to file timely complete application therefore or the City otherwise defaults under this Agreement, the City agrees that Owner shall in no event be obligated to proceed with or complete the project or any phase thereof, nor shall resulting delays in Owner performance constitute grounds for termination or cancellation of this Agreement or the loss of density and use rights of Owner hereunder.

(b) Within thirty (30) days after receipt of a written request from Owner, the City shall consent in writing to reasonable adjustment or extension in any time schedule for Owner's performance hereunder.

4.4 Enforced Delay: Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to any of the following factors, the existence and impact of which are satisfactorily demonstrated: war; insurrection; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; the enactment of conflicting state or federal laws or regulations; new or supplemental environmental regulation; litigation; unusually severe weather; acts or failure to act of any public or governmental agency or entity (other than that, acts or failure to act of the City shall not excuse performance by the City); any abnormal delay in issuance of the permits referred to in Sections 3.2 and 3.3; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time in writing for any such cause shall be granted for the period of the enforced delay, or longer as mutually agreed upon, which period shall commence at the time of the commencement of the cause.

4.5 Institution of Legal Actions. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default; to enforce any covenants or agreements herein or to enjoin any threatened or attempted violation thereof; to recover damages for any default; or to obtain any other remedy consistent with the purpose of this Agreement. Notwithstanding the above; Owner shall not be entitled to recover damages for any loss of profits derived from product sales; in no event shall City be entitled to recover for loss of tax or assessment revenues as a measure of damages; and any monetary damage award shall be limited to compensatory damages only. Such legal actions must be instituted in the Superior Court of the County of Nevada, State of California, or in the Federal District Court in the Eastern District of California.

4.6 Applicable Law/Attorney's Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing party in such action shall be entitled to all reasonable attorney's fees, court costs and necessary disbursements in connection with such litigation.

ARTICLE V

PROJECT AS A PRIVATE UNDERTAKING

5.1 It is specifically understood and agreed by and between the parties hereto that the subject development is a private development; that the City has no interest in or responsibility for or duty to third parties concerning any of said improvements until such time and only until such time as City accepts the same pursuant to the provisions of this Agreement or in connection with the various subdivision map approvals; and that Owner shall have full power over and exclusive control of the Subject Property herein described, subject only to the limitations and obligations of the Owner under this Agreement.

ARTICLE VI

COOPERATION IN THE EVENT OF LEGAL CHALLENGE TO THIS AGREEMENT

6.1 In the event any legal action is instituted by a third party or other governmental entity or official challenging the validity of one or more provisions of this Agreement, the state and local legislation authorizing the City to enter into this Agreement, or discretionary action and approvals of the City on development permits or other entitlements for use and development of Subject Property pursuant to the approved Land Use Plan and this Agreement, the parties hereto agree to cooperate in defending said action .

ARTICLE VII

ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

7.1 Counterparts. This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original. This Agreement consists of fourteen (14) pages and four (4) exhibits,

which constitute the entire understanding and agreement of the parties. Said exhibits are as follows:

- Exhibit "A" - Legal Description of Subject Property
- Exhibit "B" - Development Program
- Exhibit "C" - Land Use Plan
- Exhibit "D" - Off-Site Road Improvements

7.2 Entire Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

7.3 Waiver. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Owner, and all Amendments hereto must be in writing, signed by the appropriate authorities of the City and the Owner and in a form suitable for recording in the Office of the Recorder, County of Nevada.

7.4 Recordation.

(a) Within ten (10) days of the date of this Agreement, or subsequent Amendments thereto, a copy thereof shall be recorded in the Official Records of Nevada County, California.

(b) Upon completion of contract performance by the parties or revocation of this Agreement, a written statement acknowledging such completion or revocation, signed by the appropriate agents of the City and Owner, shall be recorded in the Official Records of Nevada County, California.

ARTICLE VIII

SEVERABILITY

8.1 The parties hereto agree that the provisions are severable. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected and shall remain in full force and effect unless amended or modified by mutual consent of the parties.

IN WITNESS WHEREOF, the parties hereto do affix their signatures as follows:

CITY OF NEVADA CITY

By: _____
Jennifer M. Ray, Ph.D, Mayor

ATTEST:

By: _____
Niel Locke, City Clerk

NEVADA CITY TECH CENTER, LLC

By: CAMPUS PROPERTIES, LLC, Manager

By: Robert and Linda Upton Trust, Manager

By: _____
Robert Upton, Trustee

KENMAWR-NEVADA CITY, LLC

By: _____
_____ its _____

Attach Notary's Acknowledgment

CONSENT TO RECORDING of DEVELOPMENT AGREEMENT
RELATIVE TO DEVELOPMENT SITE, PROVIDENCE MINE ROAD

I, the undersigned Mayor of the City of Nevada City, California, pursuant to Ordinance 85-10, hereby consent to the recording of the attached Development Agreement By and Between the City of Nevada City and Nevada City Tech Center LLC and Kenmawr-Nevada City, LLC, relative to Providence Mine Road Site Development.

Date: _____, 2015 By: _____
Jennifer M. Ray, Ph.D, Mayor, City of Nevada City

Attest:

By: _____
Niel Locke, City Clerk, City of Nevada City

EXHIBIT A

Subject Property

Providence Mine Road Development Agreement Property Description:

All that portion of real property located within the incorporated area of the City of Nevada City, County of Nevada, State of California and described as Parcel B on Nevada City Parcel Map 85-01, recorded on July 26, 1985 and filed in Book 17 of Parcel Maps at Page 29, Nevada County, California, EXCEPTING THEREFROM that portion conveyed to the City of Nevada City along the abandoned Rough and Ready Canal for public trail purposes along the northerly line of said Parcel B.

EXHIBIT B

DEVELOPMENT PROGRAM
(ORIGINAL PROJECT CONDITIONS OF APPROVAL: THE PARTIES HERETO
ACKNOWLEDGE THAT CERTAIN ORIGINAL CONDITIONS AS MARKED
BY AN ASTERISK (*) HAVE BEEN FULLY SATISFIED)

July 12, 1984

Mr. Ken Myers
GRASS VALLEY GROUP, INC
Post Office Box 1114
Grass Valley, California 95945

SUBJECT: GRASS VALLEY GROUP, INC.
General Plan Amendment, P rezoning, Site Plan, and Development Agreement: FINAL EIR and
PROJECT.

Dear Mr. Myers:

Please be advised that at their regular meeting of July 12, 1984, the Nevada City Planning Commission took the following actions regarding the above referenced project:

1. REGARDING THE PROJECT ENVIRONMENTAL IMPACT REPORT:

The Planning Commission found that the Final EIR for the Grass Valley Group, Inc. application was adequate and complete, contained all of the information that could reasonably be included, and recommend that the City Council certify that:

- A. The final EIR has been completed in compliance with CEQA, and
- B. The final EIR was presented to the City of Nevada City, and that the City reviewed and considered the information contained in the final EIR prior to any action on the project.

2. REGARDING THE PROJECT APPLICATIONS:

A. ENVIRONMENTAL FINDINGS: The Planning Commission considered the information in the Final EIR for the project, and found that with mitigations attached to the site plan as conditions of approval, any potential significant adverse effects would be reduced below the level of significance. However, because of the large size of this project and because it will not be completed for another 15 years, the Commission found that it is difficult to accurately predict the environmental impacts caused by the project. Because of this, it is possible that reasonable minds could differ as to whether the project, even after adoption of the mitigation measures, may cause a significant environmental impact. In reviewing the final EIR the Commission noted that the

EIR author pointed to traffic, sewer, water, and air quality as having possible "moderate" impacts, even after mitigation. The EIR author indicated to the City staff that "moderate" impacts should be considered as impacts below the level of significance. However, the Planning Commission incorporated the Findings of Overriding

Consideration, as stated in the attached memorandum from the City Attorney, Mr. James Anderson, dated July 12, 1984, Items 1, 2, 3, and 4 .

B. ANNEXATION: The Planning Commission recommended that the City Council approve the annexation of the project area to the City of Nevada City, subject to the approval of the Nevada County Local Agency Formation Commission (LAFCO).

C. GENERAL PLAN AMENDMENT: The Planning Commission recommended that the City Council amend the General Plan to show the project area as Industrial and Commercial, with the areas as defined by the project application. In making this recommendation, the Commission further recommended that the updated general plan designate the project area as Employment Center, and Office and Professional, with the areas as outlined in the application.

D. PREZONING: The Planning Commission recommended that the City Council prezone the project lands to LI-light industrial and LB-local business, with the areas as defined by the project application. The intent of the Commission is to limit the area represented as Office and Professional to those uses, without retail sales, and the Commission further recognized that development of this area would be subject to future site plan and environmental review.

E. DEVELOPMENT AGREEMENT: The Planning Commission recommended that the City Council enter into a development agreement with Grass Valley Group, Inc., with the agreement to be in a form approved by the City Attorney.

F. SITE PLAN: The Planning Commission approved the site plan submitted by Grass Valley Group, Inc., subject to the following conditions of approval (numbers in parenthesis refer to the applicable mitigation measure(s) outlined in the Final EIR):

*1. The site plan approval is subject to approval of the annexation, general plan amendment, and prezoning by the City Council.

*2. As required by City ordinance 82-1, the applicant shall pay \$660.00 in park and recreation fees, prior to final City Council acceptance of the Annexation (following LAFCO action) .

*3. Prior to site disturbance or the issuance of a grading or building permit for any phase of the project, the developer shall submit geotechnical (soils engineering) information as required by the City Engineer, which should provide the following information: The location of mine shafts or tunnels, soil stability limitations, methods of construction in the vicinity of mine shafts or tunnels, and cut/fill slope recommendations. (1, 2, 3, 4, 11)

4. All construction shall be in accordance with the geotechnical recommendations and shall be subject to the approval of the City Engineer with respect to grading, location of improvements, and cut/fill slopes. (3, 8, 9)

5. Prior to site disturbance or the issuance of a grading or building permit for any phase of the project, the developer shall prepare, submit, and obtain approval from the City Engineer of an engineered grading, drainage, and utility plan, showing the extent of clearing and grading, limits of cut/fill slopes, drainage improvements, and erosion control. Any construction beyond the areas indicated on the site plan, which encroaches into areas exceeding 20% cross-slope, shall be planned and implemented in accordance with techniques and specifications required and approved by the City Engineer. Road grades shall be between 0.25% and 15%. Trail systems shall be designed to avoid any geologic hazards. These plans may be submitted in phases. (6, 7, 9, 10, 29)

6. Prior to the issuance of a building permit, the Nevada County Building Department shall approve the foundation and pad design based on the geotechnical study, and shall approve the structural design of the buildings based on applicable earthquake standards. (12, 13, 14, 31)

7. The property owner shall conduct an ongoing maintenance program to fill holes or ground subsidence if and when it should occur. (5)

8. Prior to any site disturbance or the issuance of a grading or building permit, the developer shall prepare an Erosion and Sediment Control Plan, and shall obtain approval of the plan from the City Engineer or the Nevada County Resource Conservation District. The Plan should consider the following features: Temporary and permanent erosion control methods, the possible assignment of an Erosion Control/Water Quality supervisor to the construction team, limiting construction to the dry season (March-October), immediate revegetation of disturbed soils with drought-resistant vegetation, protection of existing vegetation through temporary fencing during construction, removal or stabilization of excavated material before the rainy season, paving of roads and parking areas, washing equipment tires before leaving the site if possible, the use of interceptor ditches to divert water from cut slopes, and the possible use of a sediment ponds or natural marsh to filter runoff. (15 through 28, 30, 36, 51)

9. The engineered drainage plan required by condition number 5 above, shall consider the following objectives: direction of existing and new storm flows away from erosion prone areas, correction of existing drainage runoff, temporary correction of construction related flow increases, incorporation of collection, filtration, and detention facilities, a study of Peck Ravine's capacity and role in controlling surface water flows, and if recommended by the soils study, on-site construction monitoring by an Erosion Control/Water Quality specialist. (32 through 35, 37)

10. To minimize water quality impacts, the developer shall implement a regular street sweeping program and shall implement a regular maintenance schedule of drainage facilities. There shall be no on-site disposal of oil, oil filters, or other contaminants, nor shall salt be used to control frost and ice. If deemed necessary by the City Engineer, oil and grease traps and/or sedimentation settlement areas shall be incorporated into the drainage design of the roads and parking areas. (38 through 42, 52, 54 55)

11. There shall be no development in the riparian area of the property, and any drainage into the riparian area shall be controlled and filtered. (43, 44)

12. A tree removal permit shall be required from the City of Nevada City by separate application for any tree removal that exceeds 20% the on-site resource. (45)

13. Prior to any site disturbance, the developer shall prepare and submit to the City, a Timber Management Plan that establishes long range management techniques and goals, and emphasizes management for a healthy forest, provides for minimizing insect and disease infestations, provides for wildlife and fire protection, and presents criteria for the use of herbicides for thinning. (46, 47)

14. Flammable brush understory shall be cleared in the vicinity of buildings and parking areas to reduce fire hazard. (48)

15. The use of natural, drought-resistant, non-invasive species for landscaping is encouraged to minimize water consumption for irrigation, and to maximize food, forage, nesting, and shelter habitat for wildlife (49, 50)

16. Chemical toilets shall be provided for construction crews. (53)

*17. Prior to site disturbance, the developer shall prepare and submit engineered improvement plans for reconstruction of Lone Pine Road and the project access road, to the City Engineer for approval. Plan check and inspection fees shall be paid to the City for this review. Improvement plans for improvements to Zion Street, the Ridge/Zion intersection, and the encroachment of Lone Pine Road shall be prepared by the City Engineer at the expense of the developer. No plan check fee will be required for this design work, but inspection fees shall be assessed. The developer shall dedicate any needed right-of-way on Zion Street, and shall offer for dedication the right-of-way along Lone Pine Road. Unless and until this offer is accepted by the City, the maintenance and snow removal on Lone Pine Road shall remain the responsibility of the benefitting property owners.

*18. Prior to issuance of a certificate of occupancy, the developer shall complete the following road improvements:

a. Widen Zion Street with channelization and striping as required by the City Engineer. (57)

b. Improve Lone Pine Road to a width of 24' with encroachment reconstruction to the specifications required by the City Engineer, in condition number 17 above. The City Engineer may require construction of a temporary turn-around and gate beyond the project access, to prevent casual traffic over private lands, to Deer Creek. (56)

c. The value of the construction of road way improvements on Zion Street and the Zion/Ridge intersection beyond the direct needs of the Grass Valley Group project shall

be credited toward any future mitigation fee programs adopted by the City, as outlined in Condition Number 22 below.

19. Interior parking areas shall be constructed in phases and shall contain 55% regular stalls of 9'x 1 8' and no more than 45% compact stalls of 8'x 4' (dimensions for 90 parking spaces). Travel aisles shall be 24' wide where two-way traffic is planned. The City Engineer may approve parking area dimensions where one-way and/or angled parking spaces are provided, during the review of the grading plan as required by Condition 5, above.

20. The project shall operate using flex-time for employee work hours, as represented by the applicant. (60, 67)

21. As represented by the applicant, the project operation shall encourage the use of car and van pools. The developer will initiate a dialogue with the Gold Country Stage, in an effort to maximize the use of bus service for employee commuting. Bicycle parking facilities and pedestrian access ways shall be provided as a part of the project. (58, 59, 67, 69, 70, 72)

*22. To offset the impacts of the project on traffic in the area of the Gold Flat interchange and Ridge/Zion intersection, the applicant shall comply with then-current mitigation fee schedules or programs, as may be adopted by the City Council, applicable to similar development. Mitigation fees may be paid in proportion to phase development, prior to the issuance of a building permit. (61 through 66)

23. Dust shall be controlled during construction, by the application of water as needed, immediate revegetation, and minimal site clearance. (68)

24. All permanent noise generating equipment shall be muffled or silenced to limit noise levels to 60 d BA or lower, at the project property line. (71)

25. Development of the project shall substantially comply with the representations of the applicant, incorporating vegetation buffers, entrance treatment, landscaping, and low profile building design. Prior to issuance of a building permit, the developer shall obtain final architectural approval from the Planning Commission under a separate application. (73)

26. All known or newly discovered archaeological or historical resources shall be fenced and protected from construction activity. Permanent treatment and interpretive signing to preserve the features is encouraged. (74, 75)

27. To protect unidentified archaeological features, the plans and contract specifications for site development shall contain a brief summary of identification criteria for construction personnel and a notification procedure to initiate the review of suspected resources by a qualified person. (76, 77, 78)

28. Prior to the issuance of each building permit for phased construction, the developer shall obtain a commitment for water service, and submit evidence of the service to the City. (79)

29. Extension of water service to the site shall be subject to the review and approval of Nevada Irrigation District (NID) unless service areas are adjusted to allow City service. If NID water is used, annexation of the lands outside the District will be required prior to service, unless waived by NID. The developer is encouraged to initiate long term planning discussions and evaluation for the provision of total project water service. (82, 83, 84)

30. Engineered grading plans shall include a landscaping plan using native, drought- resistant species, drip irrigation, and possible use of grey water. (80)

31. Low water flow fixtures shall be used throughout the construction. (81)

32. In order to assure adequate fire protection, the developer shall provide a hydraulic analysis to estimate on-site fire flows, and shall obtain City clearance of on-site hydrants and fire protection measures, prior to the issuance of a building permit or any site disturbance. Unless waived by the City, all buildings shall include an engineered sprinkler system with central alarm. Roofing material shall be fire resistant. Other building materials are encouraged to be fire retardant materials. Flammable understory brush shall be cleared within 30' of buildings. (85, 86, 91, 92, 93, 94, 95)

33. Prior to the issuance of each phase building permit, the applicant shall verify that there is sufficient sewage treatment plant capacity and that wastewater discharge standards would not be violated. (87)

34. On-site sewage collection improvements and sewer trunks to the treatment plant shall be reviewed and approved by the City Engineer along with the grading and utility plan required by Condition 5, above. (89)

35. The project sponsor is encouraged to participate in solid waste recycling programs. Site development should be coordinated with the solid waste hauler, if those services are utilized, to provide for adequate dumpster facilities and access. (96)

36. The use, storage, handling, and disposal of any hazardous or toxic materials shall be in strict compliance with Federal, State, and local requirements. Storage facilities shall be properly maintained at all times. (96a, 96d)

37. The applicant shall advise the City Fire Department and California Division of Forestry of the location and type of materials being stored, shall provide those agencies with an emergency spill contingency plan outlining equipment and procedures needed to clean up any spill, and shall provide a list of agencies to be contacted in the event of a spill. (96b, 96c)

38. The project shall be developed in phases, as represented by the applicant.

39. Any development beyond the site plan proposed on the project area, including any future office and professional use, shall be processed under then-current City procedures, including new environmental review. (101)

* 40. The areas adjacent to Deer Creek, and other areas represented by the applicant to remain as open space, shall remain as open space.

* 41. The developer shall dedicate access and utility easements to the City along existing improvements serving the Nevada City Wastewater Treatment Plant. The developer shall also dedicate utility easements as may be required by other utilities providers.

* 42. To offset cumulative impacts on public services, the developer shall comply with then-current mitigation fees or programs, as may be adopted by the City Council, for mitigating the impacts on sewer treatment and collection, fire protection, and water service (if water is provided by the City) .

As indicated herein, City Council action is required on the environmental impact report and project, in order for you to obtain final City approval. The site plan action by the Planning Commission is final, subject to the City Council's approval of the annexation, general plan amendment, and pre-zoning. There is a fifteen day appeal period for site plan conditions. All other components of the application will go to the Council automatically.

Originally signed by:
NEVADA COUNTY PLANNING COMMISSION
/S/W. Lon Cooper, Chairman

PROPOSED ADDITIONAL FINDING
Originally Dated July 12, 1984

RE: GRASS VALLEY GROUP

Because of the large size of this project and because it will not be completed for another 15 years, it is difficult to accurately predict the environmental impacts caused by the project. Because of this, it is possible that reasonable minds could differ as to whether the project, even after adoption of the mitigation measures, may cause a significant environmental impact. In reviewing the final EIR I note that Kate Burdick points to traffic, sewer, water, and air quality as having possible moderate impacts even after mitigation. In talking with her it does appear that she feels that there will be no significant impact in these areas as long as the mitigation measures are vigorously enforced. However, in view of the potential economic benefit to the City, and in fairness to the applicant, I believe the Commission should deal with the issue of whether it would approve the project even if it were to be determined that the project would have a significant environmental impact on the traffic, water, sewer or air quality.

I recommend that the Commission find that even if the project should be determined to have significant environmental impacts even after mitigation that it approve the site plan and make the following findings:

1. The Planning Commission finds that in view of the size of the project, the fact that it would be a phased development over a 14-year period and that it is extremely difficult to determine how many other projects would be approved in this project's vicinity, that it may be possible that

this project and others that may be approved in the future may contribute to a cumulative decrease in air quality in the future in the project vicinity which is significant. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact that may be caused by the decrease in air quality due to the cumulative impact of this project and others in the vicinity.

2. The Planning Commission finds that in view of the size of the project, the fact that it would be a phased development over a 14-year period, and the uncertainty in projecting local government revenue over the next 14 years, it may be possible that in the future this project may have a significant impact on local governments' ability to provide adequate water and sewer treatment in spite of the implementation of the suggested mitigating measures. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact on sewer and water treatment systems.

3. The Planning Commission finds that in view of the size of the project, and the fact that it would be a phased development over a 14-year period, that it may be possible that the increased traffic volumes generated by the project, including its contribution to the cumulative traffic volumes in the project area, may cause in the future a significant environmental impact in spite of the implementation of the suggested mitigation measures. Even if this should occur, the Planning Commission finds that the economic benefit to the City of Nevada City and its citizens from this project more than outweighs any significant environmental impact that may be caused by the increased traffic generated by the project.

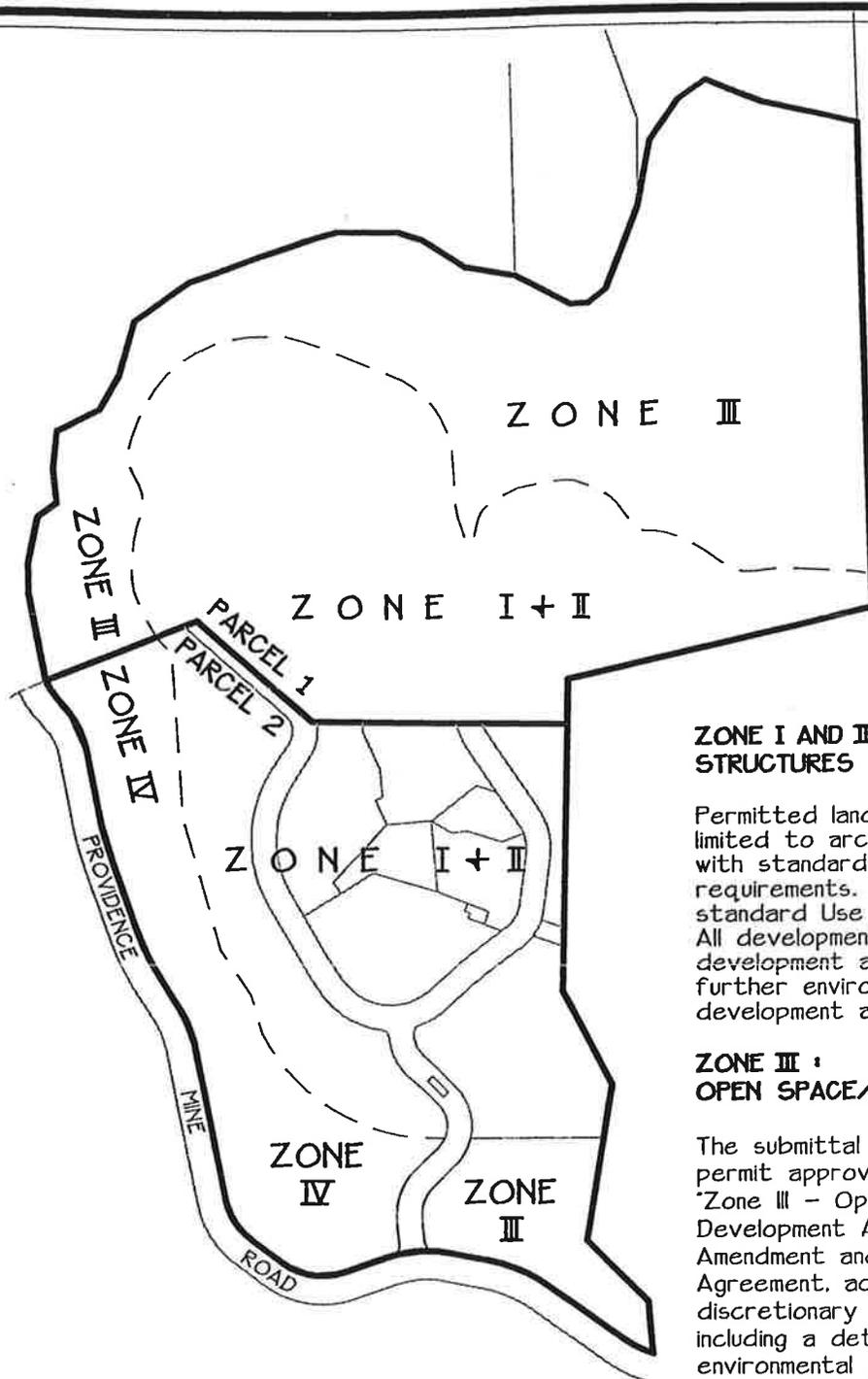
4. The Planning Commission finds that the economic benefit to the City of Nevada City from the project is as follows:

A. The City of Nevada City and its surrounding area have a chronic high unemployment rate and this project will create approximately 2,000 new jobs.

B. The City of Nevada City is currently facing financial difficulty, and the project will generate net revenue to the City of Nevada City in the approximate sum of \$200,000 annually at build-out.

Originally signed by

/S/ James R. Anderson City Attorney



SCALE: 1"=500'

**ZONE I AND II :
STRUCTURES + PARKING DEVELOPMENT AREA**

Permitted land uses allowed with City review limited to architectural review and compliance with standard parking and landscaping requirements. Conditional uses require a standard Use Permit application and process. All development consistent with this development agreement is exempt from further environmental review. See overall development agreement for additional details.

**ZONE III :
OPEN SPACE/RESERVED DEVELOPMENT AREA**

The submittal of plans by Owner for building permit approval proposing development in "Zone III - Open Space/Reserved Development Area" shall require Site Plan Amendment and amendment of the herein Agreement, actions subject to the discretionary approval authority of the City, including a determination of whether existing environmental documents are adequate to address the impact of any said amendment.

**ZONE IV :
RESIDENTIAL AREA**

The development plans by Owner for residential use are in process with the City at the time of this Development Agreement extension. The development proposal shall be subject to the ordinary review and approval process applied to other properties in the City, except for reliance on prior environmental reviews, the General Plan Housing Element, and zoning ordinances.

**EXHIBIT "C"
LAND USE MAP**

EXHIBIT D

GRASS VALLEY GROUP
NEVADA CITY SITE DEVELOPMENT (ORIGINAL EXHIBIT-
THE PARTIES HERETO ACKNOWLEDGE THAT THE HEREIN ROAD IMPROVEMENTS
HAVE BEEN COMPLETED)

Road Improvements:

- a. Required road improvements consist of improvements to Zion Street, Nevada City Highway, Gold Fl at Road, Ridge Road, and Providence Mine Road, as defined by the Improvement Plans for Grass Valley Group and Providence Park prepared by Nevada City Engineering, Inc., in April, 1985, as Job Number 85-20.
- b. The portion of the road improvements that primarily benefit the general public and therefore are eligible for a credit towards the payment of traffic mitigation fees includes all improvement on the Nevada City Highway, Gold Flat Road, and Ridge Road; and all improvements on Zion Street with the exception of one left-turn lane consisting of aggregate base and paving 10 feet wide x 300 feet long.

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: City Council Appointments for Fiscal Year 2015-2016

RECOMMENDATION: Appoint City Council Members to City and External Boards, Committees and Commissions for Fiscal Year 2015-2016.

CONTACT: Mark Prestwich, City Manager

BACKGROUND / DISCUSSION: City Council Members regularly participate as members of various boards, committees and commissions. City Council Members are appointed to these bodies by either the full City Council or Mayor. Terms vary as described in the attached "Commission/Committee Description & Purpose" document. A summary of current external and City boards, committees and commissions is provided below. Prior year appointments are included for reference purposes.

EXTERNAL ORGANIZATIONS

	2014/15 Appointee	2014/15 Alternate	Appointed by
LAFCo	Robert Bergman	Duane Strawser	City Council
NCTC/Airport Commission/Nevada County Transit	Terri Andersen	Duane Strawser	City Council
Solid Waste & Hazardous Waste Committee	Duane Strawser	Evans Phelps	City Council
Economic Resource Council	Robert Bergman	Duane Strawser	City Council
Sierra Economic Development Corp.	Out of rotation	N/A	City Council
City Selection Committee	Mayor	Mayor Pro Tem	N/A

CITY COMMITTEES

	2014/15 Appointee	2014/15 Alternate	Appointed by
Parks & Recreation	Duane Strawser Jennifer Ray	N/A	City Council*
Measure S	Patti Foster Mike Barbar Rod Brown Conley Weaver Niel Locke	N/A	City Council
Courthouse	Robert Bergman	N/A	City Council
Fire Joint Operations	Robert Bergman Duane Strawser	N/A	Mayor

*Nominated by Mayor; Confirmed by City Council

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FISCAL IMPACT: None

ATTACHMENT:

- ✓ Commission/Committee Description & Purpose

COMMISSION/COMMITTEE DESCRIPTION & PURPOSE

Local Agency Formation Commission (LAFCo)

Created by the California Legislature in 1963 with the duties to oversee any boundary changes of City boundaries and special districts (Fire, NID, etc). The LAFCo office is located at the Nevada County Government Center. LAFCo members also review and adopt Nevada City's Sphere of Influence Plan which is required to be updated every five years (last adopted in 2008). This Sphere of Influence Plan is a requirement of State law and ensures that any changes in city boundaries occur in a logical manner and that city services are available to serve the area.

Meets: Third Thursday every other month

Term Limits: Serve until replaced

Nevada County Transportation Commission (NCTC)

The Mission of the NCTC is to plan, communicate, and coordinate with citizens and decision makers of Nevada County, Grass Valley, Nevada City, Truckee and Caltrans to create a balanced regional system. This includes administration of regional, state, and federal funding for projects related to roadways, bridges, public transportation services, railways, airports, bicycle facilities, and pedestrian amenities. In development these transportation solutions, the NCTC initiates design concepts, engineering feasibility studies, environmental studies, and proposes funding sources to construct transportation improvements. Once these tasks are completed, projects are turned over to Caltrans or to a local jurisdiction for construction.

Meet: Third Wednesday every other month

Term Limits: Serve until replaced

Nevada County Airport Commission

The Nevada County Airport's Mission is to develop and deliver safe and efficient aviation facilities for Nevada County residents, businesses, visitors, and the CDF fire suppression base, through a commitment to quality services, professional competence and fiscal responsibility. The Nevada County Airport Commission reviews and recommends action on Airport policy matters, operations, and development to the Board of Supervisors.

Meet: Only when necessary for Airport Land Use

Term Limits: Serve until replaced

Nevada County Transit Services Commission

The Transit Services Division of the Dept of Transportation and Sanitation is responsible for the administration and delivery of public transit and paratransit services, primarily in western Nevada County. The Transit Services Division operates the Gold Country Stage, a fixed rote bus system serving western Nevada County, and administers a contract for the provision of specialized paratransit services for persons with disabilities. Bot services are operated pursuant to a joint powers agreement executed by Nevada County and the Cities of Grass Valley and Nevada City.

Meet: Third Wednesday of every other month at 8:15 a.m. and held at Grass Valley City Hall, Nevada City, City Hall, Nevada County Eric Rood Center, Truckee Town Hall.

Term Limits: Serve until replaced

Solid & Hazardous Waste Commission (Nevada County)

This Commission assists the County in the management of solid and hazardous waste, and whose participation, review, and recommendation will be required before the County of Nevada may take any final action on solid and hazardous waste matters. The Commission will assist in the development of a comprehensive log-range plan for the disposal and recycling of solid and hazardous waste within the County, and the Management of the County's solid waste operations, including all of the financial matters pertaining thereto.

Meet: Second Thursday, of even months at 1:30 p.m. in the Empire Room of the Eric Rood Admin Center

Term Limits: Serve until replaced

Nevada County Economic Resource Council

The Nevada Economic Resource Council (NCERC) is dedicated and positioned to assist in business attraction, creation and retention. Our NCERC professionals collaborate daily community leaders in business, government, changes of commerce and business associations. The ERC is your partner for success in Nevada County. Equipped with comprehensive up-to-date demographic data, complete real estate and re-location services and offering skilled personnel to assist your individual needs, the ERC has the tools help you build a very solid and secure business in Nevada County.

Meet: First Thursday of each month at 7:30 a.m. at Easterly Hall in the Realtors building.

Term Limits: Serve until replaced

Sierra Economic Development Corporation (SEDCorp)

The Mission of SEDCorp is to alleviate unemployment and under reemployment by expanding industrial resource and small business development while preserving the quality of life in the Sierra Nevada Foothills. SEDCorp provides both technical and financial services and resources. On the technical side, SEDCorp acts as a liaison between business and local government funding sources. SEDCorp helps the public body apply for funding and provides the expertise in administration, marketing, loan packaging and credit approval.

Meet: Second Wednesday monthly

Term Limits: Serve until replaced

City Selection Committee

Powers and Duties of the City Selection Committee pursuant to Sections 50270 et seq. of the California Government Code. In any county in which two or more cities are incorporated there is hereby created a city selection committee the purpose of which shall be to appoint city representatives to boards, commissions, and agencies as required by law. The current list of boards, committees/commissions, and agencies which the City Selection Committee appoints representatives to are: LAFCO, RAN, Supplemental Law Enforcement Oversight Committee, Truckee Tahoe Airport Land Use Commission, and Nevada County Airport Land Use Commission. The membership of each such city selection committee shall consist of the mayor of each city within the county. The Clerk of the Board of Supervisors, County of Nevada serves as the permanent Secretary and Recording Officer of the Committee. All City Representatives appointed by the Committee are responsible for exercising the duties of their positions with diligence, integrity, and the highest regard for the public trust and interest of the citizens of the cities within Grass Valley, Nevada City and Truckee.

Meet: Third Monday in July annually (if there's business to transact)

Term Limits: Mayor and Mayor Pro Tem

Fire Joint Operations Committee

The purpose of this committee is to provide direction to staff related to agreements supporting the joint operations of Nevada City Fire Dept, Grass Valley Fire Dept, and Nevada County Consolidated Fire Dept.

Meet: As necessary with the Nevada City staff and/or representatives of other fire agencies.

Term Limits: Serve until replaced

Nevada City Parks & Recreation Committee

The purpose and intent of the Nevada City Park & Recreation Committee is to make recommendations to City Council regarding Park/Open space policy, procedures, and projects. The Nevada City Parks & Recreation Mission is to provide a system of parks, trails, recreational facilities, programs, and services that will enrich the lives of our citizens. Goals: 1) As a result of our unique position in the heart of the Motherlode, we intend to meet the needs of our citizens, while preserving the natural beauty and history of our city; 2) Create community through people, parks, programs and partnerships; 3) As programs, facilities, and services are created, Nevada City Parks & Recreation will make every effort to meet the needs of our diverse community.

Meet: Fourth Wednesday of each month

Term Limits: Per Resolution 2015-23, Mayor appoints two City Council members to annual term, Mayor nominates and City Council confirms two public members every two years, who shall be either citizens of Nevada City or residents within the City's Sphere of Influence, with input from Recreation

Supervisor and Council Members on the Recreation Committee; Planning Commission appoints one member every two years with input from City Planner.

Measure S Committee

The Measure S Committee's responsibility is to oversee the paving projects including tracking of finances, verifying streets to be paved, and ensuring that all of the criteria of the public proposition are followed.

Meet: Twice Year

Term Limits: Serve until replaced

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Proposal for Terrazzo Lights Pilot Project on Lower Commercial Street

RECOMMENDATION: Authorize Nevada City Chamber of Commerce proposal for Terrazzo Lights Pilot Project on Lower Commercial Street.

CONTACT: Mark Prestwich, City Manager

BACKGROUND: The City Council previously considered adopting a policy on the use of temporary lighting within the Historical District on June 11, 2014. At that time, staff was given direction to return with a policy for temporary lighting that included working with the Nevada City Chamber of Commerce. Consistent with this direction, staff returned to the Council on October 22, 2014, with proposed Standards for Temporary Lighting within the Historical District Relative to Holiday Lighting and Special Events that was adopted on a 4-1 vote (see Resolution 2014-44 attached). Those adopted Standards included oversight of the holiday lighting program by the Chamber of Commerce and a directive for working with the Chamber to manage specific lighting for Chamber-sponsored events.

In addition to adoption of the above Resolution on October 22, the Council directed staff to work with the Chamber to evaluate other alternative lighting sources. While additional time is necessary to complete work in this area, the City has received preliminary feedback from the Sierra Business Council that opportunities exist to improve the energy efficiency of roof-line and exterior lighting in the historical district. There also may be opportunities to streamline the approval process for exterior lighting fixtures.

DISCUSSION: At the City Council's July 22, 2015 meeting, Vice Mayor Evans Phelps requested the City Council place an agenda item on a future agenda to discuss a proposal by the Nevada City Chamber of Commerce to consider authorizing terrazzo lights over lower Commercial Street as a pilot project.

The City received a letter (attached) from the Chamber, dated August 19, outlining a year-long pilot project, which includes the strategy for hanging the lights, maintenance, and strategies for review. Staff recommends authorizing the pilot project with the following added suggestions and reviewing the pilot project at the first City Council meeting of September 2016:

- Specify the addresses of buildings where lights will be hung
- Confirm authorization from building owners

ENVIRONMENTAL CONSIDERATIONS: None.

FINANCIAL CONSIDERATIONS: Not applicable.

ATTACHMENTS:

- ✓ August 19, 2015 letter from the Nevada City Chamber of Commerce
- ✓ Resolution 2014-44 – Standards for Temporary Lighting Within the Historical District



Nevada City Chamber of Commerce

NEVADA CITY
**“National Register
of Historic Places”**

Designated September 23, 1985

August 19, 2015

To: Nevada City Council

Re: Proposal for Terrazzo Lights on Lower Commercial Street

We are asking for a yearlong trial program for the installation of the terrazzo lights over lower Commercial Street.

We have found that the businesses, tourists, and locals alike truly enjoy the ambiance of the lights. In the past this has been found to increase foot traffic, the sense of well-being, and overall ambiance of the street.

We highly encourage the council to give approval, allowing the terrazzo lights across lower Commercial Street to be hung as they have in the past: with a 1/4 inch vinyl coated galvanized cable. This cable will be attached to the respective buildings with carabineers in locations that would cause the least amount of building damage if the lights were pulled off due to intense winds, snow fall or unforeseen accident.

Though 14 feet is required for the mounting height, the cable and lights are to be hung between 16 to 17 feet and Waste Management truck drivers will be notified of their installation.

Throughout the winter the string of lights will be removed in the middle of the installation so as not to be hit by possible snow-load falling off of the building on the 237 Commercial Street. This section will be removed each year before winter and returned right after spring.

The Nevada City Chamber volunteers will undertake the task of installation and maintenance.

There are three different outlets that the lights are connected to: one in a business and two in residential units. A small amount of money will be raised to cover these utility costs.

As before, the lights will be on automatic timers that turn the lights on at dusk and off at 2am.

Currently, the bulbs are 7 watts and if the terrazzo lights are to become permanent it is suggested that the lights be switched to LED and attached to a solar array. This design and estimate will be established during the trial period.

During the course of the trial program, we will be looking at whether or not to keep the lights on every night, the level or brightness, hours of operation, safety of height and stability of cable & lights for long-term attachment.

We encourage the council to allow the terrazzo lights to be installed for a one-year trial program and then review the results.

Sincerely,

NEVADA CITY CHAMBER OF COMMERCE

A handwritten signature in black ink, appearing to read "Paul", written in a cursive style.

Paul Sieving
President

RESOLUTION 2014-44

STANDARDS FOR TEMPORARY LIGHTING WITHIN THE HISTORICAL DISTRICT RELATIVE TO HOLIDAY LIGHTING AND SPECIAL EVENTS

WHEREAS, Since the early 1990's, the City Council and Chamber of Commerce have cooperated together in implementing a lighting program that temporarily permits outlining of the buildings with lighting, on a voluntary basis by the property owners, within the historical district during the holiday season, defined as November 15 to January 15, with the Chamber overseeing the program since that time; and

WHEREAS, the City and the Chamber have found this program to be successful as the lighting enhances the architecture of the buildings in the downtown area and is pleasing and welcoming to visitors to Nevada City, as well as being beneficial to the merchants; and

WHEREAS, it is desired to have lighting standards to ensure all buildings that are outlined to be consistent as far as lighting wattage, size and appearance as such consistency enhances the buildings' architecture and visual aesthetics of the Historical District; and

WHEREAS, the City Council authorizes the Chamber of Commerce to continue to oversee the holiday lighting program and to work with City staff to enforce the standards and timeframe of the holiday lighting program; and

WHEREAS, it is desired to formally establish the standards for outlining of buildings during the holiday season and such standards can be amended by either the City or the Chamber by resolution; and

WHEREAS, the City Council has the authority to approve any special events within the downtown historical District and such events often involve use of City properties and/or street closures; and

WHEREAS, occasionally such events desire additional festive lighting on private property to enhance areas where the activity occurs; and

WHEREAS, the Council has directed standards be provided to address temporary lighting with special events including those requests for overhead or street lighting and these to be reviewed on a case-by-case basis.

NOW, THEREFORE, BE IT RESOLVED, the following standards, attached and known as Exhibit "A", shall apply to the temporary outlining of buildings within (A) the historical district during the holiday season and (B) temporary lighting in conjunction with special events in the historical district.

EXHIBIT 'A'

A. STANDARDS FOR TEMPORARY LIGHTING DURING THE HOLIDAY SEASON

1. **Holiday Season Defined.** Temporary exterior lighting of buildings in the historical district complying with these Standards shall be permitted during the holiday season and shall not be turned on prior to November 15th and shall be turned off immediately after January 15th.
2. **Placement of Lights.** To enhance the architecture of the buildings, outlining of buildings shall be permitted in straight lines. The permitted exterior architectural features of a building to be outlined by lights shall be the roofline edge and any shed roof edges.
3. **Oversight.** The holiday lighting program can be overseen by the Chamber of Commerce, with the City assisting in compliance and enforcement of the program
4. **Bulb Standards.** All bulbs shall be clear and meet the following:
 - 5 watt
 - C7 130V E12 Bulb
5. **Maintenance.** Lighting shall be maintained in a proper working order and any broken bulbs shall be replaced immediately.
6. **Prohibited.** The following is not permitted with the outlining lighting program:
 - a. Draping of lights on buildings other than roof edging.
 - b. Lighting on poles.
 - c. Any other unauthorized ornamental lights.
 - d. Colored lights.
 - e. Any exterior outlining lighting not approved as part of the lighting program.

B. STANDARDS FOR TEMPORARY LIGHTING IN CONJUNCTION WITH SPECIAL EVENTS

1. **Council Approval.** The City Council is the body to consider and approve special events and therefore any temporary lighting requests shall be included with the Special Event request.
2. **Lighting Plan.** All requests for temporary lighting shall include a Lighting Plan to include the following:
 - a. Sketch of building and proposed lighting

- b. Details as to how lighting is to be attached to building
 - c. Lighting design details (sketch/photograph)
 - d. Written authorization of building property owner
 - e. Date and time of installation and removal
3. **Temporary Overhead or Lighting Over Streets.** Any requests for temporary lighting in conjunction with a special event that would request overhead or street lighting shall be reviewed on a case-by-case basis by the City Council to determine their compatibility with the area where it is proposed.
4. **Management and Time Limits.** The City shall work with the Chamber of Commerce to manage specific lighting for Chamber-sponsored events or with the sponsoring party for non-Chamber events ensuring lighting will be removed within 48 hours of the end of the event.
5. **Exception.** Exterior lighting in compliance with these Standards of the iconic Methodist Church at the top of Broad Street may continue year-round, not limited to the holiday season and need not be turned off after January 15th.

PASSED AND ADOPTED at a regularly scheduled meeting of the Nevada City City Council on the 22nd day of October, 2014 by the following vote:

AYES: ANDERSEN, RAY, STRAWSER, BERGMAN

NOES: PHELPS

ABSENT: NONE

ABSTAIN: NONE



Terri Andersen, Mayor

ATTEST:



Niel Locke, City Clerk

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Nevada City Strategic Economic Investment Fund

RECOMMENDATION: Review and provide direction to the City Manager to prepare draft Strategic Economic Investment Fund guidelines to support programs and projects that benefit the City's long-term economic development goals.

CONTACT: Mark Prestwich, City Manager; Catrina Olson, Assistant City Manager

BACKGROUND / DISCUSSION: The City's recently adopted economic development strategy, NCFORWARD, includes a specific objective to identify long-range funding options to support and reduce impediments to one-time strategic economic growth opportunities. The purpose of this report is to introduce and receive feedback on options and strategies for the possible establishment of a Nevada City Strategic Economic Investment Fund.

It is important to distinguish this discussion from the City's continuing practice of providing nominal financial support to various local organizations. In the past three fiscal years, the City has appropriated between \$250 and \$3,125 to various community organizations. Examples include funding school assemblies on water conservation provided by the South Yuba River Citizens League (SYRCL), the Magic Lantern Nevada City Film Festival, Nevada County Economic Resource Council, Nevada County Television, and the Constitution Day Parade. The City also provides annual operational funding to the Nevada County Narrow Gauge Railroad Museum (currently \$9,500) and directs 8% of its Transient Occupancy Tax revenues to the Nevada City Chamber of Commerce (estimated at \$22,000 in Fiscal Year 2015/16).

The idea of establishing a Strategic Economic Investment Fund was conceived as a means of leveraging City resources with other private and public investment for unique one-time economic development opportunities such as the American Digital Media Leadership Campus that offer the potential for a substantial long-term economic benefit to the City.

Staff recommends establishment of a Strategic Economic Investment Fund that includes a clear statement of program criteria, provides guidance on the use of funds, and articulates eligibility requirements. Sample information is provided below.

Program Criteria (Example):

- Diversifies the local economy
- Promotes economic vitality in Nevada City
- Achieve a return on investment
- Invests in “high growth” industries and markets
- Leverages other resources to create and retain employment
- Meets/supports NCFORWARD economic plan goals

Use of Funds (Example):

- Programs and/or projects must be located in the City of Nevada City
- All applications will be reviewed by the City Council on a first-come, first-served basis and will be subject to funding availability
- City Council reserves right to designate how much funding is allocated annually
- City Council reserves right to cancel program at any time

Eligibility (Example):

- Consistency with program criteria
- Studies required for development or delivery of a specific project
- One-time funding to a legal business, event or project that might not otherwise move forward on its own and has a substantial economic development benefit to the City

Based on an evaluation of anticipated possible investments and available resources, it is recommended the City consider seeding the Strategic Economic Investment Fund with \$50,000 to \$100,000. Additional consideration should be given to strategies for contributing annual appropriations to restore the balance of the fund, and evaluation of economic impacts associated with use of fund proceeds.

Possible sources for seed funding are summarized below:

\$ 56K (Measure L reserve balance)
10K (Cost-savings from sidewalk assessment)
35K (CDBG-funded portion of Pioneer Park bathrooms)*
<u>8K (City donation account)</u>
\$109K TOTAL

*Available if CDBG grant application is funded

Staff recommends the City Council review the proposed options and strategies for seeding a Strategic Economic Investment Fund and direct the City Manager to prepare and present draft guidelines for City Council review at a future meeting.

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FINANCIAL CONSIDERATIONS: Establishment of a Strategic Economic Investment Fund positions the City to attract public and private investment in projects and initiatives that lead to local economic growth.

ATTACHMENTS: None.

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Consideration of Supporting a Stage Host Application for The Amgen Tour of California

RECOMMENDATION: Authorize the City to contribute toward local host expenses if Nevada City is selected as a Stage Host for The Amgen Tour of California in an amount to be determined by the City Council.

CONTACT: Mark Prestwich, City Manager; Catrina Olson, Assistant City Manager

BACKGROUND / DISCUSSION: Nevada City has served as a host city for The Amgen Tour of California professional men's bicycle race for three of its 10 events, including the start of Stage 2 in May 2015 (the primary exposure being at the beginning and end of a stage). This Tour de France-style eight-stage cycling road race is presented by AEG Cycling and regularly attracts the world's top cyclists, including Olympic medalists, to compete on a circuit showcasing California. Local volunteers have indicated interest in submitting an application to serve as a stage host in 2016 which requires additional financial resources to be identified before submitting proposals.

As a stage host, Nevada City merchants benefit from the economic boost associated with hosting the event (lodging, security, food and beverage) as well as the continued positive impacts associated with the local, national and international marketing exposure. As a stage host, Nevada City enjoys significant marketing exposure, which also benefits Grass Valley and western Nevada County. The Nevada City Chamber of Commerce has reported an increase in visitors to the City associated to the marketing of the Amgen Tour of California. Sierra Nevada Memorial Hospital and many local non-profits identify the Amgen Tour of California, as well as the Nevada City Classic Bicycle Race as the biggest events promoting a healthy lifestyle to the community and its youth.

The Amgen Tour of California has grown to be the largest annual spectator sporting event in California and the largest cycling race in North America. The race is broadcast is more than 200 countries and each of these shows played a locally-produced 30-second video profile on Nevada City, a benefit provided to stage hosts. NBC Sports carried Stage 2 live which included 7.2 million actual viewers worldwide according to Nielsen ratings. An NBC Sports Prime Time Eve replay of Stage 2 resulted in 12.3 million actual viewers. When billboards, posters, radio interviews and other advertising is considered, total actual media impressions for Stage 2 equate to 73.5 million worldwide.

Local stage hosting expenses are estimated at \$50,000. Historically, these funds have been raised by volunteers. However, due to a fundraising gap associated with the 2015

event, local race volunteers are seeking City financial support to assist with host expenses paid to Nevada County businesses for their services. City staff has been advised that \$40,000 has already been secured for an application via sponsorship.

Staff has identified and supports utilizing the following source funds up to \$10,000 should the City Council authorize financial support for future host bid.

Possible Sources of Funds:

- \$8,000 – Donation Account
- \$5,000 – Measure L

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FISCAL IMPACT: The benefit received by the City is indirect in terms of increased business and tourists.

ATTACHMENTS: None

REPORT TO CITY COUNCIL

City of Nevada City
317 Broad Street
Nevada City, CA 95959
www.nevadacityca.gov

August 26, 2015

TITLE: Placement of Council-Requested Items on City Council Agendas

RECOMMENDATION: Discuss and provide direction to the City Manager.

CONTACT: Mark Prestwich, City Manager

BACKGROUND / DISCUSSION: The City of Nevada City does not have a written policy related to how Council Members request items be placed on City Council agendas. The City's practice has generally consisted of City Council requests being made during Council meetings. The City's agenda format facilitates this practice by inclusion of a recurring agenda item titled "Council Members Requested Items and Committee Reports" where Council Members may request items be brought forward in the future for discussion. Additionally, the City's annual strategic planning process has provided an opportunity for City Council Members to identify policy issues, projects and goals that routinely result in placement of items on future Council agendas.

Clarification is needed regarding how to prioritize agenda item requests submitted by Council Members outside of a public meeting, particularly requests related to placing items for discussion on the next Council Meeting agenda. Several options have been developed for City Council consideration based on a review of other cities' practices:

- **Option A - Public Session Only.** Council Members may submit items for inclusion on a future agenda by orally making the request under "Council Members Requested Items and Committee Reports" during a public meeting. *(Some cities require two or three Council Members to agree before the item is agreed to be placed on a future agenda and staff time is invested in the issue.)*
- **Option B - Anytime.** Council Members may submit items for inclusion on a specified future agenda at any time. *(Clarity related to expectations regarding supporting agenda materials and whether to provide discretion to the City Manager on how to title the subject matter would be needed. If this option is selected, It is recommended that consideration be given to limiting requests made outside a public meeting to no more than two items per Council Member per meeting.)*
- **Option C - City Manager Discretion.** If the Council Member requested item is submitted less than 21 days prior to a meeting, the City Manager is provided discretion on whether to place the item on the next agenda or advise the Council at the next meeting of the Council Member request. *(Consideration would be given to evaluation of staff workload, anticipated length of planned meeting, ability to adequately prepare item for a productive public deliberation, or whether another approach exists to address/resolve the issue.)*

- **Option D - Mayor Discretion.** Mayor approves individual Council Member agenda requests submitted less than 21 days prior to a meeting.
- **Option E - Mayor and Vice Mayor or Council Committee** approves Council Member agenda requests submitted less than 21 days prior to a meeting.

ENVIRONMENTAL CONSIDERATIONS: Not applicable.

FINANCIAL CONSIDERATIONS: None.

ATTACHMENT: None.