
**Visalia City Council
Regular Meeting Agenda**



Mayor	Amy Shuklian
Vice Mayor	Steve Nelsen
Council Member	Greg Collins
Council Member	Warren Gubler
Council Member	Bob Link

Monday, December 19, 2011
City Hall Council Chambers
707 W. Acequia, Visalia, CA 93291
WORK SESSION 4:00 PM; CLOSED SESSION 6:00 PM;
REGULAR SESSION 7:00 PM

4:00 PM PUBLIC COMMENTS

This is the time for citizens to comment on subject matters that are not on the agenda that are within the jurisdiction of the Visalia City Council. Each speaker will be allowed three minutes (timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your street name and city.

WORK SESSION AND ACTION ITEMS (as described)

1. Receive Valley Oaks Golf Course Operation and Maintenance Annual Report
2. Receive update on City Safety Program.
3. Review Pacific Union Homes request to initiate a General Plan Amendment, Zone Change, and consideration for revising the approved development plan for the Highland Park residential project, located generally near the southwest corner of Dinuba Highway and Shannon Ranch Parkway.

ITEMS OF INTEREST

ADJOURN TO CLOSED SESSION

Closed Session will commence immediately following Work Session. See separate Closed Session agenda for details.

7:00 PM CALL TO ORDER REGULAR SESSION

PLEDGE OF ALLEGIANCE

INVOCATION - Lester Moon, Hands in the Community

SPECIAL PRESENTATIONS/RECOGNITION

4. Recognition of Mike Fistolera and Myron Sheklian for their coordination of refurbishing the Downtown holiday lights

PUBLIC COMMENTS

This is the time for citizens to comment on subject matters that are not on the agenda that are within the jurisdiction of the Visalia City Council.

This is also the time for citizens to comment on items listed on the Consent Calendar or to request an item from the Consent Calendar be pulled for discussion purposes. Comments related to Regular or Public Hearing Items that are listed on this agenda will be heard at the time that item is discussed or at a time the Public Hearing is opened for comment.

In fairness to all who wish to speak tonight, each speaker will be allowed three minutes (timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your street name and city.

CONSENT CALENDAR

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

5. Authorization to read ordinances by title only.
6. Authorization for the City Manager to approve a one-year extension of the Professional Services Agreement with Van Scoyoc Associates for federal legislative advocacy services, effective Jan. 1, 2012 through December 31, 2012 for a monthly fee of \$7,000 plus expenses not to exceed \$5000 for the year, the same fee for which the firm has worked for the past two years.
7. Request authorization to file a Notice of Completion for the Transit Operations & Maintenance Facility expansion (Project No. 4511-0-72-0-9409).
8. Authorization to enter into an agreement between the City of Visalia and Habitat for Humanity of Tulare County, for use of U. S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP) funding dollars (\$480,000) for acquisition of foreclosed single family dwellings, rehabilitation and costs associated with resell to households at or below fifty percent (50%) of the area median income, within the Visalia NSP Target Area.
9. Approval of a 5-year lease of the Police Firing Range located at 7400 Ave. 328, between the City of Visalia and the Visalia Police Association with an option to extend the lease by 5 years upon mutual consent.

10. Authorize the City Manager to execute a Purchase & Sales Agreement with Summit G. Buffet, Inc. for city-owned parcels (APNs 125-041-34 & 35) and conduct Second Reading of Ordinance 2011-14 for the disposition of the property located on the north side of Packwood Creek/Cameron Avenue, 190' west of Mooney Blvd.
11. Authorization to solicit bids for replacement of the 600 acre walnut orchard at the Water Conservation Plant, located west of Highway 99 north of Caldwell Avenue.
12. Authorization to award annual Concrete Repair and Replacement Contract, with four (4) one year options to Sierra Range Construction Inc. of Visalia.
13. Approve the Mayor's recommendations to appoint members of the City Council to represent the City on various boards, committees and task forces for the 2011-13 Council term.
14. Authorize filing of an Urban Greening Grant application and authorize City Manager to execute all documents and agreement. The grant will improve Mill Creek between Johnson and Stevenson and develop the vacant property designated as "Miki City Park". Resolution 2011-80 required.
15. Accept a portion of a 10.5-acre City owned property into the public street system for McAuliff Street, Tulare Avenue and Vista Street. (APN 101-280-019 and 101-250-076). Resolution 2011-79 required.
16. Authorization to enter into a renewal agreement for the spring 2012 semester with TCAG for student transit services at the College of Sequoias (COS).
17. Enter into professional service agreement with Quad Knopf for Construction Staking and Survey Services for the Plaza Drive Interchange Modification and Widening Project, for an amount not to exceed \$170,300.00; Enter into professional service agreement with Kleinfelder for Materials Testing Services for the Plaza Drive Interchange Modification and Widening Project, for an amount not to exceed \$429,335.00; Extend the contract with TRC as the engineer of record to include construction support, environmental permit compliance and aesthetic design in an amount not to exceed \$597,910.00; Accept an update regarding the architectural features for the Plaza Drive Interchange. Project Number 3011-00000-720000-0-9438.

REGULAR ITEMS AND PUBLIC HEARINGS

Comments related to regular Items and Public Hearing Items are limited to three minutes per speaker, for a maximum of 30 minutes per item, unless otherwise extended by the Mayor.

18. Authorize submittal of a joint application with the Tulare County Association of Governments for a Station Planning Grant in the amount of \$600,000 from the California High Speed Rail Authority for planning activities associated with the Kings-Tulare Regional High Speed Rail Train Station generally located at the juncture of State Highway 198, State Highway 43, and Cross Valley Railroad. Resolution 2011-81 required.
19. Authorize the initiation of the appropriate Zoning, General Plan, and Parking District amendments to establish an Overlay District in the East Downtown area to add certain permitted and conditionally allowed uses in the C-DT (Central Business District Retail) Zone to the existing C-S (Service Commercial) zoning, and to consider potential Parking District expansion in Downtown Visalia.

CLOSED SESSION REPORT

ADJOURNMENT

Upcoming Council Meetings

- City Council Regular Meeting, Tuesday, January 17, 2012
- City Council Closed Session, Tuesday, January 17, 2012
- City Council Joint - College of the Sequoias, Monday, January 30, 2012

Note: Meeting dates/times are subject to change, check posted agenda for correct details.

In Compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing Impaired – Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

Any written materials relating to an item on this agenda submitted to the Council after distribution of the agenda are available for public inspection in the Office of the City Clerk, 425 E. Oak Street, Visalia CA 93291, during normal business hours.

<p><i>The City's newsletter, Inside City Hall, is published after all regular City Council Meetings. To self-subscribe, go to http://www.ci.visalia.ca.us/about/inside_city_hall_newsletter.asp. For more information, nloliva@ci.visalia.ca.us.</i></p>
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**City of Visalia
Agenda Item Transmittal**

Meeting Date: November 21, 2011

Agenda Item Number (Assigned by City Clerk): 1

Agenda Item Wording: Valley Oaks Golf Course Operation and Maintenance Annual Report

Deadline for Action: N/A

Submitting Department: Parks & Recreation

Contact Name and Phone Number: Jeannie Greenwood, Recreation Manager, 713-4042

Department Recommendation:

1. City staff recommends that the City Council accept the Valley Oaks Golf Course Annual Report.
2. City staff recommends that the City Council authorize the City Manager to execute an amendment to the contract with CourseCo to allow the course to accumulate CPI Increases for implementation in future years.
3. City staff recommends that the City Council direct staff to prepare a Capital Improvement Project with associated costs to renovate the bunkers on the Lakes Course and present to Council for approval.

Background Information:

In January, 2000, the City Council changed the Valley Oaks Golf Course management from a City employee operated course to a private contract management course. The City entered into a ten (10) year agreement (with two additional 5 year options) with CourseCo, Incorporated to manage the complete operation of the course and all facilities. CourseCo signed an agreement to operate the course on January 17, 2000 and Council authorized the first five-year extension in 2009.

The City had a number of objectives when it contracted out the operation of the facility, with the primary objective of providing quality golf experiences at a reasonable price while maintaining the course as a self-sustaining enterprise fund. Fortunately, Council has been able to draw on the experience of CourseCo and their knowledge of the golfing industry to put the course in a better financial picture as well as improve course maintenance.

Fiscal Analysis:

This annual report represents the time period of July 1, 2010 through June 30, 2011. During this time period, the golf course saw 62,670 rounds of play. This is a decrease from the previous year of 2,177 rounds, a little over 3%. This small decrease in rounds over prior year can be

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 20

Review:
 Dept. Head _____
 (Initials & date required)

Finance _____
 City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 1. - Page 2

contributed to a few factors. First, we saw significant amounts of rain this fiscal year, primarily in the months of March and April. In addition to a wet year, the course underwent a major construction project from November, 2010 through March, 2011. The project included total irrigation replacement on 18 of the 27 holes at the course. This caused the shutdown of one course throughout the project, decreasing course inventory by 1/3. The third factor continues to be the downturn in the economy, people are out of work and discretionary funds have decreased. The prior year, 2009-2010, the course experienced a decrease of 5,798 rounds, an 8% decline. Considering the three significant factors listed above and the prior year's decline, a 3% decrease in rounds represents a good year for the course and hopefully an indication that play will be on the rise in 2012.

Chart I, Rounds Played – provides a ten year history of rounds played. Note that the course saw increases in 2007-2008 due to the closure of Sierra View Golf Course in Visalia. After 2008 we began to experience the downturn in the economy and had a new course, Ridge Creek Golf Course in Dinuba, open in our market area.

**Chart I
Rounds Played**

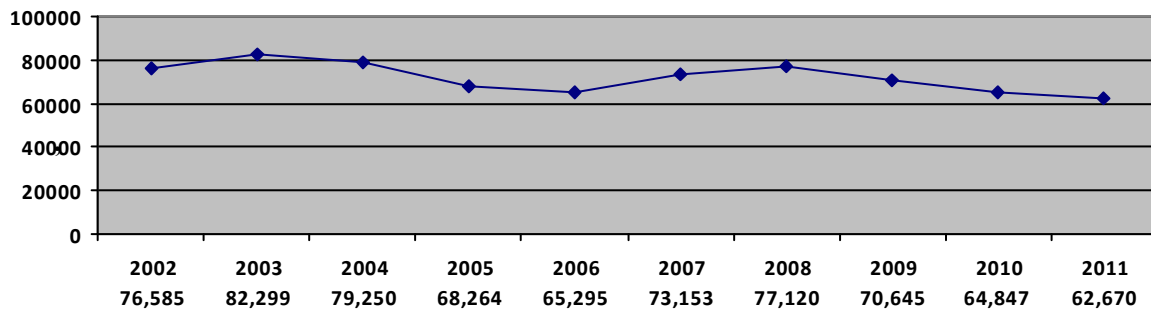


Table 1 – Operating Results Summary provides an accounting of revenues and expenses for the last five (5) years of operation. This fiscal year, the course experienced a decline in revenues collected (\$107,835 – 4.45%), an increase in operational costs (\$28,699 – 1.5%) and a decrease in income per round \$0.42 – 1.1%). The most concerning of these figures is the income per round. As the chart indicates, this is the first time in at least five years where this number has declined. This decline can be contributed to the number of discounted rounds played versus full price rounds. Again, in the current economy, people are looking for ways to save money, at the golf course this means they are playing more rounds outside of peak play times and looking to play at discounted or lower rates. Additionally, we are seeing an increase in monthly pass play. A monthly pass is purchased by customers allowing unlimited play during the month. For each round of play, \$5 is contributed to the CIP fund. For a senior monthly pass (the majority of monthly passes sold are at the senior rate), the customer pays \$110.00 for unlimited play. If a senior golfer purchases this pass and plays 10 rounds of golf (the current average), \$50 goes to the CIP fund and \$60 goes to green fees, an average of \$6 per round of golf. If a monthly pass holder plays 15 rounds per month, \$75 goes to the CIP fund and \$35 goes to green fees, \$2.33 per round. As you can see, as monthly pass play increases, revenue per round decreases. City and CourseCo staff will continue to monitor this trend.

Fees and Charges:

Due to the downturn in the economy, the course has not raised fees the past two years. Staff believes that the course is currently charging what market conditions dictate and does not recommend raising fees again for fiscal year 2011-2012. CourseCo would, however, like the ability to make up or defer fees if and when the market improves and it is appropriate to do so. Based on this, CourseCo proposes the following changes to the contract language:

Article 3.5, b. Green Fee Rates and Structure.

- 1.) Rates. Effective July 1 of each year green fees may be adjusted according to the Consumer Price Index – California Cities Average (CPI) for the preceding April 1 through March 31 period. The CPI Increases will be cumulative, so that any portion of the previous year’s CPI Increase balance not used, becomes available in future years so long as the total increase in any one year does not exceed 6%. The overall CPI increase may be applied in part of entirely to individual rates as the market conditions dictate while keeping the overall increase within the accumulated CPI adjustment.

All future fee increases authorized by this Article are subject to final approval by the City of Visalia City Manager.

**Table 1
CourseCo Operating Results Summary**

	2006-07	2007-08	2008-09	2009-2010	2010-2011
Total Income	2,430,454	2,741,951	2,521,844	2,419,425	2,311,590
Operating Expenses	1,896,165	2,140,216	2,159,960	2,043,163	2,071,862
Net From Operations (used for debt service)	534,289	601,735	361,884	376,262	239,728
Rounds	73,153	77,120	70,645	64,847	62,670
Avg. Income Per Round	\$33.22	\$35.55	\$35.70	\$37.31	\$36.89

Golf Course Debt:

The golf course has two loans from the General Fund. These loans accrue interest at the City’s portfolio earning’s rate plus 1%. The status of Valley Oaks Golf Course debt is shown in Table II, Status of Debt Payments.

**Table II
Status of Debt Payments
Fiscal Year 2010/2011**

	Capital Improvement Program	General Fund Loan
Beginning Balance 7/1/10	\$346,825	\$2,610,865
Additional Loan 10/11	\$1,425,481	
Principal Paid	(\$320,300)	(\$21,359)
Interest Accrued	\$15,219	\$62,228
Interest Paid	(\$15,219)	(\$62,228)
	_____	_____
Ending Balance 6/30/11	\$1,452,006	\$2,589,506

General Fund Loan

This loan includes debt that was originally incurred as a result of City Council approved capital improvements, primarily the addition of 9 holes at Valley Oaks Golf Course in the mid 90’s (the Lakes Course opened in 1996).

The accumulated general fund debt for the nine-hole expansion at the end of 2000 (when CourseCo, Inc. began managing the course) was approximately \$3.5 million. The debt balance at the end of FY 2010/11 is \$2,589,507. The golf course has paid \$907,919 on this loan over the last 11 years. Paying off the General Fund Loan continues to be a major goal for the course.

Capital Improvement Surcharge (CIS)

In 2003, the Council authorized a Capitol Improvement Surcharge for the purpose of upgrading or replacing capital assets at the golf course. As directed by Council, this surcharge is used solely for capital expenditures at the golf course. The CIS is currently at its maximum rate of \$5 per round.

Capital Improvement Project (CIP) Loan

The CIP Credit Line is dedicated to Valley Oaks Golf Course improvements. All revenue derived from the CIS is to be used for improvements and equipment purchases or replacement; it cannot be used to pay down the General Fund Loan or for course operations.

As you can see in Table II, Status of Debt Payments, the course paid \$335,519 towards the CIP Credit Line. This is guaranteed funding that will continue to come in, based on the number of rounds played each year, to pay down the CIP loan. The more rounds played at the course, the quicker this fund is paid down, and the quicker more improvements can be made at the facility to attract more customers.

Future Capital Improvement Projects

City Council originally authorized the CIP loan to be a line of credit up to \$800,000. In September 2004, staff recommended that the Council allow the golf course to use the City's available cash to finance capital equipment purchases, specifically golf carts. These had historically been leased by CourseCo in the City's behalf. This action allowed the line of credit to be increased up to \$1.3 million. In 2007, City Council again authorized an increase for the upcoming major irrigation project bringing the current credit line up to \$2.6 million.

The course, by its nature, will always have CIP needs. Golf is a competitive market where golfers often choose to play a course based not on location but on course conditions. For Valley Oaks Golf Course to continue to draw customers to play in Visalia, our product (the course) must be as good as, if not better, than others in the surrounding communities. Valley Oaks has made great strides in improving the course and making it a course that golfers want to visit. The irrigation project was long overdue and has already improved the facility, specifically turf and fairway quality.

The number one complaint of golfers who visit Valley Oaks Golf Course is the condition of the bunkers on the Lakes Course. When this course was constructed in the mid 90's, most likely as a cost savings measure, the bunkers were built without a liner or an adequate drainage system. Over time, this has caused the bunkers to become contaminated with smaller material (fines) which has completely compromised the drainage system. The bunkers are no longer playable and need to be fixed.

CourseCo is proposing the renovation of these bunkers as the next capital improvement project. The general scope of work is as follows:

- Remove contaminated sand and drainage material
- Re-compact/smooth bunker floor where necessary
- Install clean drainage material
- Install lining material (TBD)
- Install new sand

Depending on actual material costs, the type of liner that is chosen, and the timeline for completion, the cost is estimated between \$150,000 and \$200,000. Once decisions on the above are reached a firm budget can be built. If Council is in agreement that this project should move forward, City staff will work with CourseCo to prepare a better cost estimate and present for Council approval.

Irrigation Project

At the December 15, 2007 City Council meeting, Council approved the replacement of the irrigation system for the Valley and Oaks courses (18 holes) and appropriated \$1.7 million for said project.

The irrigation replacement for the 18 holes on the Valley and Oaks courses began November 1, 2010 and was completed as scheduled in March, 2011.

Formost Construction Company of Temecula, California was awarded the project and was an outstanding company to work with. They communicated with project staff, maintained their

Item 1. - Page 6

timeline (even with a very rainy year) and produced quality work with minimal damage to the facility. The technique of pulling pipe rather than trenching left very little turf damage. As soon as the weather warmed up and the Bermuda grass began to grow, there was barely an indication that a major irrigation replacement occurred at the facility.

The last piece to complete this project is the addition of a cover for the irrigation system and pump station. This will protect and prolong the life of the equipment. Staff is currently working with a local architectural firm on design and hopes to put this last piece of the project out for quotes in December.

This project aligns with the City's plans to utilize treated water for irrigation once the Waste Water Treatment Plant Project is completed. As irrigation plans were being completed in 2009, we learned of the intent to utilize treated water at the golf course. This prompted a re-design and the addition of several hundred sprinkler heads to the project. The golf course irrigation project now includes all appropriate measures for the use of treated water, including purple pipe, appropriate markings on heads and the use of half heads to ensure that treated water is not directed at the natural waterways that run through the course.

The approved budget for this project was \$1,700,000. With current expenditures and the remaining shade structure for the pump station, the project is estimated to cost \$1,624,057, \$75,943 under budget.

This project has already begun to significantly improve course conditions and to make Valley Oaks a preferred site for golfers in our region. The course experienced tremendous growth in the fairways this past summer making it difficult to keep up with the demand for mowing. Other immediate improvements included better water coverage, less water in bunkers and overall water conservation as the system allows staff to water only where and when needed.

Valley Oaks Golf Course Advisory Committee

In 2007, CourseCo was asked to expand upon the existing Evaluation Committee to form a Golf Course Advisory Committee. This committee has been meeting since December, 2008 and is comprised of representation from all facets of users including men, women, youth, City Staff, tournament groups and course supporters. The group serves in an advisory capacity to City and CourseCo staff and meets monthly to discuss course maintenance, operational issues, complaints and future plans for the course. This group meets the second Tuesday of each month. Chairman John Allison of the Advisory Committee will be in attendance to give a brief report.

Operation & Maintenance Summary

Food & Beverage Operation

Since the arrival of Food and Beverage Manager, Mazeo Frazer in 2010, the course has seen annual increases in food and beverage operation revenues. Those visiting the clubhouse have noticed an expanded menu with a variety of food items and daily specials. Mr. Frazer continues to solicit meetings and events that are appropriate for the venue.

Golf Course Maintenance

Valley Oaks Golf Course Superintendent Danny Moak and staff constantly work to improve course conditions at Valley Oaks. They understand that well maintained courses attract more golfers. Although there are always additional maintenance needs and improvements that can be made, there are budgetary and time constraints that force staff to prioritize, work efficiently and manage resources to the best of their ability. Mr. Moak and staff have done this and, based on feedback from course users and the Golf Course Advisory Committee, the course is in better condition than it has been in many years (excluding the Lakes Course bunkers).

Fiscal year 2010-11 was an exciting time for the maintenance staff as they learned to utilize the new irrigation and fertigation systems and work with the systems to maximize benefits. In 2012, course maintenance staff will implement recommendations from the United States Golf Association, including more aggressive methods of maintaining greens and fairway weed control. In addition, staff will continue to improve the aesthetics of the course and will continue to make improvements to increase course conditions as resources are available.

Operations

This area focuses not only on getting customers to play a round of golf but includes services that build on the customer experience such as the driving range, golf carts, lessons/learning center, monthly tickets and discounts, merchandise, clinics and tournaments.

Golf course management and staff continue to look for ways to attract customers to Valley Oaks Golf Course and provide an experience that will keep them coming back. Under the direction of General Manager, Aaron Hensley, staff has developed new promotions to bring play to the course such as Family Golf Nights, an expanded learning academy and a Youth on Course program. Efforts will continue to generate more play including promotions and discounts, clinics, tournament recruitment and an aggressive marketing plan.

The Golf Industry

During the 1990's and early part of the 2000 decade, the golf market exhibited exceptional strength with most golf courses operating at close to full capacity. This has deteriorated significantly since 2002 due to a variety of factors including:

- The dramatic increase in the supply of public golf courses
- Fundamental changes in lifestyle and entertainment/recreation pursuits affecting the demand for golf
- The sharp downturn in the economy

Many courses are facing major challenges in dealing with declining revenues and increasing expenses. Some courses have absorbed short-term operating losses by limiting expense reductions so that course conditions and service levels have not been materially affected. Others have decreased funds for course maintenance and operations, in some cases significantly cutting maintenance efforts. There are also instances where courses have looked to decrease the number of holes in play or have closed altogether.

Although we may never see the market rise back to participation in the early 2000's, annual growth is expected over the long term. The outlook in the golf market is favorable due to the

Item 1. - Page 8

aging baby boomer population (participation and frequency of play increase with age), few additions to the golf course inventory and an improvement in overall economic conditions.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Recommended Motion (and Alternative Motions if expected):

1. City Council accepts the Valley Oaks Golf Course Annual Operation and Maintenance Report.
2. City Council authorizes the City Manager to execute an amendment to the contract with CourseCo to allow the course to accumulate CPI Increases for implementation in future years.
3. City Council directs staff to prepare a Capital Improvement Project with associated costs to renovate the bunkers on the Lakes Course and present to Council for approval.

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**MANAGEMENT AGREEMENT BY AND BETWEEN
THE CITY OF VISALIA AND VISALIA GOLF, LLC**

This AGREEMENT made and entered into in the City of Visalia, Tulare County, State of California, this 17TH day of January, 2000, by and among the CITY OF VISALIA, a municipal corporation of the State of California ("CITY"), VISALIA GOLF, LLC, a limited liability company ("VISALIA GOLF"), and COURSECO, INC., a California Corporation ("GUARANTOR").

RECITALS

WHEREAS, CITY owns and operates a GOLF COURSE commonly known as the Valley Oaks Golf Course, located at 1111 South Road 86 in Visalia, California on land controlled by the CITY; and

WHEREAS, CITY is in need of a professional manager to provide management of all golf, maintenance and concession operations at the GOLF COURSE and of all facilities and equipment; and

WHEREAS, the CITY has requested proposals from persons and organizations qualified to provide such services required by the CITY; and

WHEREAS, VISALIA GOLF assures the CITY that it has expertise with respect to the successful and efficient operation and management of GOLF COURSE FACILITIES throughout Northern California.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions contained herein, the parties hereto agree as follows:

For and in consideration of the payments and agreements hereinafter mentioned to be made by CITY, VISALIA GOLF agrees to operate and maintain the GOLF COURSE and all related facilities and activities, and to perform and complete in a good and workmanlike manner and in conformity with the contract documents, all work pertaining to and described in this AGREEMENT and to comply with the terms, conditions and provisions of all contract documents attached hereto and incorporated herein by reference.

ARTICLE 1

Definitions

"AGREEMENT": This AGREEMENT as amended from time to time by written agreement, approved by the CITY COUNCIL and executed by the Mayor or other official designated by the CITY COUNCIL to execute the AGREEMENT;

"CAPITAL IMPROVEMENT": Any construction project which extends the useful life and/or increases the capacity of the GOLF COURSE FACILITIES. For the purposes of this AGREEMENT, weeding and replacement or renovation of sod or grass shall not be considered a CAPITAL IMPROVEMENT;

Item 1. - Page 10

"CITY COUNCIL": The CITY COUNCIL of CITY;

"CONTRACTOR": VISALIA GOLF, which is herewith entering into a contract with CITY, for performance of work and the furnishing of expertise to successfully manage, operate and maintain the GOLF COURSE;

"COST OF GOODS SOLD": The purchase price of goods sold at the GOLF COURSE during a specified period, including transportation costs.

"DIRECTOR": The DIRECTOR of the CITY Community Services Department or his/her designee.

"FISCAL YEAR": The FISCAL YEAR of CITY, beginning on July 1 and ending on June 30 following;

"GOLF COURSE": The VALLEY OAKS GOLF COURSE in its entirety;

"GOLF COURSE OPERATION": The activities authorized herein on the public property designated therefor;

"GOLF PROFESSIONAL": The person holding that position as deemed by VISALIA GOLF;

"GOLF COURSE SUPERINTENDENT" or "SUPERINTENDENT": The qualified superintendent at GOLF COURSE in the employ of VISALIA GOLF and in charge of the maintenance of the GOLF COURSE and all personnel assigned thereto;

"GROSS REVENUE": Shall include all revenues generated from green fees, tournament fees, cart rentals, range revenues, lessons, sale of merchandise, the restaurant operations and any other reoccurring income categories;

"NET OPERATING INCOME": Defined as GROSS REVENUE less COST OF GOODS SOLD, less OPERATING EXPENSES;

"OPERATING EXPENSES": OPERATING EXPENSES are defined to include all normal operating expenses including the fixed management fee. OPERATING EXPENSES shall not include interest and principal payments on any long term indebtedness, depreciation, CAPITAL IMPROVEMENT costs and reserves, golf cart or golf equipment lease payments, allocated cost to the CITY or incentive management fees;

"BASE YEAR GROSS REVENUE": Shall be the actual GROSS REVENUE for calendar year 1999 as determined by audit, certified statements or a mutual agreement. For purposes of this AGREEMENT, BASE YEAR GROSS REVENUE is estimated to be One Million Six Hundred Seventy Four Thousand Dollars (\$1,674,000.00);

"BASE NET OPERATING NET INCOME": The amount calculated to be net income for the 1999 calendar year and, for purposes of this AGREEMENT, is Five Hundred Ten Thousand Seven Hundred Fifty Dollars (\$510,750.00);

"INCENTIVE FEES": Shall be those fees paid to VISALIA GOLF for demonstrated superior performance;

"GOLF COURSE FACILITIES": The GOLF COURSE FACILITIES subject to this AGREEMENT are all those facilities located at the Valley Oaks Golf Course including the club house, pro shop, restaurant, driving range, GOLF COURSE, all maintenance facilities and other related facilities located on the GOLF COURSE.

ARTICLE 2

Term of Contract

2.1 Term. The term of this AGREEMENT shall be for a period of ten (10) years commencing on February 1, 2000 and shall extend through January 31, 2010 unless sooner terminated in accordance with the terms and conditions of this AGREEMENT.

2.2 Extension of Term by VISALIA GOLF: VISALIA GOLF is given the option to extend the term on all the provisions contained in this AGREEMENT for two (2) five (5) year periods (each such period shall be referred to as an "extended term") following the expiration of the initial term or an extended term by giving written notice of the exercise of the option ("option notice") to CITY at least one hundred eighty (180) days but not more than one (1) year prior to the expiration of the initial term or the extended term. If VISALIA GOLF is in default on the date of giving the option notice and such default is not cured within the time provided for in ARTICLE 10 for curing such a default, the option notice shall be totally ineffective. If VISALIA GOLF is in default on the date the extended term is to commence, the extended term shall not commence and this AGREEMENT shall terminate and be of no further force or effect on the date of the then expiring term.

2.3 Calculation of Fixed and Incentive Fees in Event of Extension: In the event VISALIA GOLF elects to extend the term of this AGREEMENT, the payment of the fixed fee provided for herein shall be adjusted by the accumulative increase in the Consumer Price Index - All Cities Average at the beginning of each extended period. For purposes of calculating the INCENTIVE FEES, BASE YEAR GROSS REVENUES and BASE NET OPERATING NET INCOME shall be similarly increased by the Consumer Price Index - All Cities Average at the beginning of each renewal period.

ARTICLE 3

Scope of Work

3.1 General Management Responsibilities. VISALIA GOLF shall be responsible for all management responsibilities related to the normal operation and maintenance of the GOLF COURSE FACILITIES. It shall be VISALIA GOLF's responsibility to employ persons qualified to carry on the normal operation, maintenance and management activities of the GOLF COURSE FACILITIES and to ensure that they are competently trained and perform their functions in a workmanlike and orderly manner. In this connection, VISALIA GOLF shall employ a person who shall have the function of the General Manager (who may also serve in other capacities identified herein) of the GOLF COURSE facility and who shall be responsible for all activities conducted under the terms and conditions of this contract. It shall be the responsibility of the person designated by VISALIA GOLF for general management responsibilities to interact with the DIRECTOR and to provide all reporting and accounting required by the terms of this AGREEMENT to the CITY.

3.2 PGA Class A Pro: VISALIA GOLF shall employ a person designated as a responsible PGA Class A GOLF PROFESSIONAL who shall be responsible for the pro shop management. The person VISALIA GOLF hires for these managerial functions shall have demonstrated capability to perform these functions in a manner which is respectful of the need to provide high quality customer service in a businesslike, but respectful customer oriented manner. Examples of responsibilities and expectations of the Pro Shop Manager are outlined in Exhibit "A", which is attached hereto and incorporated herein by reference.

3.3 Maintenance.

a. Facilities: VISALIA GOLF shall cause to be hired or designated, a person who shall be a Class A member of the Golf Course Superintendents Association or equivalent as approved by the DIRECTOR who shall be responsible for GOLF COURSE maintenance activities at the GOLF COURSE FACILITIES. Specifically, VISALIA GOLF shall ensure that the GOLF COURSE FACILITIES are maintained at a standard followed by comparable, good quality municipal golf courses and as set by the Golf Course Superintendents Association of America and the United States Golf Association by providing that mowing, edging, trimming, overseeding, fertilization, aeration, irrigation, sod maintenance, pin placements, tee maintenance, top dressing, divots, traps, spraying, turf renovation and shrub management are properly and timely conducted.

Additionally, VISALIA GOLF will provide for management of weed, disease and pest control activities, tree maintenance, maintenance of irrigation system, including main lines, pumps, boosters and controllers.

Examples of responsibilities and expectations of the individual responsible for GOLF COURSE maintenance activities are outlined in Exhibit "B", which is attached hereto and incorporated herein by reference.

b. Equipment: VISALIA GOLF will provide a professional level of maintenance of any appurtenant structures and CITY equipment and will develop and maintain maintenance schedules, records and reports of such maintenance in keeping with good industry maintenance management practices.

c. Trade Fixtures. Upon taking over the GOLF COURSE maintenance duties, VISALIA GOLF shall take possession of the existing appliances, furniture, fixtures, equipment, door locks and padlocks in place at the GOLF COURSE and shall use them in the maintenance of the GOLF COURSE to the maximum extent feasible. VISALIA GOLF shall maintain, repair and replace such items as necessary for proper operation. All such existing appliances, furniture, fixtures, equipment, door locks and padlocks, as well as any and all additions and alterations to, and replacements of, those items shall be and remain the property of CITY, and VISALIA GOLF shall surrender possession thereof to CITY upon expiration or termination of this AGREEMENT. VISALIA GOLF, at no expense to itself, shall provide and install any and all additional appliances, furniture, fixtures, equipment, door locks and padlocks that are required for the operation of the GOLF COURSE premises. Title to all such items shall, upon installation, immediately vest and be vested in CITY at all times during and after the term hereof.

d. Golf Cars. Upon taking over the GOLF COURSE maintenance and operation duties, VISALIA GOLF shall take possession of the existing golf cars and related maintenance equipment in place at the GOLF COURSE and shall operate, maintain, repair and replace them (consistent with approved budgets) as necessary for proper operation. All such existing golf cars and related maintenance equipment and additions to, alterations to and replacements of those items shall be and remain the property of CITY and VISALIA GOLF shall surrender possession thereof to CITY upon expiration or termination of this AGREEMENT. Examples of responsibilities and expectations of the individual responsible for golf car maintenance and operation activities are outlined in Exhibit "D", which is attached hereto and incorporated herein by reference.

e. Standards. Upon taking over the GOLF COURSE maintenance and operation duties, VISALIA GOLF shall maintain the GOLF COURSE in accord with the standards and examples outlined in Exhibit "E", which is attached hereto and incorporated herein by reference.

3.4 Restaurant Operations.

a. Restaurant Manager: VISALIA GOLF shall designate a person to be responsible for restaurant operations. VISALIA GOLF shall ensure that the restaurant is operated and maintained in a manner which meets the needs of the golfing public. Specifically, VISALIA GOLF shall develop menus and provide services to the golfing public which ensure that they have available reasonably

Item 1. - Page 14

priced and high quality food and beverage products. VISALIA GOLF shall also ensure that restaurant services are made available for tournament activities and related events in a manner which will enhance the marketing potential of the GOLF COURSE for such activities.

b. Restaurant Facility and Equipment: VISALIA GOLF shall oversee the maintenance of the restaurant facility and equipment to be sure it is clean, safe, wholesome and sanitary and in compliance with local, state and federal laws and regulations. Additionally, VISALIA GOLF, at no expense to itself, shall provide a professional level of maintenance of any appurtenant structures and CITY equipment maintained on the restaurant premises or utilized in the operation of the restaurant.

Examples of responsibilities and expectations of the individual responsible for Restaurant Operations are outlined in Exhibit "C", which is attached hereto and incorporated herein by reference.

3.5 Financial Management. VISALIA GOLF shall:

a. Operations/Advance.

1. Collection of Revenue and Payment of Expenses. VISALIA GOLF will be responsible for collection of all REVENUE at the GOLF COURSE and for payment of all OPERATING EXPENSES.

2. Monthly Report. VISALIA GOLF shall compile a monthly reconciliation of the REVENUE and OPERATING EXPENSES (including the Fixed Fee), which will be used as a basis for the income statement portion of the monthly report required herein. The monthly report will detail REVENUE received from the pro shop, green fees, tournaments, driving range, lessons, instruction programs, restaurant operations, and other recurring revenue. The monthly report will also detail all expenses including, but not limited to, costs of all goods sold, all OPERATING EXPENSES, including monthly interest and principal payments on long term debt, depreciation, capital expenditures, golf cart or golf equipment lease payments, and allocated costs paid to the CITY. Additionally, the report shall provide detail of the utilization of all GOLF COURSE FACILITIES including rounds played, lessons/instructions given, tournaments conducted and special events provided. The monthly report shall detail maintenance activities and indicate work performed. DIRECTOR and Chief Financial Officer of the CITY will work with VISALIA GOLF to make reasonable estimates for the report regarding depreciation and long term debt, and to generate a format for the advance procedure outlined below.

3. Monthly Meeting/Advance. No later than the fifteenth (15th) day of each month, the person designated by VISALIA GOLF shall meet with the DIRECTOR and Chief Financial Officer of the CITY to review the monthly report. At that time, and in the event it is required by VISALIA GOLF, an operating advance will be made available by CITY to VISALIA GOLF upon appropriate justification. In the event an operating advance is made by CITY to VISALIA

GOLF, the advance will be tracked in conjunction with the existing operating loan.

b. Green Fee Rates and Structure.

(1) Rates. Effective July 1 of each year, green fees will be adjusted according to the Consumer Price Index - All Cities Average for the preceding April 1 through March 31 period.

(2) Structure. VISALIA GOLF shall provide the CITY, by no later than October 1, 2000, a review of the GOLF COURSE green fee rate structure and recommendations for any modification with respect thereto. Thereafter, VISALIA GOLF shall provide same type of GOLF COURSE green fee rate structure information and recommendations from time to time as appropriate, or upon request of CITY.

c. Accounting. Develop and utilize systems that ensure proper cash accounting of all activities associated with the GOLF COURSE OPERATIONS. This responsibility includes developing and utilizing systems for proper cash management, establishment of adequate working capital and development of accounting and GOLF COURSE utilization data which will enable VISALIA GOLF and the CITY to properly plan for future activities related to GOLF COURSE management.

d. Budget. VISALIA GOLF shall develop a budget for operations to be submitted to the CITY within sixty (60) days of February 1, 2000 which shall provide the basis for operation and maintenance of the GOLF COURSE FACILITIES for the balance of the CITY's FISCAL YEAR ending on June 30, 2000. Thereafter, VISALIA GOLF shall prepare and submit to the CITY a proposed budget for the year beginning July 1 and ending June 30 of the following year on or before April 1 preceding the budget year. Such budgets shall include sufficient detail with respect to GOLF COURSE revenues, OPERATING EXPENSES, maintenance activities, proposed capital and any improvements, and equipment lease/purchases so that the CITY can properly evaluate expectations with respect to NET OPERATING INCOME.

e. Annual Financial Statements and Audit.

(1) Annual Financial Statements. VISALIA GOLF shall submit audited financial statements for the twelve (12) month period ending June 30 of each year for the operation of the GOLF COURSE including an independent auditor's audit report and the audit management letter to the CITY within forty-five (45) days after the end of each fiscal year. The audit shall be performed by an independent certified public accountant acceptable to CITY, and the cost of the audit shall be included as a cost of operating the GOLF COURSE. The audit shall include an accounting of all sales and an inventory of all assets, including trade fixtures and fixed assets.

(2) Inspection/Audit. All documents, books and accounting and financial records kept by VISALIA GOLF relating in any manner to the

GOLF COURSE, shall be open for inspection by CITY at any reasonable time during the term of this AGREEMENT and for at least three (3) years thereafter. In addition, CITY or its authorized representatives may, from time to time, conduct an audit of the books of the operation of the GOLF COURSE. CITY shall use reasonable efforts to minimize the interruption to the normal operation of the GOLF COURSE during any inspection or audit performed pursuant to the provisions of this section.

3.6 Operating Responsibilities.

a. Payment of Golf Course Costs and Operating Expenses.

Notwithstanding anything to the contrary in this AGREEMENT, it is understood that VISALIA GOLF, as Manager of the GOLF COURSE, has no obligation or responsibility to pay or advance any funds for GOLF COURSE costs or expenses except on behalf of CITY. To the extent VISALIA GOLF elects to do so, VISALIA GOLF shall be reimbursed by CITY within fifteen (15) days of submittal by VISALIA GOLF for any such reasonable costs or expenses as specified in the budget or as approved by the CITY. Examples of costs or expenses of the GOLF COURSE for which CITY is responsible include, but are not limited to, all personnel costs, utilities, telephone, inventory, supplies, real estate taxes (if any), insurance, capital equipment replacement, debt service. VISALIA GOLF's sole financial responsibility shall be with respect to providing, at VISALIA GOLF's own cost, a golf course computer system and software as specified in more detail in Section 4.3 of this AGREEMENT.

b. Compliance With Laws. VISALIA GOLF shall conform to and abide by all laws, ordinances, statutes, codes, rules and regulations, insofar as the same or any of them are applicable; and where permits and/or licenses are required for the GOLF COURSE OPERATION hereunder and/or any construction authorized herein, the same must first be obtained from the regulatory agency having jurisdiction thereover.

c. Disorderly Persons. VISALIA GOLF shall exercise every reasonable effort not to allow any loud, boisterous, or disorderly persons to loiter about the GOLF COURSE.

d. Illegal Activities. VISALIA GOLF shall not knowingly permit any illegal activities to be conducted on the GOLF COURSE.

e. Signs. VISALIA GOLF shall comply with Title 17, Chapter 17.48 of the Visalia Municipal Code with respect to the design, size, manufacture, installation and maintenance of any signs.

f. Public Use/Hours of Operation. VISALIA GOLF shall use its best efforts to maximize the public use of the GOLF COURSE and facilities thereon. The GOLF COURSE shall be open for business from dusk until dawn 364 days of the year. Christmas day is within VISALIA GOLF's discretion.

ARTICLE 4

Consideration

4.1 Fixed Fee. CITY shall pay VISALIA GOLF Seventy Two Thousand Dollars (\$72,000.00) per year, payable in Six Thousand Dollar (\$6,000.00) per month installments payable on or before the tenth day of the month for which such payment is due. Such fee shall be adjusted pursuant to the cumulative change in the Consumer Price Index-All Cities Average at the beginning of the sixth year of the term of this AGREEMENT.

4.2 Incentive Fees. CITY shall pay VISALIA GOLF:

a. Five percent (5%) of the annual increase in GROSS REVENUE over BASE YEAR GROSS REVENUE, payable within forty-five (45) days of the end of each fiscal year. In the event a less than 12-month year occurs, the payment shall be prorated accordingly. BASE YEAR GROSS REVENUE will be adjusted according to the cumulative change in the Consumer Price Index - All Cities Average at the beginning of the sixth year of the term of this AGREEMENT.

b. Ten percent (10%) of the annual increase in the NET OPERATING INCOME over BASE NET OPERATING NET INCOME payable within forty-five (45) days of the end of each fiscal year. In the event a less than 12-month year occurs, the payment shall be prorated accordingly.

c. Five Thousand Dollars (\$5,000.00) on the date of the execution of this AGREEMENT for pre-management expenses associated with mobilization to perform under the terms and conditions of this AGREEMENT.

4.3 Computer Equipment. As a material inducement to CITY to enter into this AGREEMENT, VISALIA GOLF agrees to provide, at its own cost, computer equipment and software necessary to operate the pro shop, starter function, and food and beverage operation in a first-class, professional manner. VISALIA GOLF shall provide access to said software to designated representatives of CITY.

4.4 Guaranty by Courseco, Inc. As a material inducement to CITY to enter into this AGREEMENT, COURSECO, INC., a California corporation, unconditionally guarantees the performance to CITY of the obligations of VISALIA GOLF, LLC described in this AGREEMENT. This is a continuing guaranty which shall remain in force until this AGREEMENT is terminated.

ARTICLE 5

Equipment and Licenses

5.1 Equipment and Licenses. The equipment and licenses listed on Exhibit "F" attached to this AGREEMENT shall be made available to VISALIA GOLF by the CITY on the effective date of the AGREEMENT. It shall be the

responsibility of VISALIA GOLF to operate and maintain the equipment according to generally accepted industry practices.

5.2 Annual Equipment List. VISALIA GOLF shall be responsible for providing CITY an annual list of necessary equipment purchases or leases by April 1 of each year. Budgets prepared by VISALIA GOLF pursuant to the terms and conditions of this AGREEMENT shall provide for routine equipment replacement sufficient to ensure that reasonable quality equipment is available for operation and maintenance of the GOLF COURSE FACILITIES.

5.3 Liquor License. Among the items that shall be made available by the CITY to VISALIA GOLF shall be a liquor license sufficient to ensure that VISALIA GOLF may provide reasonable services in the restaurant facilities at the GOLF COURSE. This will be accomplished via a transfer directly from the current owner, Ryan Wiezycki, to VISALIA GOLF at no cost to VISALIA GOLF. CITY agrees to deposit the purchase price, transfer fee and license renewal fee into escrow as required by California law to effect the transfer. CITY also agrees to pay all escrow-related costs directly to the escrow holder. VISALIA GOLF agrees to cooperate to complete the transfer application and aid in the transfer process to accomplish the transfer as soon as possible. VISALIA GOLF agrees, however, that if this AGREEMENT is terminated, the liquor license shall be transferred back to CITY or its assign pursuant to a similar transfer process as outlined in the California Business and Professions Code. In the event of termination and transfer to CITY, CITY shall be responsible for transfer costs.

ARTICLE 6

Employees

6.1 VISALIA GOLF Employees. All employees necessary for operation and maintenance of the GOLF COURSE FACILITIES in meeting the responsibilities of VISALIA GOLF specified in this AGREEMENT shall be employed by VISALIA GOLF.

6.2 Adequate Number of Employees. VISALIA GOLF shall maintain a staff of adequate number and sufficient training.

6.3 Employee Standard. VISALIA GOLF and its staff shall at all times maintain a high standard of services to the public without rudeness, but rather with dignity and courtesy.

6.4 Employee Supervision. All responsibility for supervision of such employees shall be the responsibility of VISALIA GOLF. VISALIA GOLF shall be responsible for ensuring that all employee rights and obligations under law are protected and met.

6.5 Existing CITY Employees. The CITY and VISALIA GOLF acknowledge that presently CITY employees operate and maintain significant portions of the GOLF COURSE FACILITIES. It is understood and agreed by VISALIA GOLF that they will offer employment to each of the existing employees

at the facility and provide them a reasonable opportunity to perform to VISALIA GOLF's standards for no less than One Hundred Twenty (120) days. CITY acknowledges that VISALIA GOLF has the sole discretion to determine the appropriate market rate for private employment of such employees, and that VISALIA GOLF is under no obligation to offer wages, benefits or other terms of employment which are inconsistent with the private market place or VISALIA GOLF's general policies.

6.6 Employee Uniforms and Identification System. VISALIA GOLF shall establish an identification system for personnel assigned to the GOLF COURSE which clearly indicates to GOLF COURSE patrons the name of the person(s) on duty and responsible for collecting green fees. The identification system shall be furnished by VISALIA GOLF at CITY'S expense and shall include appropriate attire, name badges and/or name plates.

6.7 Compliance with Laws. VISALIA GOLF shall conform to and abide by all CITY and Tulare County ordinances, and all State and Federal laws and regulations, insofar as the same or any of them are applicable to employment.

6.8 Compliance with Rules and Regulations. VISALIA GOLF shall conform to and abide by all rules and regulations of CITY insofar as the same or any of them are applicable. VISALIA GOLF shall conform to CITY'S Drug Free Workplace Policy, a copy of which is attached hereto as Exhibit "G" and incorporated herein by this reference. Failure to establish a program, notify employees or inform CITY of a drug-related workplace conviction will constitute a material breach of this AGREEMENT upon which CITY may immediately terminate this AGREEMENT.

6.9 Warranty of Compliance. VISALIA GOLF warrants that it fully complies with laws regarding employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603).

6.10 Verification and Documentation. VISALIA GOLF shall obtain from all covered employees performing services hereunder all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may hereafter be amended. VISALIA GOLF shall retain such documentation for all covered employees for the period prescribed by law.

6.11 Indemnification. VISALIA GOLF shall indemnify, defend and hold harmless, CITY and its officers and employees from employer sanctions and any other liability which may be assessed against VISALIA GOLF or CITY or both in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility of employment of persons performing services under this AGREEMENT.

6.12 Independent Contractors. This AGREEMENT is by and between CITY and VISALIA GOLF and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partner, joint venturer or associate, as between CITY and VISALIA GOLF or any officer, employee or representative of VISALIA GOLF.

ARTICLE 7

Non-Discrimination

7.1 Non-Discrimination and Civil Rights Compliance. VISALIA GOLF hereby certifies and agrees that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and the Americans with Disabilities Act of 1990, to the end that no person shall, on the grounds of race, creed, color, national origin, political affiliation, marital status, gender, age or handicap be subjected to discrimination under the privileges and uses granted by this AGREEMENT or under any other project, program or activity supported by this AGREEMENT.

7.2 Equal Treatment of Employees. VISALIA GOLF certifies that all persons employed by VISALIA GOLF shall be treated equally, without regard to or because of race, creed, color, national origin, political affiliation, marital status, gender, age or handicap and in compliance with all federal and state laws prohibiting discrimination in employment including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the California Fair Employment Practices Act and the Americans with Disabilities Act of 1990 and implementing regulations.

7.3 Equal Treatment of Subcontractors, Bidders and Vendors. VISALIA GOLF certifies and agrees that subcontractors, bidders and vendors thereof are and shall be selected without regard to or because of race, creed, color, national origin, political affiliation, marital status, gender age or handicap.

7.4 Inspection of Employment Records. All employment records shall be open for inspection and re-inspection at reasonable time during the term of this AGREEMENT for the purpose of verifying the practice of non-discrimination by VISALIA GOLF in the areas heretofore described.

7.5 Violation of Non-Discrimination Clause. If CITY finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which CITY may determine to cancel, terminate, or independently determine that the nondiscrimination provisions of this AGREEMENT have been violated, in addition, a determination by the California Fair Employment and Housing Department or the Federal Equal Employment Opportunity Commission that operator has violated State or Federal nondiscrimination laws or regulations shall constitute a finding by CITY that VISALIA GOLF has violated the non-discrimination provisions of this AGREEMENT.

7.6 Liquidated Damages. The parties agree that in the event VISALIA GOLF violates the non-discrimination provisions contained herein, CITY shall, at its option, be entitled to a sum of One Thousand Dollars (\$1,000.00) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of canceling, terminating or suspending this AGREEMENT. VISALIA GOLF further agrees that One Thousand Dollars (\$1,000.00) is a reasonable sum under all of the circumstances existing at the time of the execution of this AGREEMENT.

ARTICLE 8

Monthly Meetings

8.1 Monthly Meetings. The person designated by VISALIA GOLF to serve the functions of the General Manager shall meet with the DIRECTOR on a regular monthly basis and at such other times as may be required by the DIRECTOR to evaluate the performance under the terms and conditions of the AGREEMENT and to discuss any issues or matters as determined by the DIRECTOR or a VISALIA GOLF representative.

ARTICLE 9

Capital Improvements

9.1 CAPITAL IMPROVEMENT Advance. CITY and VISALIA GOLF agree that as material consideration for the execution of this AGREEMENT, Eight Hundred Thousand Dollars (\$800,000.00) will be advanced by CITY for interim CAPITAL IMPROVEMENTS to the GOLF COURSE FACILITIES to be made by VISALIA GOLF. The advance(s) will occur on an agreed upon schedule as the improvement projects are identified and contracted. These capital improvements may include lighting the driving range, modifying and/or replacing the irrigation system, installing cart paths, improving and/or relocating bunkers, and purchasing necessary equipment. Such funds will be amortized and repaid to the CITY with interest from GOLF COURSE operations over the term of this AGREEMENT. VISALIA GOLF will provide a preliminary schedule for construction of such CAPITAL IMPROVEMENTS to the CITY within sixty (60) days of the effective date of this AGREEMENT. VISALIA GOLF will provide a detailed schedule for construction of such CAPITAL IMPROVEMENTS to the CITY at least thirty (30) days prior to commencement of construction. All purchases made by VISALIA GOLF from the monies advanced for the benefit of the GOLF COURSE are to be made in the sole discretion of VISALIA GOLF. It is the intent of VISALIA GOLF and CITY that the majority of such CAPITAL IMPROVEMENTS shall be constructed and completed prior to December 31, 2000. Effective March 1, 2000, VISALIA GOLF shall collect a one dollar (\$1.00) per round capital improvement surcharge for each round of golf played at the GOLF COURSE.

9.2 CAPITAL IMPROVEMENT Report. VISALIA GOLF shall prepare and submit to the CITY by December 31, 2000, a five year CAPITAL IMPROVEMENT plan for the GOLF COURSE which shall detail CAPITAL

IMPROVEMENTS other than those specified in Article 9.1 above, necessary to ensure the long term viability of the GOLF COURSE and its related operations. Budgets prepared by VISALIA GOLF shall include a capital reserve component which shall be designed to ensure that funds are available for ongoing CAPITAL IMPROVEMENTS at the GOLF COURSE FACILITIES.

ARTICLE 10

Events of Default

10.1 VISALIA GOLF'S Default. The occurrence of any one or more of the following events shall constitute an event of default by VISALIA GOLF:

a. The abandonment or discontinuance of GOLF COURSE maintenance for more than twenty-four (24) consecutive hours;

b. The failure of VISALIA GOLF to operate in the manner required by this AGREEMENT, where such failure continues for more than twenty-four (24) hours after written notice from CITY to correct the condition therein specified;

c. The failure of VISALIA GOLF to maintain the premises and improvements thereon in the state of repair required hereunder, and in a clean, sanitary, safe and satisfactory condition, where such failure continues for more than twenty-four (24) hours after written notice from CITY to correct the specified condition; provided said time limit may be waived in the manner and to the extent allowed by CITY, where fulfillment of such obligation requires activity over a period of time and VISALIA GOLF shall have commenced to perform whatever may be required to cure the particular default immediately following receipt of such notice, and continues such performance diligently;

d. The failure of VISALIA GOLF to keep, perform and observe all other promises, covenants, conditions and agreements set forth in this AGREEMENT, where such failure continues for more than twenty-four (24) hours after written notice from CITY to correct the specified condition, provided that said time limit may be waived in the manner and to the extent allowed by CITY, where fulfillment of such obligation requires activity over a period of time and VISALIA GOLF shall have commenced to perform whatever may be required to cure the particular default immediately following receipt of such notice, and continues such performance diligently;

e. The filing by VISALIA GOLF of a voluntary petition in bankruptcy; the adjudication of VISALIA GOLF as a bankrupt; the appointment of any receiver of VISALIA GOLF's assets; the making of a general assignment for the benefit of creditors; a petition or answer seeking an arrangement for the reorganization of VISALIA GOLF under any Federal Reorganization Act, including petitions or answers under Chapter X or XI of the Bankruptcy Act; the occurrence of any act which operates to deprive VISALIA GOLF permanently of the rights, powers and privileges necessary for the proper conduct and operation of the GOLF COURSE; the levy of any attachment or execution which

substantially interferes with VISALIA GOLF's operations under this AGREEMENT and which attachment or execution is not vacated, dismissed, stayed or set aside within a period of sixty (60) days;

f. The determination by CITY, the California Fair Employment Commission or the Federal Equal Employment Opportunity Commission that VISALIA GOLF has practiced discrimination in violation of State and/or Federal laws;

g. The transfer of the majority controlling interest of VISALIA GOLF, or its guarantor, COURSECO, INC., to persons other than Thomas B. Isaak and John C. Telischak, the individual(s) in control at the time of execution of this AGREEMENT without prior approval thereof by the CITY COUNCIL;

h. The material misrepresentation by VISALIA GOLF of fact(s) in its "Affidavit to Accompany Proposals", which was required to be submitted in response to the Request for Proposals used in the solicitation process for this AGREEMENT, and which, by this reference, is incorporated herein as though fully set forth herein;

i. The commission by VISALIA GOLF of any other act or omission which is expressly stated by the terms of this AGREEMENT to constitute a default or material breach.

j. The determination by CITY that VISALIA GOLF is insolvent. VISALIA GOLF shall be deemed to be insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has committed an act of bankruptcy or not, and whether insolvent within the meaning of Federal Bankruptcy Law or not;

k. The appointment of a Receiver or Trustee for VISALIA GOLF;

l. The execution by VISALIA GOLF of an assignment for the benefit of creditors.

10.2 Notice of Default:

Notices given under this Article shall specify the alleged default and the applicable AGREEMENT provisions and shall demand that VISALIA GOLF perform the provisions of this AGREEMENT within the applicable period of time. No such notice shall be deemed a forfeiture or termination of this AGREEMENT except as provided in Paragraph 10.3.

10.3 CITY'S Remedies:

CITY shall have the following remedies if VISALIA GOLF commits a default. The rights and remedies of CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this AGREEMENT.

Item 1. - Page 24

a. CITY may, on three (3) calendar days notice to VISALIA GOLF (holidays excepted) terminate this AGREEMENT for default of Section 10.1(j), (k), or (l).

b. CITY may, at its discretion, on thirty (30) days notice to VISALIA GOLF (holidays included) terminate this AGREEMENT for default of Section 10.1 (a)-(i).

Any discretion vested in CITY pursuant to the provisions of this section shall be reasonably exercised.

10.4 Waiver by CITY. Any waiver by City of any breach of any one or more of the covenants, conditions, terms, and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, conditions, term or agreement herein contained, nor shall failure on the part of CITY to require exact, full and complete compliance with any of the covenants, conditions, terms, or agreements herein contained be construed in any manner as changing the terms of this AGREEMENT or estopping CITY from enforcing the full provisions thereof.

No delay, failure, or commission of CITY to re-enter the premises or to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter shall impair any such right, power, privilege, or option, or be construed as a wavier of or acquiescence in such default or as a relinquishment of any right.

No notice to VISALIA GOLF shall be required to restore or revise "time of the essence" after the waiver by CITY of any default.

No option, right, power, remedy or privilege of CITY shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options, privileges and remedies given CITY by this AGREEMENT shall be cumulative.

10.5 CITY's Default: CITY shall be in default of this AGREEMENT if it fails or unreasonably refuses to perform any provision of this AGREEMENT that it is obligated to perform if the failure to perform is not cured within thirty (30) days after notice of default has been given by VISALIA GOLF to CITY. If such default cannot be reasonably cured within thirty (30) days, CITY shall not be in default of this AGREEMENT if it commences to cure the default within the thirty (30) day period and thereafter diligently and in good faith continues to cure the default.

10.6 VISALIA GOLF's Remedies:

VISALIA GOLF shall have the right to terminate this AGREEMENT in the event of default of CITY if the default is not cured in the manner and within the timeframe outlined in Paragraph 10.5 herein.

10.7 Waiver by VISALIA GOLF. Any waiver by VISALIA GOLF of any breach of any one or more of the covenants, conditions, terms, and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, conditions, term or agreement herein contained, nor shall failure on the part of VISALIA GOLF to require exact, full and complete compliance with any of the covenants, conditions, terms, or agreements herein contained be construed in any manner as changing the terms of this AGREEMENT or estopping VISALIA GOLF from enforcing the full provisions thereof.

No delay, failure, or commission of VISALIA GOLF to exercise any right, power, privilege or option, arising from any default, nor any subsequent acceptance of payments then or thereafter shall impair any such right, power, privilege, or option, or be construed as a wavier of or acquiescence in such default or as a relinquishment of any right.

No notice to CITY shall be required to restore or revise "time of the essence" after the waiver by VISALIA GOLF of any default.

No option, right, power, remedy or privilege of VISALIA GOLF shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options, privileges and remedies given VISALIA GOLF by this AGREEMENT shall be cumulative.

10.8 VISALIA GOLF'S Default: VISALIA GOLF shall be in default of this AGREEMENT if it fails or unreasonably refuses to perform any provision of this AGREEMENT that it is obligated to perform if the failure to perform is not cured within thirty (30) days after notice of default has been given by CITY to VISALIA GOLF. If such default cannot be reasonably cured within thirty (30) days, VISALIA GOLF shall not be in default of this AGREEMENT if it commences to cure the default within the thirty (30) day period and thereafter diligently and in good faith continues to cure the default. This "cure" provision is not applicable to sections 10.1(e), (g), (h), j), (k), or (l) herein.

ARTICLE 11

Indemnity

11.1 Indemnity by VISALIA GOLF. VISALIA GOLF shall hold the CITY, its agent, officers, employees, and volunteers harmless from and save, defend, and indemnify them against any and all claims, losses, liability and damages from every cause, including but not limited to those acts or omissions normally covered by general and automobile liability, including injury to person or property or wrongful death, with the indemnity to include reasonable attorney's fees, and all costs and expenses, arising directly or indirectly out of any act or omission of VISALIA GOLF, whether or not the act or omission arises from the sole negligence or other liability of VISALIA GOLF, or its agents, officers, employees, and volunteers relating to or during the performance of its obligations under this AGREEMENT.

11.2 Full Knowledge and Information. VISALIA GOLF acknowledges that it is fully informed of the contents and meaning of this hold harmless provision and has so executed it with full knowledge thereof and that the terms are contractual and not a mere recital. These requirements shall also apply to any subcontractor whose hazards are not covered by VISALIA GOLF's insurance policies.

ARTICLE 12

Liability for Damages

12.1 Liability for Damages. VISALIA GOLF shall be fully responsible and shall pay for or cause to be repaired any and all damage done to the GOLF COURSE real and/or personal property or equipment, damage to the personal property of private individuals or other property of the public, and for any injury to any individual, including, but not limited to, any guest, employee, agent, licensee, or invitee of the GOLF COURSE on the premises that results from the intentional or negligent act or omission of VISALIA GOLF or VISALIA GOLF's agents, employees, representatives, or licensees. This shall include, but not be limited to, the replacement, at VISALIA GOLF's expense, of shrubs, flowers, trees, vines, turf, groundcover, or other landscape items that are lost due to improper watering, fertilizing, or lack of proper maintenance and care.

ARTICLE 13

Insurance

13.1 Insurance. VISALIA GOLF shall provide as an expense of the GOLF COURSE and maintain at all times the following insurance with insurance companies licensed in the State of California and shall provide evidence of such insurance to the CITY as may be required by the Insurance and Benefits Manager of the CITY. The policies or certificates thereof shall provide that, sixty (60) days prior to cancellation or material change in the policy, notices of same shall be given to the Insurance and Benefits Manager of the CITY by registered mail, return receipt requested, for all of the following stated insurance policies:

a. Workers' Compensation - In compliance with the statutes of the State of California, plus employer's liability with a minimum of liability of \$1,000,000 for each accident and a minimum of \$1,000,000 policy limit for disease. Policy(ies) are to be endorsed to include a waiver of subrogation against the City, its officers, officials, agents and employees.

(1) VISALIA GOLF Employees Not CITY Employees. VISALIA GOLF understands and agrees that all persons furnishing services to VISALIA GOLF pursuant to this AGREEMENT are, for purposes of Workers' Compensation liability, employees solely of VISALIA GOLF and not of CITY.

b. Commercial General Liability insurance including coverage for premises and operations, contractual liability, personal injury liability, products and completed operations liability, broad form property damage, independent contractor's liability with a minimum limit of \$2,000,000 per occurrence, combined single limit, written on an occurrence form. This insurance shall indicate on the certificate of insurance the following coverage and indicate the policy aggregate limit applying to: premises and operations; broad form contractual; independent contractors and subcontractors; and, products and completed operations. If the insurance is written with an aggregate, the policy shall be endorsed to have a policy aggregate limit applied separately to the Valley Oaks Golf Course.

c. Comprehensive Automobile Liability insurance including owned non-owned and hired automobiles with a minimum limit of \$2,000,000 per occurrence, combined single limit, written on an occurrence form.

d. All Risk Physical Damage insurance covering all insurable real property structures, equipment, golf carts and contents, including flood coverage, in the maximum amount available from the Federal Government which is estimated to be \$500,000.

e. Boiler and Machinery Insurance on insurable property owned or leased by CITY at the GOLF COURSE, in the aggregate amount of full replacement value of the equipment typically covered by such insurance.

13.2 Unsatisfactory Insurance. If at any time any of said policies shall be unsatisfactory to the CITY, as to form or substance or if a company issuing such policy shall be unsatisfactory to the CITY, VISALIA GOLF shall promptly obtain a new policy, submit the same to the Insurance and Benefits Manager for approval and submit a certificate thereof as hereinabove provided. Upon failure of VISALIA GOLF to furnish, deliver or maintain such insurance and certificates as above provided, this AGREEMENT, at the election of the CITY, may be forthwith declared suspended, or terminated. Failure of VISALIA GOLF to obtain and/or maintain any required insurance shall not relieve VISALIA GOLF from any liability under this AGREEMENT, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations of VISALIA GOLF concerning indemnification.

13.3 CITY as Additional Insured. The CITY, its agents, officers, employees, and volunteers shall be named as an additional insured on all insurance policies required herein, except Workers' Compensation. The Workers' Compensation insurer shall agree to waive all rights of subrogation against the CITY, its agents, officers, employees, and volunteers for losses arising from work performed by VISALIA GOLF for the CITY. VISALIA GOLF's insurance policy(ies) shall include a provision that the coverage is primary as respects the CITY; shall include no special limitations to coverage provided to additional insured; and, shall be placed with insurer(s) acceptable to the Insurance and Benefits Manager.

13.4 Deductibles and Self-Insured Retention. Any deductibles or self-insured retention must be declared to, and approved by, the CITY. At the option of the CITY, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the CITY, its officials, employees, agents, and contractors; or the vendor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses in an amount specified by the CITY.

13.5 Subcontractors. Insurance requirements apply to all subcontractors. Vendor shall include all subcontractors as insureds under its policies or shall obtain separate certificates and endorsements from each subcontractor.

13.6 Independent Contractors. VISALIA GOLF and its employees are independent contractors and not employees of the CITY. VISALIA GOLF and/or its insurers are responsible for payment of any liability arising out of Worker's Compensation, unemployment or employee benefits offered to its employees.

13.7 Endorsements. Endorsements are to be received and approved by the CITY before work commences. Should VISALIA GOLF cease to have insurance as required during any time, all work by VISALIA GOLF pursuant to this AGREEMENT shall cease until insurance acceptable to the CITY is provided. Failure of VISALIA GOLF to obtain and maintain any required insurance shall not relieve VISALIA GOLF from any liability hereunder.

ARTICLE 14

Utilities

14.1 Utilities. All applicable utility accounts, including telephone, shall remain in the name of CITY; however VISALIA GOLF, on behalf of CITY, shall pay for any necessary utilities at the GOLF COURSE premises as OPERATING EXPENSES.

14.2 Waiver by VISALIA GOLF. VISALIA GOLF waives any and all claims against CITY for compensation for loss or damage caused by a defect, deficiency or impairment of any utility system, water system, water supply system, drainage system, waste system, heating or gas system, electrical apparatus or wires serving the GOLF COURSE premises.

14.3 Effluent Water Irrigation. VISALIA GOLF acknowledges that the GOLF COURSE may be required by CITY to be converted to an effluent water irrigation system over the term of this AGREEMENT. VISALIA GOLF agrees to accept same and cooperate with CITY in any study necessary for the delivery, storage and distribution of an effluent water irrigation system for the GOLF COURSE facility. VISALIA GOLF shall also comply with all applicable health regulations concerning the operation of an effluent water irrigation system at the GOLF COURSE.

ARTICLE 15

Health & Safety

15.1 Sanitation. VISALIA GOLF shall not permit any offensive matter or refuse or substance constituting an unnecessary, unreasonable or unlawful fire hazard, or material detrimental to the public health to remain on the premises, and VISALIA GOLF shall prevent the accumulation thereof.

15.2 Safety Program. VISALIA GOLF shall implement a safety program that complies with SBA 198. VISALIA GOLF shall immediately correct any unsafe condition of the premises, as well as any unsafe practices occurring thereon. VISALIA GOLF shall obtain emergency medical care for any member of the public who is in need thereof, because of illness or injury occurring on the premises. VISALIA GOLF shall cooperate fully with CITY in investigation of any injury or death occurring on the premises, including a prompt report thereof to the CITY.

15.3 Warranty by VISALIA GOLF. VISALIA GOLF represents and warrants that the services it will provide, the methods of application it will use, and the products it will use will not violate and will comply with any federal, state, or local environmental laws, statutes, ordinances, codes, rules, regulations, order, decrees or similar authoritative pronouncements. For purposes of this AGREEMENT "Hazardous Substances" shall have the meaning ascribed in and shall include those substances listed in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq., and the regulations promulgated thereunder and includes oil and oil waste as those terms are defined in the Clean Water Act, 33 U.S.C. Section 1251, et seq., and the regulations promulgated thereunder, the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., as amended from time to time, and shall include any other elements or compounds which are contained in the list of hazardous substances adopted by the United States Environmental Protection Agency (the "EPA") and the list of toxic pollutants designed by Congress or the EPA or defined by any other federal, state, local or quasi-governmental statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, now existing or at any time hereafter in effect.

15.4 Indemnity. VISALIA GOLF hereby indemnifies and holds CITY harmless from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorney's fees and costs at all pre-administrative and administrative procedures, pre-trial, trial, and appellate levels, claims as a result of violations of this Section hereinabove, or any hazardous substance laws, claims for damage to the environment, claims of owed penalties, costs of any settlement or judgment and claims and liabilities of any and every kind whatsoever paid or incurred and claims of any and every kind whatsoever paid, incurred, or suffered by or asserted against CITY by any person or entity or governmental agency or quasi-governmental

agency, caused by or within the control of VISALIA GOLF, or any of VISALIA GOLF's employees, agents, invitees or licensees.

15.5 Hazardous Substances. The indemnification as provided hereinabove shall include, but not be limited to, the direct or indirect result of the presence on or under, or the escape, seepage, leakage spillage discharge, emission or release from or on, the GOLF COURSE or report of any hazardous substance including, without limitation, any losses, liabilities, including reasonable attorney's fees and costs at all pre-administrative and administrative procedures, pre-trial, trial and appellate levels, costs of any settlement, consent order, judgment or claim asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, as amended from time to time, and/or any quasi-governmental or federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability or standards of conduct concerning any hazardous substances, caused by or within the control of VISALIA GOLF, or any of VISALIA GOLF's employees, agents, invitees or licensees.

15.6 Environmental Complaint. If VISALIA GOLF causes, knows of, or receives any written or verbal notice of the happening of any event involving the use, spill, release, leak, seepage, discharge or cleanup of any governmental authority which lists any noncompliance, order, citation or notice with regard to air emissions, water discharges, or any other environmental, health or safety matter affecting CITY (an "environmental complaint") from any person or entity (including, without limitation, the EPA), VISALIA GOLF shall immediately notify CITY orally and in writing of such notice, and provide any and all supporting information, documentation, complaint, or order regarding the same.

15.7 CITY's Right of Entry. CITY shall have the right, but not the obligation and without limitation of CITY'S rights under this AGREEMENT, to enter onto the GOLF COURSE and such other property as CITY deems advisable and/or necessary to take such actions as it deems necessary and/or advisable to clean up, remove, or minimize the impact of, or otherwise deal with, any such hazardous substance or environmental complaint following receipt of any notice from any person or entity (including, without limitation, the EPA) asserting the existence of any hazardous substances or an environmental complaint. All reasonable costs and expenses incurred by CITY in the exercise of any such rights shall be payable by VISALIA GOLF to CITY upon demand if caused by or within the control of VISALIA GOLF or any of VISALIA GOLF's agents, employees, invitees, or licensees.

ARTICLE 16

Notices

16.1 Notices. Any notice or demand required or permitted to be given by the terms of this AGREEMENT, or by any law or statute, may be given by either party by depositing said notice or demand in the U.S. Mail, postage prepaid, addressed to the other at the party's address or any new address provided by such party in writing to the other. Service of said notice or demand shall be complete five (5) days after deposit of said notice or demand in the mail.

Notices and communication concerning this AGREEMENT shall be sent to the following addresses:

CITY

CITY of Visalia
Attn: Purchasing Agent
707 W. Acequia
Visalia CA 93278-4002

VISALIA GOLF

VISALIA GOLF, LLC
P.O. Box 1019
Petaluma, CA 94953

Either party may, by notice to the other party, change the address specified above. Service of notice of change of address shall be complete when received at the designated address.

ARTICLE 17

General Provisions

17.1 Contract Enforcement and Amendment. The Community Services DIRECTOR shall be responsible for the enforcement of this AGREEMENT on behalf of CITY and shall be assisted therein by those officers and employees of CITY having duties in connection with the administration thereof.

17.2 Entry at All Times. Any officers and/or authorized employees of CITY may enter upon the GOLF COURSE premises at any time for the purpose of determining whether or not VISALIA GOLF is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of CITY under this AGREEMENT.

17.3 Keys. VISALIA GOLF shall provide DIRECTOR with a complete set of keys to all GOLF COURSE facilities.

17.4 Time is of the Essence. Time is of the essence of this AGREEMENT.

17.5 Amendment. This document may be modified only by further written agreement between the parties. Any such modification shall not be effective unless and until executed by VISALIA GOLF and, in the case of CITY (unless otherwise specifically authorized herein), until approved by the CITY COUNCIL and executed by the Mayor of CITY or such other official as the CITY COUNCIL may designate.

17.6 Attorneys' Fees. In the event either party commences legal proceedings for the enforcement of this AGREEMENT, the prevailing party shall be entitled to recovery of its attorney's fees and court costs incurred in the action brought thereon. "Prevailing party" shall be defined as the party with a net monetary recovery, a defendant in whose favor a dismissal is entered, a defendant where neither plaintiff nor defendant obtains any relief, and a defendant as against those plaintiffs who do not recover any relief against that defendant. When any party recovers other than monetary relief and in situations other than as specified herein, the prevailing party shall be as determined by the court.

17.7 Entire AGREEMENT. This AGREEMENT constitutes the entire agreement and understanding between the parties hereto, and supersedes all proposals, oral or written, and all other communications between the parties with respect to the subject matter of this AGREEMENT.

17.8 Partial Invalidity. If any provision of this AGREEMENT shall be held invalid, such invalidity shall not affect the other provisions hereof, and to this extent, the provisions of this AGREEMENT are intended to be and shall be deemed severable. The parties shall agree, if reasonably practicable, upon provisions which are equivalent from an economic point of view to replace any provision which is determined to be invalid.

17.9 Authority. VISALIA GOLF and VISALIA GOLF's signators represent that the signators hold the positions set forth below their signatures and that the signators are authorized to execute this AGREEMENT on behalf of VISALIA GOLF and to bind VISALIA GOLF hereto.

17.10 Assignment of Contract. This AGREEMENT, or any part thereof, shall not be assigned, hypothecated, sold, alienated or transferred by VISALIA GOLF or by operation of law or otherwise, and will not be recognized to create any liability upon CITY, with the sole exception, and unless the prior written approval of CITY has been obtained thereto, and the surety has consented thereto in writing filed with CITY.

17.11 Governing Law. This AGREEMENT shall be construed and interpreted in accordance with the laws of the State of California.

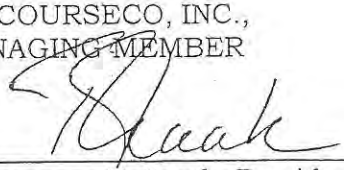
17.12 Interpretation/Headings. The headings/captions and the Table of Contents are for convenience and reference only and are not intended to define or limit the scope of any provision and shall have no effect on the Agreement's interpretation. When required by the context of this AGREEMENT, the singular shall include the plural.

IN WITNESS WHEREOF, the parties hereto have entered into this AGREEMENT on the date first written above.

CITY OF VISALIA

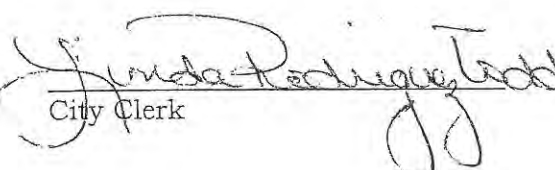
VISALIA GOLF, LLC
By: COURSECO, INC.,
MANAGING MEMBER

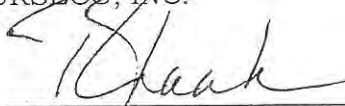
By: 
Steven M. Salomon
City Manager

By: 
Thomas B. Isaak, President

ATTEST:

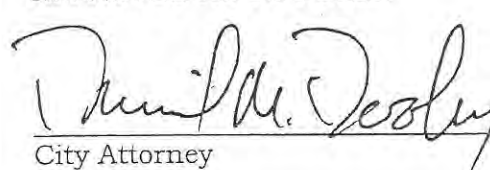
GUARANTOR:
COURSECO, INC.


City Clerk

By: 
Thomas B. Isaak, President

APPROVED AS TO FORM.

APPROVED AS TO FORM.


City Attorney

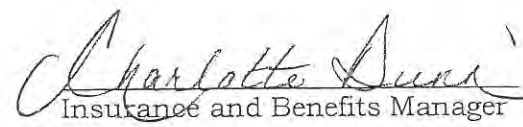

Insurance and Benefits Manager

EXHIBIT "A"
EXAMPLES OF RESPONSIBILITIES
AND EXPECTATIONS
OF PRO SHOP MANAGER

- a. Selling, renting, storing and/or repairing golf equipment.
- b. Selling golf related clothing and supplies.
- c. Providing instructional services in the playing of golf.
- d. Renting golf cars and golf carts.
- e. Operating a driving range.
- f. Obtaining and maintaining an inventory of golf equipment and supplies including, but not limited, to golf clothing, shoes, golf bags, clubs, balls, tees, gloves and carts. Competitively pricing new equipment in a manner not greater than fair trade or manufacturer's suggested prices for equipment of comparable quality sold at comparable public golf courses.
- g. Maintaining for rental use on the premises an adequate stock of golf clubs, golf bags, and golf carts in good condition and available to the public at all times. Competitively charging for comparable articles of golf equipment at a rate comparable to that charged at comparable public golf courses.
- h. Continually promoting and providing golf lessons during the hours of operation to any member of the public who pays the prescribed instruction fee. Providing a full range of golf instruction including, but not limited to, beginners to advanced, individual and group, women and minorities, and groups or individuals of all ages. Designating a PGA Class A professional as instructor, or an individual under the direct supervision of a PGA Class A professional. Charging for golf lessons and instructions in a manner comparable to and competitive with charges for like services at comparable public golf courses.
- i. Supervising, operating, and managing the practice driving range in an efficient, orderly, and business-like manner. Providing practice balls in good condition to persons who pay the prescribed driving range fee and providing, managing, and operating the necessary golf ball retrieving and dispensing equipment.
- j. Supervising all activities conducted on the practice green in order that the practice green is not damaged through improper or excessive use and so that the practice putting is conducted in an orderly and peaceful manner.

- k. Rendering and providing golf course starter services including, but not limited to, opening and closing the GOLF COURSE; collecting green fees; collecting golf tournament fees; recording reservations from the telephone and from patrons at the course and recording same on starter sheets; placing golfer's names on a call sheet as necessary; sending golfers to the tee and starting them off at proper intervals; receiving requests from groups for tournaments, booking tournaments and collecting appropriate fees; taking all actions as necessary to speed play on course; entering all golfers' names on the starter's sheet and issuing a cash register receipt to each golfer paying the green fee; totaling golf starter sheets at end of each day's play and reconciling them with fee category totals on the cash register detail tape; and recording in the daily log book the number of rounds of play and total amount of cash collected by fee category.
- l. Implementing a well planned and effective marshaling program to ensure that slow play does not occur. Providing trained marshals to assist as well as monitor golfers and to expedite play on the course at all times.
- m. Utilizing a method of accounting, which correctly and accurately reflects the gross receipts and disbursements in connection with the GOLF COURSE OPERATION and compiling the daily, monthly and annual reports on the rounds of play, revenues, and golf cart rentals, and other reports as may be required.
- n. Maintaining a high standard of services to the public without rudeness but rather with dignity and courtesy.
- o. Actively promoting the GOLF COURSE to the general public by speaking or participating in various clubs, educational and civic functions.
- p. Conducting any other activities required by VISALIA GOLF to enhance the quality and services provided at the GOLF COURSE.

**EXHIBIT B
EXAMPLES OF RESPONSIBILITIES
AND EXPECTATIONS OF THE INDIVIDUAL
RESPONSIBLE FOR GOLF COURSE
MAINTENANCE ACTIVITIES**

1. Maintaining the GOLF COURSE, its facilities, and all buildings, structures, improvements, fixtures, trade fixtures, equipment turf areas, irrigation systems and utility systems which may now or hereafter exist thereon, in a good, safe and first-class condition and providing for necessary repairs, replacements, rebuilding and restoration.
2. Designating a Golf Course Superintendent who is a Class A member of the Golf Course Superintendents Association or equivalent as approved by the DIRECTOR, and supervising and maintaining a crew of well trained and qualified personnel sufficient to perform all work at the premises daily during normal working hours.
3. Providing grounds maintenance services, including but not limited to, mowing, edging, trimming, overseeding, fertilizing, aerating, irrigating, sodding, changing cups, servicing tees, topdressing, raising divots, raking traps, spraying, mopping, stop irrigating, syringing, renovating turf and shrub areas, as well as providing weed, disease and pest control, tree maintenance, maintenance of irrigation system including mainlines, pumps, boosters and controllers and providing necessary maintenance of any appurtenant structures and equipment.
4. Performing work to maintain standards equal to or better than comparable public golf courses following guidelines set by the Golf Course Superintendents Association of America and the United States Golf Association. Performing maintenance at established frequencies so as to maintain the aesthetic level and proper playing condition of the GOLF COURSE.
5. Meeting regularly with the DIRECTOR, or its representative, to review course conditions and maintenance schedules and to discuss any problems or matters needing resolution.
6. Keeping records of the work performed on a monthly basis and submitting this monthly maintenance report to the DIRECTOR. Developing an annual maintenance schedule which indicates all major maintenance tasks required and the weeks of the year they will be performed. Coordinating the maintenance schedule with the Golf Course Tournament and Event Schedule.
7. Maintaining all CITY equipment, supplies, and materials in good quality and in the amounts necessary to accomplish an acceptable and professional

level of maintenance. Providing, at CITY'S expense, necessary supplies, materials, equipment, fuel, oil and spare parts. Providing, at CITY'S expense, all necessary topdressing, seed, fertilizers, fungicides, insecticides, pesticides and herbicides; all parts necessary for the repair and maintenance of all irrigation systems; sand for bunkers; replacement tee towels, soap, putting green cups and flags, bunker rakes, tee markers, trash receptacles, all signs, tee benches, Out-of-bounds markers, distance markers, cleat brushes, and other similar golf course equipment.

EXHIBIT "C"
EXAMPLES OF RESPONSIBILITIES AND
EXPECTATIONS OF THE INDIVIDUAL
RESPONSIBLE FOR RESTAURANT OPERATIONS

1. Utilizing liquor license to sell on-premises liquor, operating food and beverage concession, and utilizing a mobile professional snack and beverage cart throughout the golf course grounds.
2. Maintaining both the restaurant structure and the furnishings in a manner of good repair.
3. Opening the restaurant to the general public every calendar day, including Sundays and holidays, except Christmas Day, during the hours of operation of the GOLF COURSE.
4. Maintaining and supervising an adequate number of fully trained, suitably attired personnel on the premises at all times to meet the needs of the general public.
5. Maintaining and operating the restaurant in a clean, safe, wholesome and sanitary condition free of trash, garbage or obstructions of any kind, and in compliance with any and all present and future laws and general rules and regulations of any governmental authority.
6. Equipping the restaurant concession facilities in compliance with all local, state and federal regulations applicable thereto.
7. Operating and managing the services and facilities offered in a reasonable business manner, comparable to other concessions providing similar facilities and services. Dispensing foods and beverages of good quality and maintaining a high standard of services at least equal to that of comparable establishments without discrimination.
8. Setting merchandise prices within the range of prices in the surrounding community for the same or similar articles at a similar establishment.
9. Paying, as an expense of the GOLF COURSE, all lawful taxes, assessments, or charges which at any time may be levied by the State, County, or CITY on goods, merchandise, fixtures, appliances, equipment and property.
10. Keeping the onsite liquor licenses in good standing with the issuing agency.
11. Performing necessary maintenance and janitorial services to the restaurant premises and fixtures, and appliances.

EXHIBIT "D"
EXAMPLES OF RESPONSIBILITIES AND EXPECTATIONS
OF THE INDIVIDUAL RESPONSIBLE FOR
GOLF CAR MAINTENANCE AND OPERATION ACTIVITIES

1. Providing and maintaining power driven golf cars with shade tops. Increasing, in coordination with the DIRECTOR, the number of cars provided if necessary to reasonably meet the demands of the public patronizing the golf course. Maintaining the golf cars in good mechanical repair and aesthetic condition.
2. Charging fees for golf car rentals as established by the Visalia City Council.
3. Maintaining the CITY leased/owned fleet of golf cars with daily maintenance, such as washing and cleaning, checking and maintaining battery fluid levels, checking and maintaining tire inflation levels, and reporting specific needed maintenance repairs to the Course Maintenance Staff. Also keeping the golf cart storage shed and surrounding area free of litter and in a clean and presentable state throughout.
4. Securing the golf car storage facility including lighting, fencing and anti-theft deterrents. Repairing any damage to the interior and exterior of the car storage area that results from accident, theft or vandalism.

EXHIBIT "E"
GOLF COURSE MAINTENANCE STANDARDS

MAINTENANCE SERVICES

1. Performing maintenance services at standard frequencies and maintaining a log of said services.
2. Greens Maintenance. Maintaining all greens according to accepted playability and golf industry-wide standards and observing the following minimum requirements:
 - a. Changing cups and repairing ball marks daily.
 - b. Mowing greens (not less than 3/16 inch and not more than ¼ inch) six (6) times per week from April through October and a minimum of four (4) times per week (Saturday, Sunday, Tuesday, and Thursday) from November through February. Mowing with a reel-type model mower accepted in the golf industry, with no less than seven (7) blades per reel and designed specifically for mowing golf greens.
 - c. Verticutting all greens from February through November should thatching occur.
 - d. Aerating greens at least two (2) times per year no sooner than the third week in March and no later than the second week in May, and no sooner than the first week in October and no later than the first week in November. Removing all plugs the same day. Top dressing with approved material as to type and quantity following each aeration of greens.
 - e. Analyzing soil as necessary and applying fertilizer in the quantity and type recommended by soil analysis to provide uniform growth of turf.
 - f. Treating greens with proper chemicals to control insects, disease, weeds, and other pests.
3. Tee Maintenance. Maintaining tees according to accepted playability and golf industry-wide standards and observing the following minimum requirements:
 - a. Servicing tees daily by moving tee markers and benches. Changing tee towels weekly and keeping ball washers filled to proper level with water and an appropriate cleaning agent daily.
 - b. Mowing tees at least three (3) times weekly during warm weather months with reel-type mower at ½ inch or less.
 - c. Aerating tees at least two (2) times per year following the same procedure as outlined for greens in Item 2d above.

- d. Repairing worn and damaged turf areas as they occur by over seeding or re-sodding to ensure playable tees at all times.
 - e. Treating tees for control of insects, disease, weeds, and other pest as necessary to maintain healthy turf.
 - f. Applying fertilizer necessary to maintain the tees in good repair, which may include six (6) pounds of actual Nitrogen per 1,000 square feet of turf to tees per year, two (2) pound of which is composed of Nitrogen (for color and growth), Phosphate [for healthier and stronger stems (runner from bermuda grass)], and Potash (for root strength), hereinafter referred to as "NPK".
4. Fairway Maintenance (including Driving Range Area):
Maintaining all fairways according to accepted playability and golf industry-wide standards and observing the following minimum requirements:
- a. Mowing all fairways with a reel-type mower at $\frac{3}{4}$ inch or less depending on the type of grass and time of year.
 - b. Aerating all fairways during the month of May and then on as as-needed basis.
 - c. Overseeding and top dressing (or re-sodding) worn or bare areas or fairways as necessary.
 - d. Treating turf to control weeds, diseases, insects, and other pests as necessary to maintain weed-free and healthy turf.
 - e. Applying fertilizers necessary to keep the fairways in good repair, which may include four (4) pounds of actual Nitrogen per 1,000 square feet of turf per year in the month of March. In the month of June, apply the formula "NPK". A ratio of approximately 4-1-2 may be used.
 - f. Keeping all fairways free of gopher holes and other conditions which may hinder play at all times.
5. Maintenance of Other Turf Areas:
Maintaining turf and landscaped lawn areas according to acceptable golf industry-wide standards and observing the following minimum requirements:
- a. Mowing at least twice per week from May through October and as growth requires from November through April.
 - b. Overseeding and top dressing (or re-sodding) worn or bare areas in turf as necessary.
 - c. Treating turf to control weeds, disease, insects, and other pests as necessary to maintain a healthy turf.

Item 1. - Page 42

- d. Applying fertilizers as necessary to keep the turf areas in good repair, which may include four (4) pounds of actual Nitrogen per 1,000 square feet of turf per year, two (2) pounds of which is composed of the formula "NPK". A ratio of approximately 4-1-2 may be used.

6. Maintenance of Nursery:

Maintaining sod nurseries for greens at all times:

- a. Greens - Bent grass
 - (1) Maintaining according to greens maintenance specification as stated in Item 2 above.
 - (2) Following removal of sod, replacing soil and re-seeding.

7. Maintenance of Accessory Equipment:

Maintaining all golf course accessory equipment in clean, safe, and functioning condition at all times, replacing with City-approved equipment and / or materials as necessary, including but not limited to the following:

- a. All signs
- b. Tee benches
- c. Tee markers
- d. Ball washers, including tee towels and cleaning agent
- e. Out-of-bounds markers
- f. Hazard markers
- g. Directional flags and poles
- h. Distance markers (250 yards, 200 yards, 150 yards, 100 yards, etc.)
- i. Greens flags, poles, and cups
- j. Practice green markers and cups
- k. Trash receptacles
- l. Cleat brushes

8. Irrigation:

- a. Irrigating as required to maintain adequate moisture for proper growth and appearance. Changing the irrigation schedule as necessary. Determining adequate soil moisture through accepted industry mechanisms, considering soil texture, structure, porosity, water holding capacity, drainage, compaction, precipitation rate, run off, infiltration rate, evapotranspiration, seasonal temperatures, prevailing wind condition, time of day or night, type of grass plant, and root structure.
- b. In areas where wind creates problems of spraying onto private property or road rights-of-way, setting controllers to operate during the period of lowest wind velocity (normally at night).
- c. Monitoring and correcting all systems within the premises for: coverage, adjustment, clogging of lines, and removal of obstacles, including plant materials which obstruct the spray.
- d. Checking system daily and adjusting and/or repairing any sprinkler heads causing excessive runoff, including slope areas or which throw directly onto roadway paving or walks within rights-of-way.

- e. Inspecting and adjusting controllers daily and repairing as frequently as required, considering the water requirements of each remote control valve (sprinkler station).
 - f. Utilizing a soil probe or tensionometer (measuring the surface tension of liquid) or other approved method to determine the soil moisture content in various areas.
 - g. In the event of a reduction of the volume of water supplied to the GOLF COURSE during peak demand periods, prioritizing water distribution as follows:
 - (1) Greens
 - (2) Tees
 - (3) Fairways
 - (4) Other turf and landscape areas
9. Tree Maintenance:
Maintaining all trees on the GOLF COURSE premises in a safe, healthy, structurally sound and aesthetically pleasing condition. Implementing an ongoing maintenance program to trim, top, shape, prune, thin out, treat, and generally promote growth in all such trees. Said program should generally employ acceptable arboricultural practices (I.S.A. approved), which would include:
- a. Pruning trees to maintain and stimulate proper health and growth by cutting out dead, diseased, weak, insect-infected, and damaged limbs.
 - b. Regularly pruning trees to maintain a clearance of seven (7) feet in all areas of pedestrian traffic and areas accessible to golf car traffic. Maintaining a clearance of fourteen (14) feet in all areas of vehicular traffic such as parking lots, driveways, and tree extensions over and through fence lines and into roadways and adjacent streets. Such pruning shall provide safe vehicular and pedestrian visibility and clearance in order to prevent or eliminate hazardous situations.
 - c. Trim and shape trees to provide a symmetrical appearance typical of the species.
 - d. Removing and disposing offsite, any downed trees whether caused by natural causes or otherwise. Removing stumps to twelve (12) inches below grade and removing wood chips and the resultant hole back filled to grade.
 - e. Keeping surrounding turf mowed and sprayed around tree bases.
 - f. Removing leaves from fairways and roughs as much as possible to eliminate lost balls or slow play.

Other Duties:

- a. Removing all litter daily from golf course grounds.
- b. Removing all trash and debris resulting from golf course maintenance as it occurs.
- c. Cleaning, repairing, and replacing trash receptacles as necessary to maintain clean, safe, and sanitary conditions at all times.

Item 1. - Page 44

- d. Maintaining all shrub and ground cover and lawn areas in a manner to promote proper health, growth, and an aesthetically pleasing appearance at all times.
- e. Maintaining all trees in safe, healthy, and aesthetically pleasing condition.
- f. Maintaining all sand traps in raked, edged, and weed-free condition.
- g. Maintaining slopes as graded, and keep slopes and edges at the established true, even grades.
- h. Observing all legal requirements and safety regulations in the use and storage of chemicals, hazardous materials, supplies, and equipment at all times according to OSHA.
- i. Maintaining golf maintenance storage facilities and yard in a clean, orderly, and safe condition at all times, conforming to all applicable laws and regulations.
- j. Protecting golfers from injury and the golf course from damage in periods of frost, rainy weather, and unusual conditions at all times.
- k. Maintaining walkways, steps, handrails on walkways, header boards, and cart paths in clean, edged, safe, weed-free condition at all times.
- l. Maintaining and repairing all fencing, netting, and fence lines in safe, secure, and aesthetically pleasing conditions at all times.
- m. Maintaining parking lots and driveways in clean, safe, and weed-free condition at all times.
- n. Maintaining the interior, unpaved service roads in safe and useable condition at all times.
- o. Inspecting the following frequently and repairing as needed:
 - (1) All area lighting system for safe and functioning condition.
 - (2) All golf course buildings, including restrooms and locker facilities, and accessory structures for clean, safe, secure, and sanitary condition.
 - (3) All golf course parking lots, walkways, and interior paved and / or unpaved service roads.
- p. Maintaining irrigation system in proper working condition at all times, including timely repair and replacement of worn irrigation equipment.

EXHIBIT "F"
EQUIPMENT & LICENSES

A. LICENSES.

B. RESTAURANT FURNISHINGS AND CONTENTS.

- | | |
|--|---|
| 1. Fryer | 14. Three compartment bar sink |
| 2. Griddle | 15. Beer tap shelf/drain board |
| 3. Charbroiler grill | 16. Kitchen work tables (2) |
| 4. Oven | 17. Wire storage racks (2) |
| 5. Refrigerated food griddle stand cabinet | 18. Walk-in cooler |
| 6. Reach-in freezer | 19. Chairs, seafoam green (291) |
| 7. Dishwasher | 20. Outside plywood tables (14) |
| 8. Soil/rinse table | 21. 60" round inside Formica tables (?) |
| 9. Three compartment sink/clean table | 22. Microphone stand |
| 10. Stainless steel shelf | 23. Golf Club's trophy case, trophies |
| 11. Hand wash sink/counter | 24. Bar stools (12) |
| 12. Custom stainless steel counters | 25. (2) Free-standing cork board displays |
| 13. Bartender ice/drink station | |

C. PRO SHOP FURNISHINGS AND CONTENTS.

D. GOLF CARS AND RELATED MAINTENANCE EQUIPMENT.

E. GOLF COURSE EQUIPMENT AND RELATED MAINTENANCE EQUIPMENT.

Valley Oaks Golf Course Annual Operation & Maintenance Report



Visalia City
Council

November 21, 2011

Valley Oaks Golf Course

- ◆ Jeannie Greenwood, Recreation Manager
- ◆ Tom Bugbee, Vice President of Operations
- ◆ Scott Carrier, Vice President of Agronomy
- ◆ John Allison, Chair, Advisory Committee

About the course...

- ◆ 18 hole course originally built in the 70's.
- ◆ Addition of Lakes – 9 hole course in 1996
- ◆ 2000 – changed from a City operated course to contract management



Amenities

- ◆ Clubhouse – food services, restrooms, beverages
- ◆ Pro Shop
- ◆ Driving Range
- ◆ Putting and Chipping Greens



Programs and Services

- ◆ Golf Lessons – group and individual
- ◆ Youth on Course
- ◆ NCGA Affiliate Program
- ◆ Home course for local high school and community college teams
- ◆ Home to two local golf clubs
 - Valley Oaks Golf Club (NCGA)
 - Pacific Women’s Golf Association

Tournaments

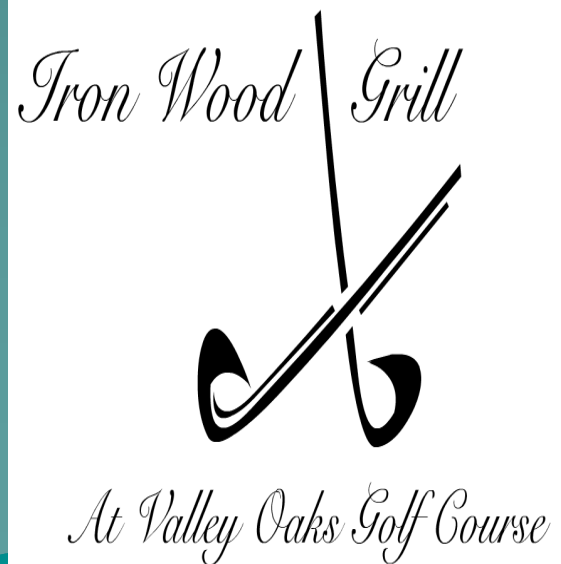


- ◆ Tournaments provide organizations the opportunity to raise funds
- ◆ In fiscal year 2010-2011, the course saw 4,230 tournament rounds of golf, an increase of 576 rounds from prior year.
- ◆ Tournaments are a vital part of the golf course business plan as tournament rounds capture more revenue per round than regular play.

Club House Operation Food & Beverage



- ◆ Full service kitchen
- ◆ Beverages
- ◆ Tournament related banquets
- ◆ Rentals



Pro Shop

- ◆ Customer Service Center
- ◆ Manage tee times and sell rounds
- ◆ Driving Range
- ◆ Lessons
- ◆ Merchandise



Golf Cart Fleet

- ◆ Replaced in 2009
- ◆ 120 carts
- ◆ Sand bottles
- ◆ Card holders post information

- ◆ Cart Revenue in
FY10-11 \$444,280



Maintenance

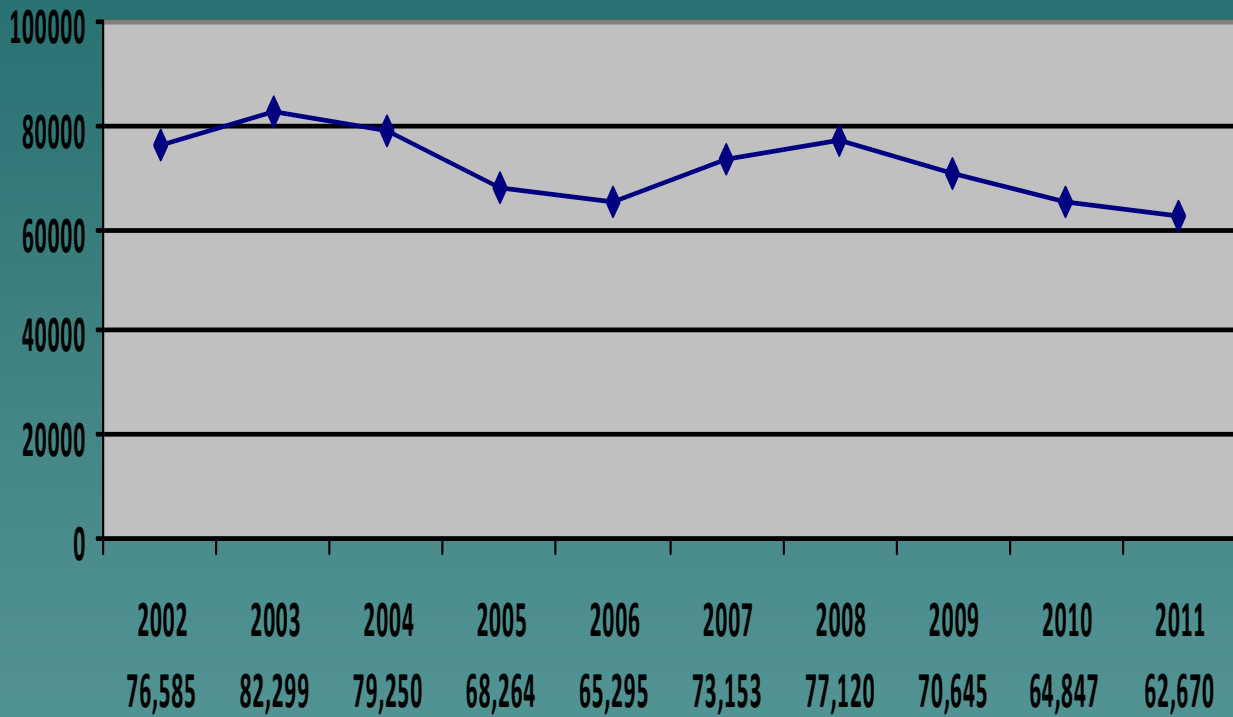
- ◆ We strive to have the best greens, tees & fairways.
- ◆ Maintenance efforts over the last few years have greatly improved the condition of the course.



Marketing

- ◆ Technology based marketing
 - Email based marketing
 - On-line tee times
- ◆ Community Partnerships
 - Visalia Convention & Visitor's Bureau
 - KJUG
 - Visalia Times Delta
 - Parks & Recreation Department brochure
 - Visalia Rawhide

Rounds



3% decrease from prior year

Operation Summary

	2006-07	2007-08	2008-09	2009-2010	2010-2011
Total Income	2,430,454	2,741,951	2,521,844	2,419,425	2,311,590
Operating Expenses	1,896,165	2,140,216	2,159,960	2,043,163	2,071,862
Net From Operations (used for debt service)	534,289	601,735	361,884	376,262	239,728
Rounds	73,153	77,120	70,645	64,847	62,670
Avg. Income Per Round	\$33.22	\$35.55	\$35.70	\$37.31	\$36.89

Capital Improvement Program

Beginning Balance 7/1/10	\$346,825
CIP Expenses 09/10	1,425,481
Principal Reduced	(320,300)
Interest Accrued	15,219
Interest Paid	(15,219)
Ending Balance 6/30/11	\$1,452,006

Fees & Charges

- Have not increased fees in past two years
- Based on current contract language, we lose the ability to make up bypassed increases when market conditions improve
- Requesting the ability to “bank” CIP amounts to utilize at a later date.
- Max of 6% in any one fiscal year.

Debt Service – General Fund

Beginning Balance 7/1/10	\$2,610,865
Principal Reduced	(21,359)
Interest Accrued	62,228
Interest Paid	(62,228)
Ending Balance 6/30/10	\$2,589,506

Balance in 2000 was \$3.5 million

Capital Improvements Irrigation Project

- ◆ December, 2007 Council authorized the replacement of the irrigation system on Valley & Oaks courses
- ◆ Project began November 1, 2010 and was completed on schedule in March, 2011
- ◆ Shade cover over pump station
- ◆ Expected to be completed \$75,000 under budget

Future Capital Improvements

Scott Carrier, CourseCo Vice President of Agronomy

◆ Lakes Course Bunker Renovation

- Remove contaminated sand and drainage material
- Re-compact/smooth bunker floor
- Install clean drainage material
- Install liner
- Install new sand

Estimate \$150,000 to \$200,000

Golf Course Advisory Committee

VOGC Advisory Committee Chair, John Allison

- ◆ 2nd Tuesday of each month
- ◆ Gather feedback, identify problems and make recommendations regarding:
 - Maintenance
 - Pro Shop and Services
 - Food & Beverage Service
 - Administrative Policies
 - Public Education



The Golf Industry

Tom Bugbee, CourseCo Vice President of Operations

- ◆ Valley Oaks Golf Course is performing better than the National Average for “like” courses.
- ◆ Annual growth is expected over the long term.

Goals for 2012

Aaron Hensley, General Manager VOGC

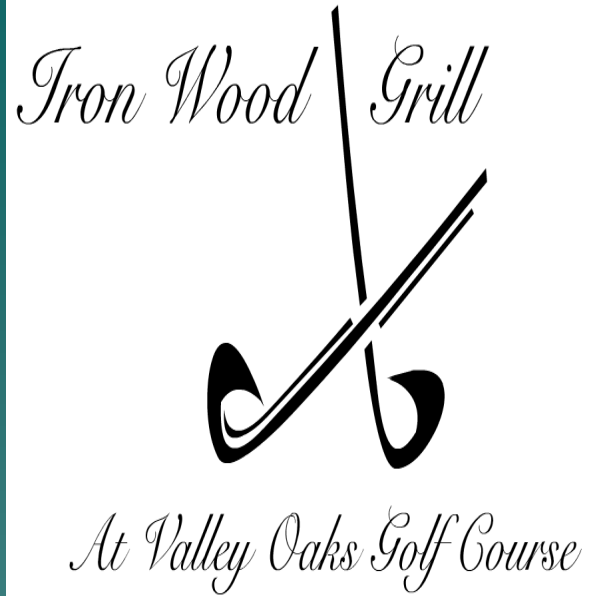
- ◆ Continue to improve course conditions
- ◆ Attract new customers
- ◆ Tournament Recruitment
- ◆ Continue to evaluate Monthly Pass Packages
- ◆ Aggressive Marketing & Promotions
- ◆ Continue to cover operational costs and pay down debt service

Staff Recommendation

- ◆ City staff recommends that the City Council accept the Valley Oaks Golf Course Annual Report.
- ◆ City staff recommends that the City Council authorize the City Manager to execute an amendment to the CourseCo contract to allow the accumulation of CPI Increases for implementation in future years.

Staff Recommendation

- ◆ City staff recommends that the City Council direct staff to prepare a Capital Improvement Project for the renovation of the bunkers on the Lakes Course and present to Council at a later date for approval.



Questions/Comments

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 2

Agenda Item Wording: Visalia Safety Program Overview

Deadline for Action: N/A

Submitting Department: Fire Department

Contact Name and Phone Number: Angela Cantrell, City Safety Officer, extension 4260

Department Recommendation:

Staff is providing the City Council with an overview and future direction of the City's safety program, and recommends acceptance of this report.

Summary/background:

The City safety program was established to promote and support a safe and healthful work environment by providing leadership, training, information, resources, policy development, and consultation services to all City employees and departments. The goal of the City's safety efforts is to provide education and guidance to prevent injuries, illnesses, and exposures while achieving regulatory compliance.

History:

All employers, public and private alike, are required by State and Federal Occupational Safety and Health regulations to maintain an effective safety and health program to prevent injuries, illnesses, and exposures to hazardous substances. A variety of occupational safety regulations exist at both the State and Federal level. The California Occupational Safety and Health Act of 1973 revised worker safety and health laws and created a comprehensive state occupational safety and health program. The U.S. Department of Labor, Occupational Safety and Health Administration (OSHA) will allow States that have effective occupational safety and health plans, to administer their own compliance programs, with OSHA approval. About half of the States in the U.S. have OSHA approved occupational safety plans; California is an approved plan State. Approved plan States are required to comply with federal regulations as a minimum, but may make their own regulations more stringent. California is an example of a

For action by:
 City Council
 Redev. Agency Bd.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

state promulgating more strict standards than the federal require, so in addition to federal OSHA requirements, we must comply with Cal/OSHA requirements.

Governing Regulations:

A variety of regulatory agencies have some oversight relating to occupational safety and health. Some of those regulations and agencies include:

- 29 CFR 1910 – Federal Occupational Safety and Health standards – all aspects of employee safety
- CCR Title 8 - California Occupational Safety and Health standards – all aspects of employee safety
- CCR Title 26 Toxic Substances – safe management of toxic substances
- NIOSH – National Institute for Occupational Safety and Health – research and recommendations for the prevention of occupational injuries and illness
- ANSI – American National Standards Institute – specific requirements for safety equipment, clothing, equipment, and materials
- California Health and Safety Code - governs medical waste management, sanitary sewers, restroom provision and more
- California Labor Code – requirements for working hours, treatment of injured workers and more
- California Vehicle Code – safety belt use, handheld wireless electronic equipment use, transportation of employees
- Manual of Uniform Traffic Controls – how workers exposed to moving traffic must be dressed, protected, and trained

The implementation of California's Senate Bill 198 in 1991 required employers to develop a written Injury and Illness Prevention Program (IIPP). Visalia has had a written safety program, part time Safety Officer, and a safety committee, since that time. In July of 2010, to achieve compliance with Title 8 regulations, the City added a full-time regular Management Analyst position, designated as City Safety Officer, to the Fire Department. The Safety Officer is under the direction of the Fire Chief, but is responsible for the safety program City-wide. By developing a position specifically responsible for the safety program, the City demonstrated its commitment to its most valuable resource, its people. The City's willingness to have a compliant, effective safety program will result in safer work practices and environments, and protect the City's fiscal health by assuring fewer injuries, regulatory compliance, and avoiding fines.

Injury and Illness Prevention Program:

The IIPP must outline, in detail, the City's approach to managing specific occupational safety needs and solutions for its workplaces and employees. The IIPP must detail methods to

Item 2. - Page 3

minimize or prevent exposures to hazards through various controls. These controls are categorized as Administrative, Engineering, or Personal Protective Equipment (PPE). Administrative controls are policy driven, Engineering controls are “hard” controls that reduce and eliminate hazards through things like equipment modification. When hazards can’t be reduced or eliminated through Administrative or Engineering controls, the last option is PPE. An example of PPE would be respiratory protection. If we must send our forces into environments with inhalation hazards, and we can’t remove the inhalation hazards, we must provide respiratory protection to our staff.

Two components of the IIPP are the “Codes of Safe Practices”, and various required written programs relating to specific hazards. For example, a code of safe practice for operating a chainsaw would be a list of specific steps to operate that piece of equipment safely, and would serve as a reference for operators. A required written program, for example, respiratory protection, defines how the City intends to safeguard the respiratory health of all of its employees that have an occupational exposure to respiratory hazards. Components of that written program detail how and when employees would be seen by health care providers to assess lung function and capacity; how the City will go about providing the appropriate respirators; how respirators are maintained, and more.

IIPP development for most private sector employers is fairly straightforward and simple. Private sector employers have a basic mission to provide goods or services of a singular nature. Public entity IIPP development and safety program management is much more complex due to the variety of missions, tasks, and exposures that City employees have. The City must identify each hazard that workers are exposed to and develop protocols for each hazard. Just a few of the hazards that City of Visalia employees are exposed to include:

- confined space entry
- bloodborne pathogen exposures
- electrocution
- cumulative trauma disorders
- workplace violence
- working over or near water
- hearing loss
- heat illness
- inhalation hazards (various substances – from meth labs to paint vapors)
- working in traffic
- working from heights
- hazardous materials
- trench work
- gunshot
- tree work

Each of the hazards listed above require evaluation and planning to prevent injury, employee training in injury prevention techniques, and in most cases, specific written programs. Visalia City employees face a wide variety of occupational hazards and exposures. Our IIPP must reflect all of those hazards.

As regulations and workplace conditions change, the IIPP must grow and be modified to reflect those changes. The many hazards encountered during the average workday of diverse

operations the City engages in require a focused effort to create the training and written plans that Cal/OSHA compliance demands.

Program Requirements:

An effective safety program requires oversight and attention regulatory changes. In order to comply with California Code of Regulations Title 8 §3203, employers must designate an individual to be responsible to:

- comply with the components of Title 8 regulations
- communicate the elements of its safety program
- assess workplace hazards specific to each task
- develop and implement methods to correct hazards
- investigate accidents, exposures, and near misses
- provide training
- keep records relating to the safety program activities

Safety Officer Responsibilities:

The Safety Officer is responsible to:

- plan, organize, and lead the City's occupational health and safety program
- develop, conduct, and coordinate safety and accident prevention programs and training
- analyze and determine occupational health and safety needs
- recommend strategies and plans for future goals and programs
- analyze new legislation and changes in existing regulations
- develop, implement, and monitor policies and procedures to ensure compliance with provisions of the California Occupational Safety and Health Act, Labor Code, and other laws and regulations.
- conduct safety inspections
- identify hazardous conditions and initiate corrective action
- assist departments in investigating reported hazards
- analyze accidents, illnesses, near misses, and exposures to determine the root cause
- make recommendations for appropriate preventive action
- ensure Cal-OSHA required documentation of trainings, safety inspections, and other activities is maintained
- advise department heads and safety representatives of changes in regulations, policies, and responsibilities
- prepare reports and studies concerning safety issues, loss and accident frequency and severity
- Chair the Safety Committee; develop agendas, conduct meetings and take minutes.

Program Effect on City Employees and Services:

All employees will be expected to, and required to, participate in training programs that are designed to provide an increased awareness in, and personal responsibility for, occupational safety. Increased participation in safety program activities will affect all City services in a positive way. Participation in the safety program is required to achieve regulatory compliance. Examples of the tasks all employees must engage in include:

Item 2. - Page 5

- attending meetings, reading written plans, correspondence, and training materials
- assistance with inspections, investigations, and reporting conditions that may be a cause for concern.

Initial participation for those not presently involved in safety program activities may take time away from other mission specific activities. Increasing awareness in occupational safety and health will benefit the City overall. Objectives include:

- a healthier workforce
- fewer employee days away from work due to injuries
- an increased awareness of situations that present liability concerns for the City
- regulatory compliance

Recent Activities and Accomplishments:

- ❖ Discussions with City Management and Department Heads regarding safety needs
- ❖ The Safety Committee, which had been inactive since February 2010 has resumed regular monthly meetings.
- ❖ The Safety section of the City Intranet has been updated.
- ❖ Since review of the City's written programs has begun, significant changes have been made in required written programs. In particular,
 - Bloodborne Pathogens Exposure Control Plan
 - Sharps Injury Log
 - Medical Waste Disposal
 - Emergency Action Plans
- ❖ In progress is the crafting or revision of the:
 - Aerosol Transmissible Disease Exposure Control Plan
 - Asbestos Management Plan
 - Personal Protective Equipment evaluation process
 - IIPP overall
- ❖ Reported Safety Hazards investigated and abated
- ❖ Near miss investigations have been initiated. When a close call occurs in one department, an investigation, prospective solution, and recommendation can be made to other departments with similar exposures.
- ❖ Water seepage through the basement walls at the Police and Fire Dispatch was detected and remedied preventing the development of mold.
- ❖ Inspections have been made to:
 - Airport
 - City Hall East

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Page 5

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- City Hall North
- City Hall West
- Convention Center
- Corporation Yard – Various Departments and Divisions
- Fire Stations
- Parks and Recreation
- Police Stations
- Senior Center
- Waste Water Treatment Plant

Direction:

The Safety Officer's vision is to partner with all City employees and grow a total safety culture demonstrating the City's collective commitment to safety through candor, consistency, communication, service, and respect.

Over the next year, with the active participation of a variety of City personnel, the City's required written protocols will undergo in-depth evaluation, revision and expanded distribution. Cal/OSHA's required written programs inspire thoughtful examination of potential hazards so we can develop protocols and procedures to use as guidance to avoid injuries. Often, required programs must be in place for multiple departments having similar exposures. Coordinated oversight will prevent City departments from duplicating efforts by developing differing versions of the same required program. Coordinated oversight assures consistent regulatory compliance. Evaluations will be made to determine which departments have similar needs, and more comprehensive IIPP Codes of Safe Practices will result.

Protocols required to be written will be crafted with safety committee and other staff input and provided to the Fire Chief and City Manager as recommendations for review and approval. Once approvals are in place new protocols will be appended to the IIPP.

In conclusion, the City's safety program is a dynamic program, responding to a variety of influences. It should always be "under construction" as regulations, equipment, processes, staff and hazards are ever-evolving. It is important that the City continue to move forward in its efforts to achieve the healthiest environment possible for its most valuable resources, its employees, its residents, and the visitors to our community.

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: N/A

Alternatives: N/A

Attachments: Safety Program Status 2009
Safety Program Status 2011

Recommended Motion (and Alternative Motions if expected): To receive and accept this report on the City of Visalia safety program

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Safety Program Status - 2009

<u>Safety Topic /Area</u>	<u>OSHA Code</u>	<u>Written Plans</u>	<u>Training</u>	<u>Record Keeping</u>	<u>Signs, Supps & Follow-up</u>
Accident Investigation	3203(a)(7)(F)		X	X	X
Aerial Devices & Platform Operation	3648(l)(7)(c)		X		X
Aerosol Transmissible Diseases (TB,H1N1)	5199; 5199.1	X	X	X	X
Asbestos Hazard / Control Plan	341.16; 341.15	X	X		
Automotive Lifts	3543; 3542(d); 3549		X		X
Back Injury Prevention	1509; 3203(a)(7)		X		
Bloodborne Pathogens Exposure Control	5193(g)(2)	X	X	X	X
Chemical Hygiene for Laboratories	5191(f)(2)	X	X	X	X
Code of Safe Practices	3203(a)(7)	X	X		
Community PAD/AED Program	No OSHA reg	X	X	X	X
Confined Space Entry	5157(g) 5158(c)	X	X	X	X
Driver Safety	1509; 3203(a)(7)		X		
Electrical Safety	2941 (f)(1)(a)		X		X
Emergency Action Plan	3220(e)	X	X	X	X
Equipment, Machinery, & Tool Safety	3320; 340.4		X		
Ergonomics & Repetitive Motion Injury	5110(b)(3)	X	X	X	X
Excavation, Trenching, & Shoring	1541		X		
Explosives	5239; 5322; 5329		X		
Exposure Reporting & Records	3204(g)(1)	X	X	X	X
Eye Wash Stations	3400(d); 5162				X
Facility Self-Inspection	1509; 3203(a)(7)			X	X
Fall Protection	1671.1		X		X
Fire Prevention / Fire Extinguishers	3221(d)(1)-(2)	X	X	X	X
First Aid & CPR / AED	3439(b); 6251(d)		X	X	X
Flammable Liquids, Gasses, Vapors	5561		X	X	X
Forklift Operation	3657(i); 3664(b)	X	X	X	X
General Duty Clause / General Safety	3203; 6400		X	X	X
Hazard Assessment & Control	1509; 3203(a)(7)	X	X	X	X

<u>Safety Topic /Area</u>	<u>OSHA Code</u>	<u>Written Plans</u>	<u>Training</u>	<u>Record Keeping</u>	<u>Signs, Supps & Follow-up</u>
Hazard Communication & MSDS	5194(b)(1)	X	X	X	X
Hazardous Material Response- HAZWOPER	5192 (e)(q)(6)	X	X	X	X
Heat Illness Prevention	3395(e)	X	X	X	X
Hearing Conservation / Noise Exposures	5098(a)(4);5097(d)(5)	X	X	X	X
IIPP – Injury & Illness Prevention Plan	1509; 3203(a)(7)	X	X	X	X
Indoor Air Quality	4324; 5142; 5143		X		X
Ladder Safety	3210(d); 3212(a)(2)		X		
Lock-out / Block-out	3341(d)(5)	X	X	X	X
Machine Guarding	4002; 3999; 4050		X		X
Material Handling	2236; 5192		X		X
Personal Protective Equipment PPE	3380(c)		X	X	X
Playground Safety	CCR, no OSHA reg			X	
Respiratory Protection	5144(c) & (k)	X	X	X	X
Slips, Trips & Falls	1509; 3203(a)(7)		X		
Traffic Control Flagger Safety	1599(f) & (g)		X		X
Tree Work	3420(b), 3421(c)		X		X
Welding, Cutting & Brazing	4799; 4848(a)		X		X
Workplace Security	1509; 3203(a)(7)	X	X		X

Orange: not completed/compliant= 70 Yellow: partial, some effort, or outdated = 35 Green: compliant/good effort = 19

Other Considerations:

- Research, develop, and implement required written plans and updated plans annually
- Research and identification of new standards
- Department specific training needs or requests.
- Work comp injury/illness trends - preventative training
- Accident investigation on worker's comp with follow-up on corrective actions
- New hire safety training requirements
- Recordkeeping responsibilities
- Compliance audits, self inspections, and follow-up with departments
- Subject matter expert and resource to departments on safety related issues
- 10. Avoid costly Cal-OSHA penalties & personal liability as Cal-OSHA has become more aggressive with enforcement

Safety Program Status - 2011

<u>Safety Topic /Area</u>	<u>OSHA Code</u>	<u>Written Plans</u>	<u>Training</u>	<u>Record Keeping</u>	<u>Signs, Supps & Follow-up</u>
Accident Investigation	3203(a)(7)(F)		X	X	X
Aerial Devices & Platform Operation	3648(l)(7)(c)		X		X
Aerosol Transmissible Diseases (TB,H1N1)	5199; 5199.1	X	X	X	X
Asbestos Hazard / Control Plan	341.16; 341.15	X	X		
Automotive Lifts	3543; 3542(d); 3549		X		X
Back Injury Prevention	1509; 3203(a)(7)		X		
Bloodborne Pathogens Exposure Control	5193(g)(2)	X	X	X	X
Chemical Hygiene for Laboratories	5191(f)(2)	X	X	X	X
Code of Safe Practices	3203(a)(7)	X	X		
Community PAD/AED Program	No OSHA reg	X	X	X	X
Confined Space Entry	5157(g) 5158(c)	X	X	X	X
Driver Safety	1509; 3203(a)(7)		X		
Electrical Safety	2941 (f)(1)(a)		X		X
Emergency Action Plan	3220(e)	X	X	X	X
Equipment, Machinery, & Tool Safety	3320; 340.4		X		
Ergonomics & Repetitive Motion Injury	5110(b)(3)	X	X	X	X
Excavation, Trenching, & Shoring	1541		X		
Explosives	5239; 5322; 5329		X		
Exposure Reporting & Records	3204(g)(1)	X	X	X	X
Eye Wash Stations	3400(d); 5162				X
Facility Self-Inspection	1509; 3203(a)(7)			X	X
Fall Protection	1671.1		X		X
Fire Prevention / Fire Extinguishers	3221(d)(1)-(2)	X	X	X	X
First Aid & CPR / AED	3439(b); 6251(d)		X	X	X
Flammable Liquids, Gasses, Vapors	5561		X	X	X
Forklift Operation	3657(i); 3664(b)	X	X	X	X
General Duty Clause / General Safety	3203; 6400		X	X	X
Hazard Assessment & Control	1509; 3203(a)(7)	X	X	X	X

<u>Safety Topic /Area</u>	<u>OSHA Code</u>	<u>Written Plans</u>	<u>Training</u>	<u>Record Keeping</u>	<u>Signs, Supps & Follow-up</u>
Hazard Communication & MSDS	5194(b)(1)	X	X	X	X
Hazardous Material Response- HAZWOPER	5192 (e)(q)(6)	X	X	X	X
Heat Illness Prevention	3395(e)	X	X	X	X
Hearing Conservation / Noise Exposures	5098(a)(4);5097(d)(5)	X	X	X	X
IIPP – Injury & Illness Prevention Plan	1509; 3203(a)(7)	X	X	X	X
Indoor Air Quality	4324; 5142; 5143		X		X
Ladder Safety	3210(d); 3212(a)(2)		X		
Lock-out / Block-out	3341(d)(5)	X	X	X	X
Machine Guarding	4002; 3999; 4050		X		X
Material Handling	2236; 5192		X		X
Personal Protective Equipment PPE	3380(c)		X	X	X
Playground Safety	CCR, no OSHA reg			X	
Respiratory Protection	5144(c) & (k)	X	X	X	X
Slips, Trips & Falls	1509; 3203(a)(7)		X		
Traffic Control Flagger Safety	1599(f) & (g)		X		X
Tree Work	3420(b), 3421(c)		X		X
Welding, Cutting & Brazing	4799; 4848(a)		X		X
Workplace Security	1509; 3203(a)(7)	X	X		X

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Other Considerations:

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- Subject matter expert and resource to departments on safety related issues
- Avoid costly Cal-OSHA penalties & personal liability as Cal-OSHA has become more aggressive with enforcement

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 3

Agenda Item Wording: Review Pacific Union Homes request to initiate a General Plan Amendment, Zone Change, and consideration for revising the approved development plan for the Highland Park residential project, located generally near the southwest corner of Dinuba Highway and Shannon Ranch Parkway.

Deadline for Action: None

Submitting Department: Community Development
Department/Planning Division

Contact Name and Phone Number:
Paul Scheibel, AICP, Planning Services Manager, 713-4369
Chris Young, PE, Community Development Director, 713-4392

Recommendation: Staff recommends that the City Council review the requests identified below, and authorize the requests to proceed to the Planning Commission for their respective discretionary review processes:

1. Request to initiate General Plan and Zoning Map Amendments from RMD/R-MR-2 (Medium Density Residential/Multi-family Residential, 3,000 sq.ft. of lot area per unit) to a mix of High Density Residential (RHD/MR-3) and Planned Shopping/Office Commercial (P-C-SO) Land Use and Zoning designations, and a determination of consistency with the General Plan Housing Element, for Unit 3 of the Highland Ranch residential project, a 14.7 acre portion of the site, located on the southwest corner of Dinuba Highway and Shannon Ranch Parkway;

2. Request to amend Conditional Use Permit (CUP) 2006-03 by modifying the mix of housing types and quantities approved for Units 1 and 2 of the Highland Ranch residential project, and to revise Unit 3 as noted above;

3. Request to process CUP and Parcel Map applications for the precise development plans of a future shopping center and apartment complex on Unit 3 at an indeterminate future date;

4. Request to process a parcel map on Unit 3 to divide the site into two approximately equally sized lots corresponding to the MFR and Commercial Land Use designations proposed for the site; and,

5. Determination that the project does not present significant land use policy issues; therefore, the proposal can proceed now, and not wait for completion of the General Plan Update.

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 30

Review: *CS*
Dept. Head *12/17/11*
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr *for SMS*
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 3. - Page 2

Summary: The property owner is proposing a re-design of their approved Highland Park residential development project. This re-design would have the primary effect of converting Unit 3 that is adjacent to the south of the Riverway Sports Park to a mix of commercial and high density residential zoning. There is not a specific development plan proposed at this time. However, in recognition of the site's commercial potential, Pacific Union Homes desires to have the appropriate zoning in place to expedite an eventual commercial development on the site that would be able to take advantage of the significant customer base from the adjacent sports complex and from pass-by traffic along Dinuba Highway.

The current approved project is a master planned small lot subdivision and townhome development project totaling 348 units on three separate parcels (Units 1, 2 and 3) comprising 48.2 acres. The project was originally approved by the Planning Commission on February 6, 2006, (CUP 2006-03 and TSMs 5509 and 5510).

The property owner also intends to amend CUP 2006-03 by re-designing Units 1 and 2 from that of the original approval. The number of housing units in these two Units would be reduced to 223 from the approved 236, and the triplex townhouses would be eliminated in favor of single-family units or duplexes.

The property owner is further seeking confirmation that there is no "moratorium" on Land Use or development proposals that would preclude them from completing the GPA/CofZ process while the Citywide General Plan Update is in progress. Further, the applicant is requesting a determination on whether their proposal would be consistent with the General Plan Housing Element since the project is included in the City's affordable housing lands inventory.

Staff recommends that the City Council provide their comments in review of the proposal, and to authorize the requested actions to proceed to the Planning Commission for formal consideration through the discretionary review process. The applicant desires to introduce their proposal and to obtain relevant comments in review of their proposal.

The City Council's review, along with any comments received; do not constitute either an approval or a denial of the requests. The property owner can still proceed with the proposed actions, proceed with the approved land use permits, or they may elect to forego building the project as currently entitled. In the latter case, there would be the likelihood of a more conventional Medium Density Residential development project than that which was approved by CUP 2006-03 would be developed on the three project sites, including Unit 3.

Background: The Highland Park residential development project was approved as a small-lot single family subdivision with a mix of single-family and multi-family residence housing types. The gross density of the project is 7.2 units per acre with a net density of 15.3 units per acre after factoring in onsite parks, roads and alleys, and shared landscaping areas. The RMD land use designation requires projects to achieve 10-15 units per gross acre. However, the Planning Commission determined the project to be consistent with the Medium Density Residential (RMD) Land Use and RM-2 Zoning on all three portions of the project site due to its unique design and the variety of housing products and amenities offered by the project. The project included two subdivision maps (TSM 5509 and 5510) and CUP 2006-03 that facilitated the small lot subdivision development standards for the project. Exhibit B shows the project site design and proposed housing unit types that were originally approved for the project.

The original project approvals ran thru February 2008. In May 2007, the property owner requested a three year time extension on their entitlements. The Planning Commission granted a two-year time extension on the entitlements to February 2010. Subsequently, the project entitlements benefitted from a series of State mandated time extensions which will extend the entitlement period to December 2015.

In March 2011, with City staff's support, the property owner submitted the project re-design of Unit 3 to the Site Plan Review (SPR) Committee that is basically the subject of this Worksession. The SPR submittal also included a conceptual parcel map for the proposed Commercial portion of the area. The SPR Committee noted a number of issues related to commercial development on the site, including traffic circulation and parking, and potential impacts on adjacent and nearby private properties and public streets. The SPR Committee also identified the necessary actions required to achieve the property owner's intent to establish Commercial Land Use on the Unit 3 site. These required actions and issues are enumerated in the letter requesting the Worksession (Please see Exhibit A).

Discussion: Each of the issues for which the property owner is requesting the City Council's consideration is supplemented by staff's technical review and justification, as follows:

1. A request to initiate General Plan and Zoning Map Amendments from RMD/R-MR-2 (Medium Density Residential/Multi-family Residential, 3,000 sq.ft. of lot area per unit) to a mix of High Density Residential (RMH/MR-3) and Planned Shopping/Office Commercial (P-C-SO) Land Use and Zoning designations, and a determination of consistency with the General Plan Housing Element, for Unit 3 of the Highland Ranch residential project, a 14.7 acre portion of the site, located on the southwest corner of Dinuba Highway and Shannon Ranch Parkway.

Staff Technical Justification: There are two related components implicit in the first request. Discussion is provided on both of these components follows:

Proposed Land Use Designations: The applicant's proposed mix of High Density Residential and Shopping/Office Commercial Land Use and Zoning designations on the 14.7-acre portion that is near the Riverway Sports Park are feasible and would be consistent with current General Plan policies and Zoning Code standards for those respective land use designations. With regard to the High Density Residential land use request, it would be feasible to site the 125 apartment units on the western one-half of Unit 3.

The proposed CSO land use and zoning for the eastern one-half of Unit 3 being requested by the property owner is the recommended Commercial land use and zoning designation for the site. This recommendation is based on the following:

- It can serve as a stand-alone commercial site serving retail and service traffic along Dinuba Highway and the Riverway Sports Park in particular. The CSO zone could facilitate a variety of foodservice, small retail, office and hotel uses that would draw customers specifically from the Riverway Sports Park.
- The CSO designation matches the majority of commercial land designations along Dinuba Highway. This includes a recently filed GPA and Cof Z for the re-designation of 9.8 acres on the southeast corner of Riggan Ave. and Dinuba Hwy that is being proposed from R-1 to CSO (Hughes Homes, GPA 2011-14 and CofZ 2011-15).
- Community Commercial (CCM) land use and zone (as applies to the nearby Orchard Walk specific Plan shopping center) would not be advised as the site does not meet the minimum size area of 20 to 30 acres. Further, adding a second CCM designated site would likely incur oversaturation of uses that are limited to the CCM zone (such as major retailers) in the immediate area.
- Neighborhood Commercial (CN) land use and zoning would also not be advised because the site would be substantially isolated from residential neighborhoods for which NC-zoned shopping centers are intended to provide daily goods and services.

Consistency with the General Plan Housing Element: The project sites are included in the 2010 Housing Element [Please see Housing Element Tables B-1 and B-2 Regional Housing Needs Allocation (RHNA), Exhibit 3 of this report]. However, the RHNA figures inadvertently reflected a housing unit value of 531 units for the three properties comprising the project site, whereas they should have reflected the 348 units that were approved by the City in

Item 3. - Page 4

2006. This proposal is for an estimated total of 348 units which is the same as that originally approved by the City. Consequently, the 308 housing units differential is a Housing Element error that property owner does not bear responsibility to achieve.

Fortunately, the Housing Element contains a potential surplus of 1,801 affordable housing units in the total available affordable housing lands inventory. Revising the RHNA value of the project site to reflect the actual and proposed unit count of 348 is still within the 1,801 surplus units in the Housing Element. Staff anticipates no substantial problems in adopting a finding of consistency with the Housing Element in conjunction with a GPA/CofZ application, or in correcting the existing error of over-counting the site for the RHNA inventory. The latter will be done with the next Housing Element report due to the State in March 2012.

2. A request to amend Conditional Use Permit (CUP) 2006-03 by modifying the mix of housing types and quantities approved for Units 1 and 2 of the Highland Ranch residential project, and to revise Unit 3 as noted above.

Staff Technical Justification: Revising the approved project as proposed by the property owner is technically feasible and would be compliant with applicable City codes and polices, and with State Housing law. Along with a CUP Amendment, City staff would need to verify the revised Tentative Maps' consistency with the previously approved Tentative Maps, or the applicant may need to file new Tentative Subdivision Maps for Units 1 and 2, reflecting the new site designs.

The City Council may consider the property owner's concerns in that they do not foresee being able to build out the entire project as currently entitled, with the unique and visionary nature of the project when it was approved in 2006. However, allowing the CUP amendment to go forward as a formal project could still preserve the basic small lot and mixed-density housing and the common area amenities in Units 1 and 2, while foregoing those features in Unit 3.

3. A request to process CUP and Parcel Map applications for the precise development plans of a future shopping center and apartment complex on Unit 3 at an indeterminate future date; and,

4. A request to process a parcel map on Unit 3 to divide the site into two approximately equally sized lots corresponding to the MFR and Commercial Land Use designations proposed for the site.

Staff Technical Justification: The property owner states their intention to seek new development entitlements on Unit 3 at a future point in time. The conceptual plan shown in the property owner's letter indicates that the Unit 3 site would likely be developed as a horizontal mixed-use project in two or more phases. The property owners recognize the need to design both the proposed high density residential and commercial sites to ensure that the residential and commercial components are integral with each other and that they are compatible with the surrounding properties, streets and with the Riverway Sports Park.

The proposed parcelization would create master lots that correspond to the two land use designations on the site. This is a commonly recognized zoning and development practice. Typically, further parcelization of the lots would occur as precise development projects are proposed on the respective master lots.

5. Determination that the project does not present significant land use policy issues; therefore, the proposal can proceed now, and not wait for completion of the General Plan Update.

The proposal could go forward as formal General Plan and Zoning amendments without conflict with prior Council actions or directives, and without disruption of the General Plan Update

process. The City Council has not imposed any restrictions on filing General Plan Map or policy amendments since the comprehensive General Plan Update was initiated in January 2010.

Conclusions: Staff recommends favorable consideration of the requests, subject to their formal review through the discretionary review process. This recommendation is made on the basis that development of a portion of the Unit 3 site as a commercial development would benefit commercial customers from the adjacent Riverway Sports Park and from Dinuba Highway. Further, the property owner's requests could be facilitated, pursuant to the City Council's comments and direction in this regard.

Prior Council/Board Actions: None.

Committee/Commission Review and Actions: On February 6, 2006, the Planning Commission approved CUP 2006-03, TSMs 5509 and 5510, approving the Highland Park residential development project.

On July 7, 2007, the Planning Commission a granted two-year time extension for the CUP and TSMs, to February 2010. Subsequently, the project entitlements benefitted from a series of State mandated time extensions which will extend the entitlement period to December 2013.

Alternatives: Besides the recommended actions, the City Council can:

- Take no action to provide comments or direction on one or all of the property owner's requests. In this case the property owners would still be free to process project amendments without the benefit of the City Council's comments or direction.

Exhibits:

1. Letter and Attachments Requesting City Council Worksession, dated November 30, 2011
2. 2010 General Plan Housing Element Extracts
3. Original CUP 2006-03 and TSMs 5509 and 5510 Exhibits
4. Current General Plan Map
5. Aerial Photo Map

Recommended Motion: I move that the City Council's comments be noted and the requests be authorized to proceed to the Planning Commission for their respective discretionary review processes:

or

Alternative Recommendation:

I move to take no action on the requests at this time.

Environmental Assessment Status

CEQA Review: None for this Worksession. Environmental Review will be done in conjunction with a formal project application.

NEPA Review: N/A

Item 3. - Page 6

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Planning Commission
Property Owner
Donahue/Schriber- Orchard Walk Shopping Center

City of Visalia



City Council Worksession
December 19, 2011

Pacific Union Homes, Highland Park Request to Revise CUP 2006-03 & Initiate Land Use Amendment





PROJECT APPROVED IN 2006

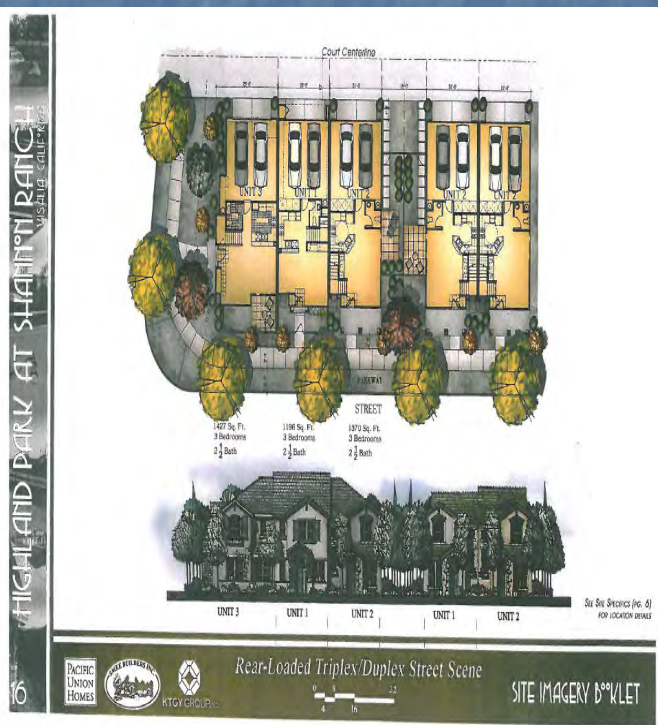
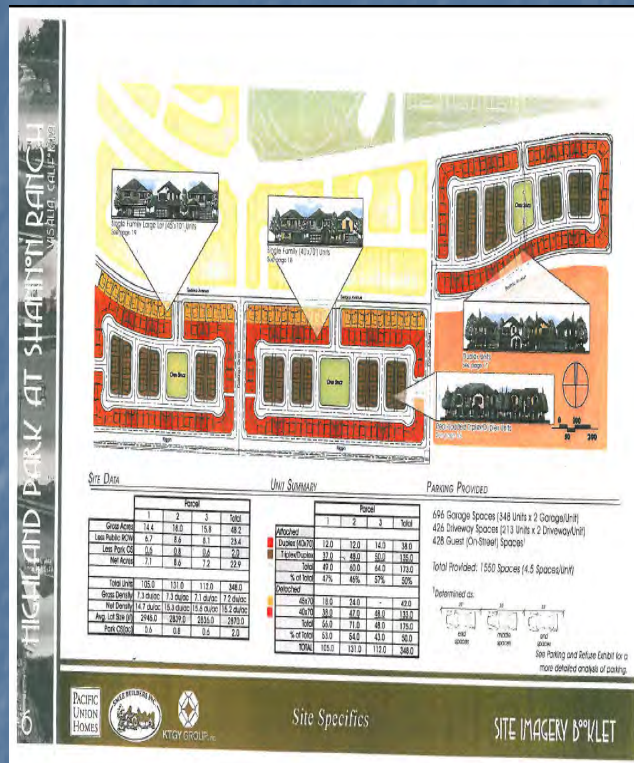


PROJECT PROPOSED TODAY

Highland Park- Background

CUP 2006-03 and Tentative Maps

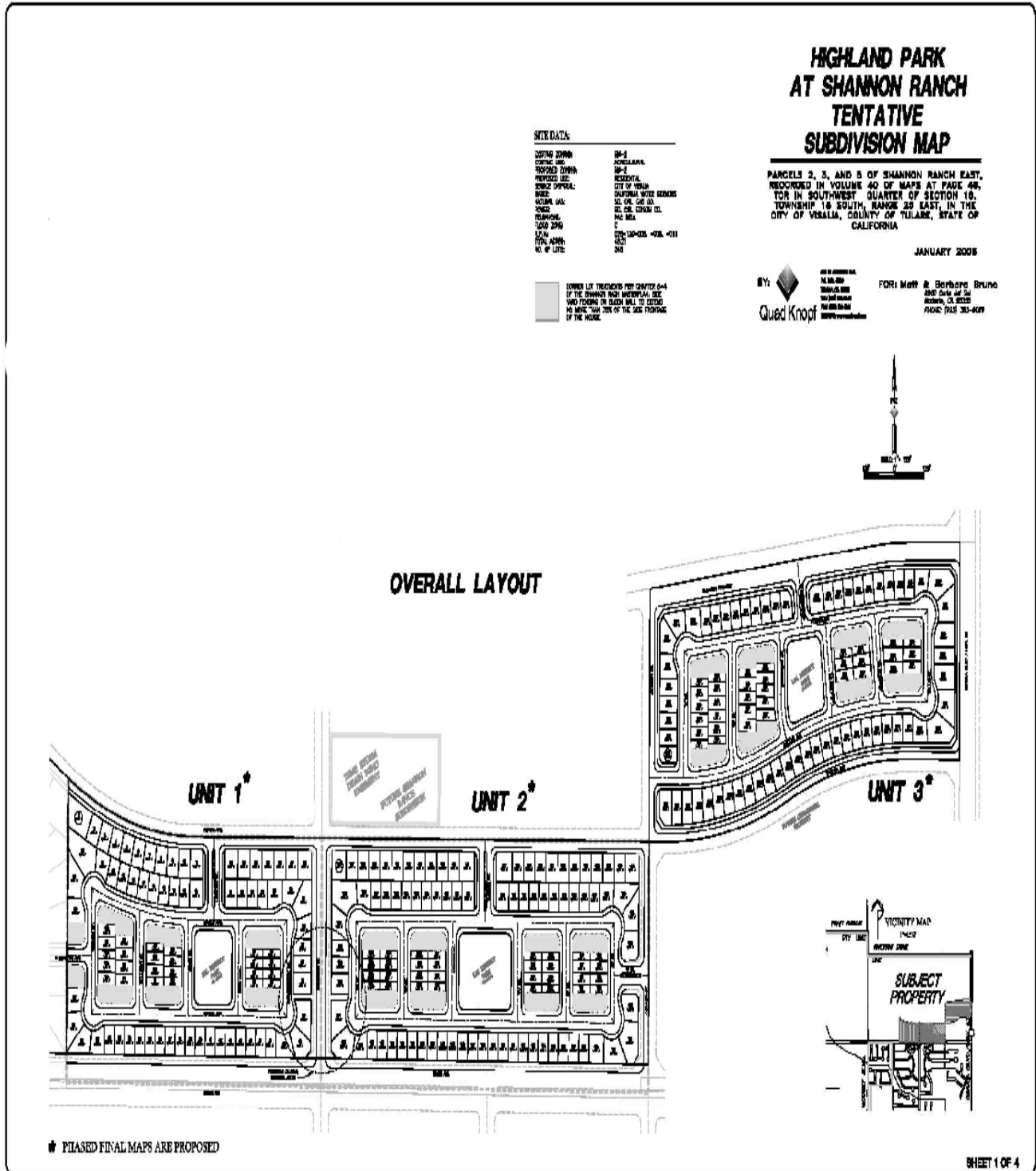
- 348 Small-lot Mixed Unit Residential
- SFRs, Duplexes, Tri-plex Townhouses
- Center Square Park, Service Alleys, Common Area Landscaping
- Pedestrian Pass-thrus
- Creative Alternative to Standard Duplex Projects in R-MR2 zone



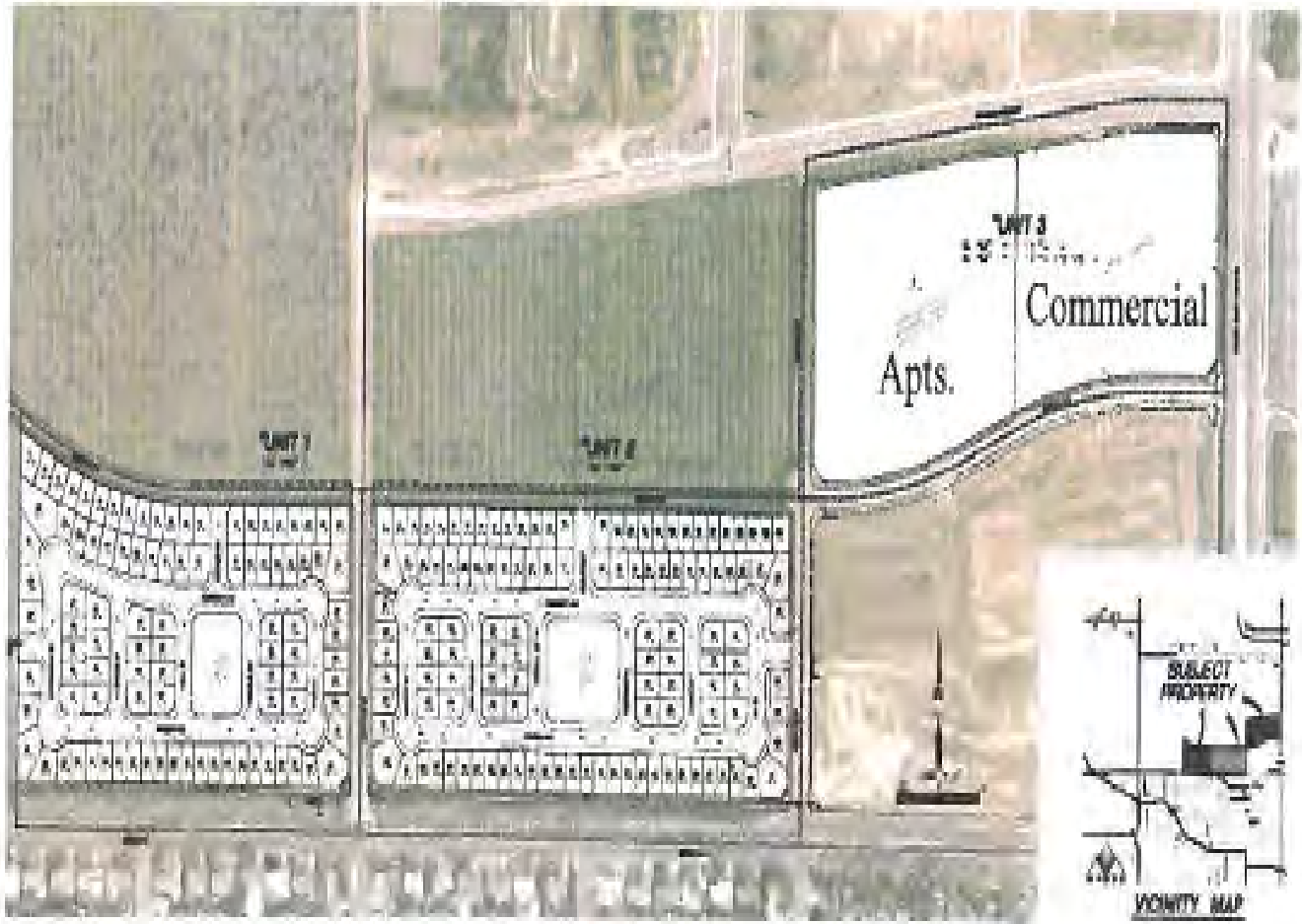
Issues for City Council Consideration:

1. GPA/ZC from Medium Density Residential to Mix of CSO and High Density Residential; and Housing Element Consistency
2. CUP 2006-03: Modify Mix of Housing Types in Units 1 and 2 and Modify Unit 3 per Above
3. Proceed With Revisions Now without Precise Development Plans for Unit 3
4. Parcel Map on Unit 3 Corresponding to Proposed Land Use Mix
5. Can Proposal Proceed Separate of GP Update

Currently Approved Project



Proposed Project Re-Design



PROJECT PROPOSED TODAY

Conclusion & Recommendation

- Property Owners' Proposal and Each Request Can be Considered Now and Not Wait for General Plan Update
 - That the Property Owner Proceed to Planning Commission for Discretionary Reviews
-

Issues for City Council Consideration:

1. GPA/ZC from Medium Density Residential to Mix of CSO and High Density Residential; and Housing Element Consistency
2. CUP 2006-03: Modify Mix of Housing Types in Units 1 and 2 and Modify Unit 3 per Above
3. Proceed With Revisions Now without Precise Development Plans for Unit 3
4. Parcel Map on Unit 3 Corresponding to Proposed Land Use Mix
5. Can Proposal Proceed Separate of GP Update





November 30, 2011

Paul Scheibel
City of Visalia
315 E. Acequia Ave.
Visalia, CA 93291

Subject: Request to Initiate General Plan Amendment and related Actions

Dear Mr. Scheibel:

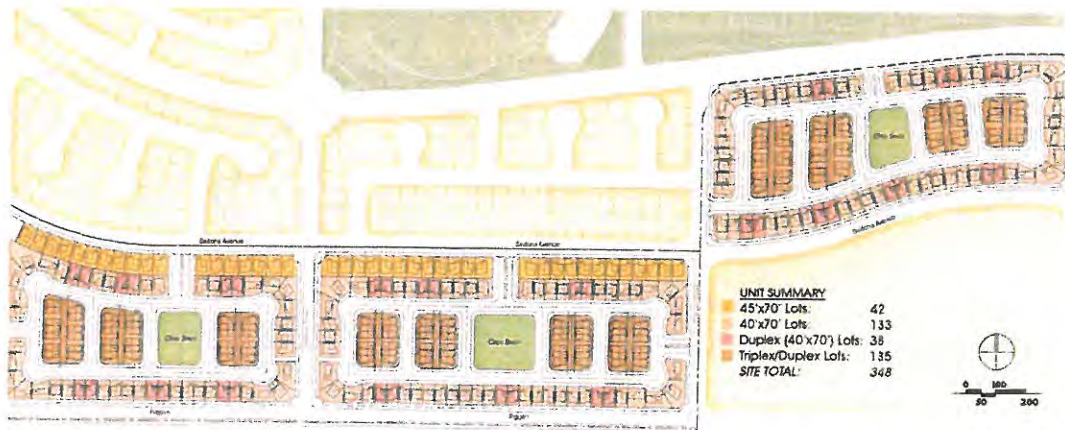
I would like to request a study session of the Visalia City Council to ask the Council to initiate a general plan amendment and other related actions on land near the Visalia Sports Park. The reason for the request is to confirm that the Council will allow an application for general plan amendment to proceed to hearing and decision while the City is in the midst of a comprehensive General Plan Update, and also to confirm the package of applications that would be submitted for review at this time.

Pacific Union Homes is the property owner of three sites in the undeveloped portion of Shannon Ranch. All three sites are currently walnut orchards. One of the sites is located on Dinuba Blvd. between the Visalia Sports Park and the approved Home Depot commercial development. The other two sites are located on the north side of Riggan Avenue, on both sides of Conyer Street, the "backdoor entrance" to the Sports Park. All three sites are currently zoned R-M-2.

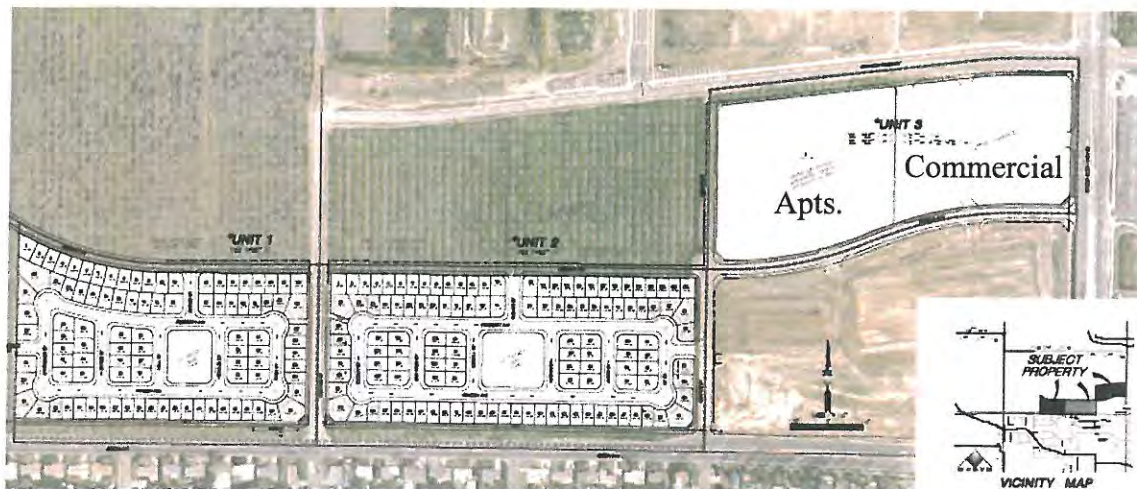
Pacific Union Homes has an approved tentative map and conditional use permit to build 348 small-lot single-family and four-plex homes on the three sites. The project, called Highland Park at Shannon Ranch, was approved by the Planning Commission in 2006. Due to the housing downturn, the project did not begin construction. Since then the housing market has changed, making it quite difficult to sell this many small-lot homes in one location. Also, the 2010 update to the California Building Code makes it difficult to build the four-plex homes that were planned in the current configuration that was approved in the conditional use permit in 2006.

Bruce Meyers with Pacific Union Homes and I have had a number of conversations with Assistant City Manager Michael Olmos to discuss alternative uses, specifically the idea of placing a commercial center on the front half of the site just south of the Sports Park. We prepared a conceptual site plan showing a commercial center and apartment complex on that site, and a slightly revised small-lot residential configuration on the other two sites. This site plan was reviewed by the Site Plan Review Committee and accepted to proceed in March 2011. A reduced copy of the site plan is attached.

EXHIBIT L



PROJECT APPROVED IN 2006



PROJECT PROPOSED TODAY

We would like to hear the Council's interest in the proposed modification to our approvals, and to receive authorization to proceed with a general plan amendment in the midst of the City's General Plan Update. If initiated, we would submit a package of applications that would include a general plan amendment, zone change, a parcel map to create a lot line between the future commercial and future apartment site, and an amendment to the approved conditional use permit for the small-lot residences.

We believe the market is still a few years away for there to be interest in a new commercial center, and we do not have any tenants at this point. So we cannot submit a specific site plan for the commercial or apartment site at this time. The desired goal now is to modify the approval of the residential development to comply with current building codes and to set up the commercial

site and apartment site with the correct zoning so that they can be marketed. We will be proposing R-M-3 zoning for the apartment site and C-SO zoning for the commercial site.

We anticipate that the commercial tenants will be attractive to the sports park users and generate a substantial amount of pedestrian traffic inside the commercial center. We will work with the City staff to develop guidelines and standards that can be applied to the future site plan to encourage pedestrian activity and minimize on-site and off-site pedestrian/vehicle conflicts.

If these requests listed above are approved, we understand that we would need to come back again to the Planning Commission for a conditional use permit for the commercial and apartment sites once a tenant is found and a detailed site plan can be prepared for Planning Commission approval.

I thank you for your consideration of our request.

Sincerely,



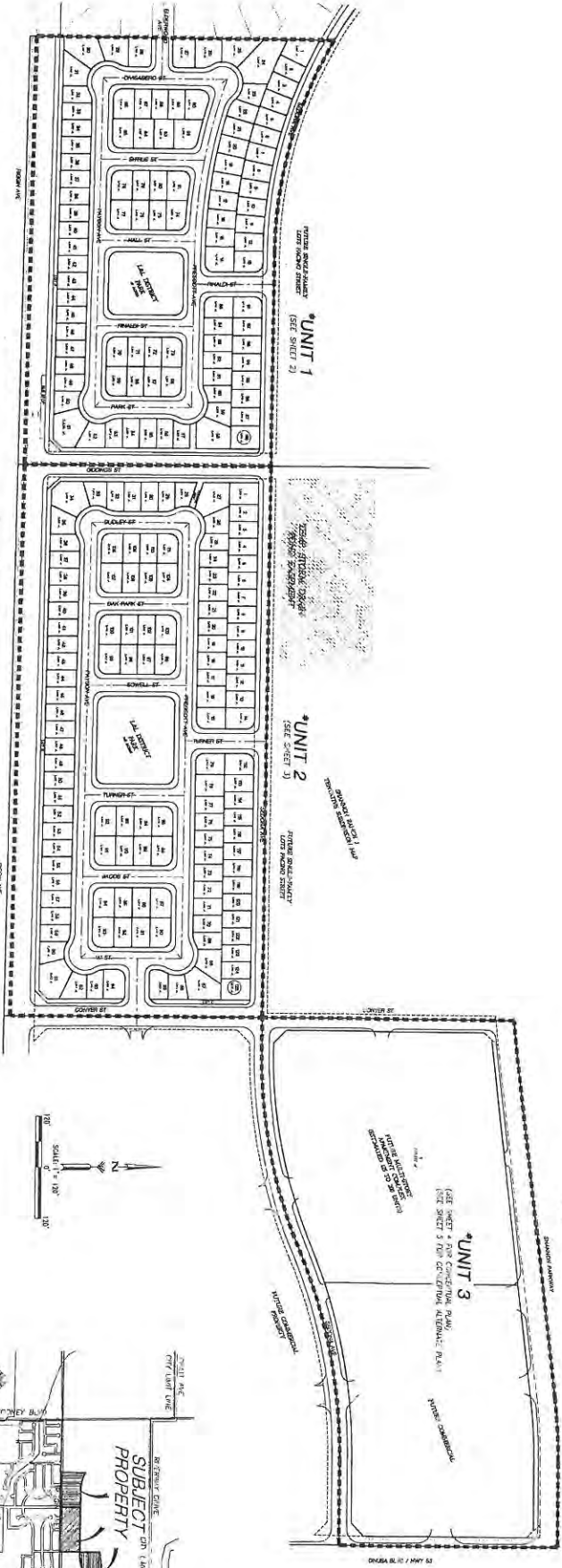
Steve Brandt, AICP, LEED AP
Quad Knopf

Attachments: CUP Amendment site plans (5 pages)

CC: Michael Olmos, City of Visalia
Bruce Meyers, Pacific Union Homes

3ED TENTATIVE MAPS ARE PROPOSED

10/23/2011 10:23 AM 10/23/2011 10:23 AM 10/23/2011 10:23 AM 10/23/2011 10:23 AM 10/23/2011 10:23 AM



SITE DATA

EXISTING ZONING	R-4-2
PROPOSED ZONING	RESIDENTIAL
PROPOSED USE	RESIDENTIAL/COMMERCIAL
OWNER	SHANNON RANCH
PREPARED BY	QUAD KNOTP
DATE	10/23/2011
PROJECT NO.	10/23/2011
FILE NO.	10/23/2011
NO. OF LOTS	51
NO. OF UNITS	51
COMMERCIAL ALTERNATIVE SQ. FT.	23,866 (ESTIMATED)

COMPARISON TO EXISTING MAP

EXISTING MAP	PROPOSED
RESIDENTIAL UNITS	51
COMMERCIAL UNITS	0
TOTAL UNITS	51

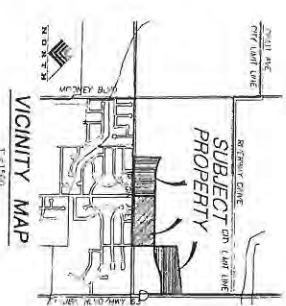
UNIT DATA

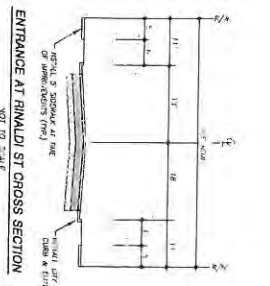
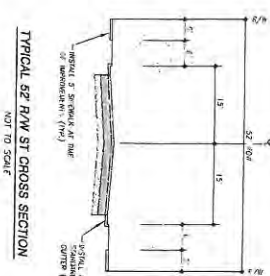
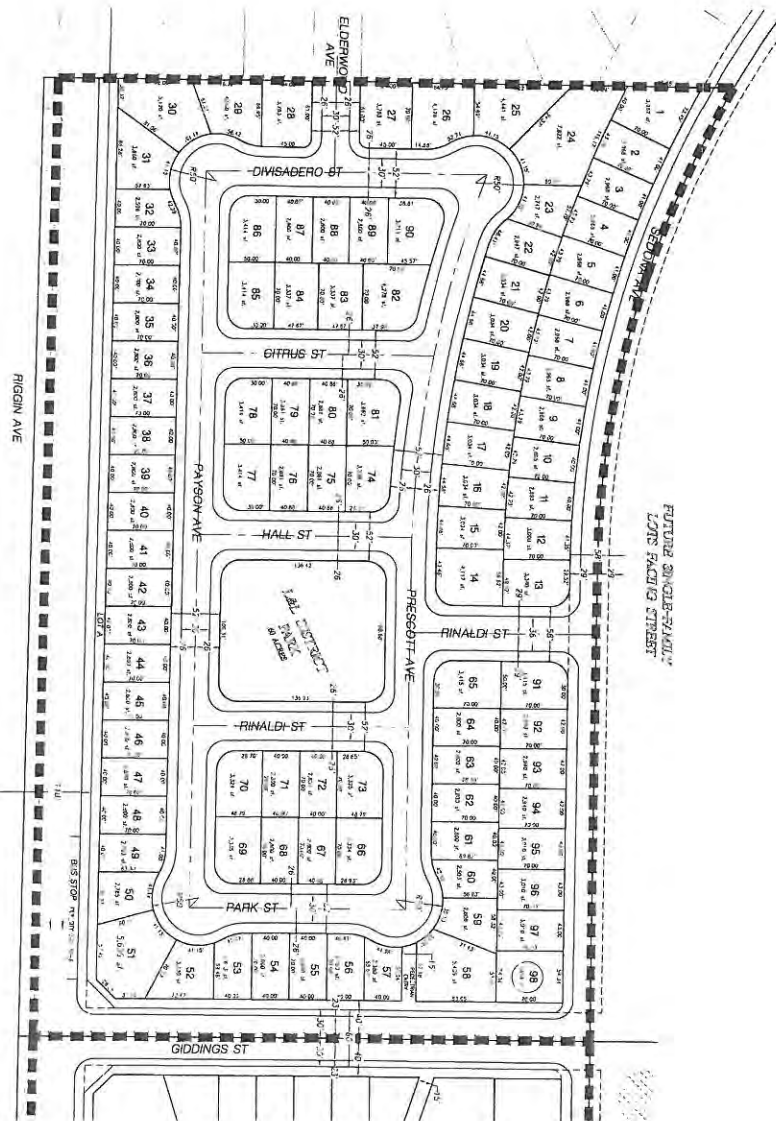
UNIT	NO. OF LOTS	NO. OF UNITS
UNIT 1	17	17
UNIT 2	17	17
UNIT 3	1	1

HIGHLAND PARK AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

PARCELS 2, 3, AND 5 OF SHANNON RANCH EAST, RECORDED IN VOLUME 40 OF MAPS AT PAGE 18, FOR IN SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 20S, RANGE 20E, EAST 1/4, IN THE CITY OF VISALIA, CALIFORNIA.

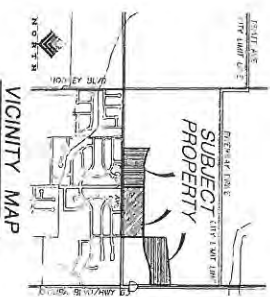
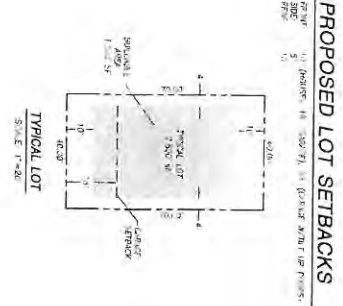
FOR VISALIA SHANNON RANCH BY VISALIA SHANNON RANCH CO., INC. 6711 ABBOTT ST., VISALIA, CA 93292. MAPLE 10/23/2011 10:23/2011





SITE DATA

Project Name:	Shannon Ranch
City:	City of Visalia
County:	Visalia, CA
Map No.:	Map 46
Section:	Section 18
Block:	Block 18
Parcel No.:	Parcel 2, 3, and 5
Area:	1.54 acres
Use:	Single-Family Residential
Map No.:	Map 46
Section:	Section 18
Block:	Block 18
Parcel No.:	Parcel 2, 3, and 5
Area:	1.54 acres
Use:	Single-Family Residential

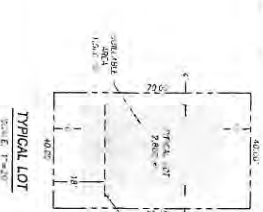
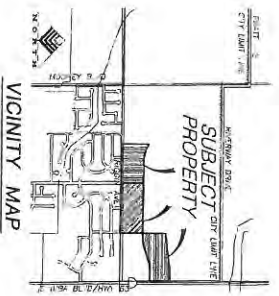
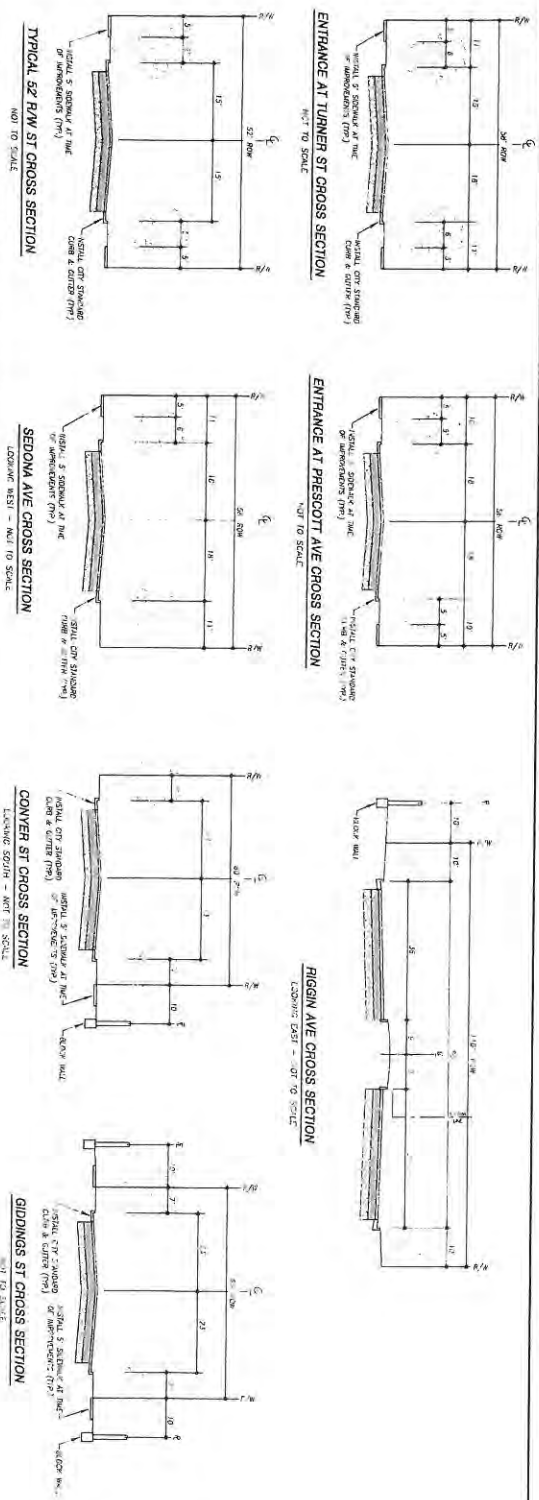
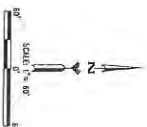
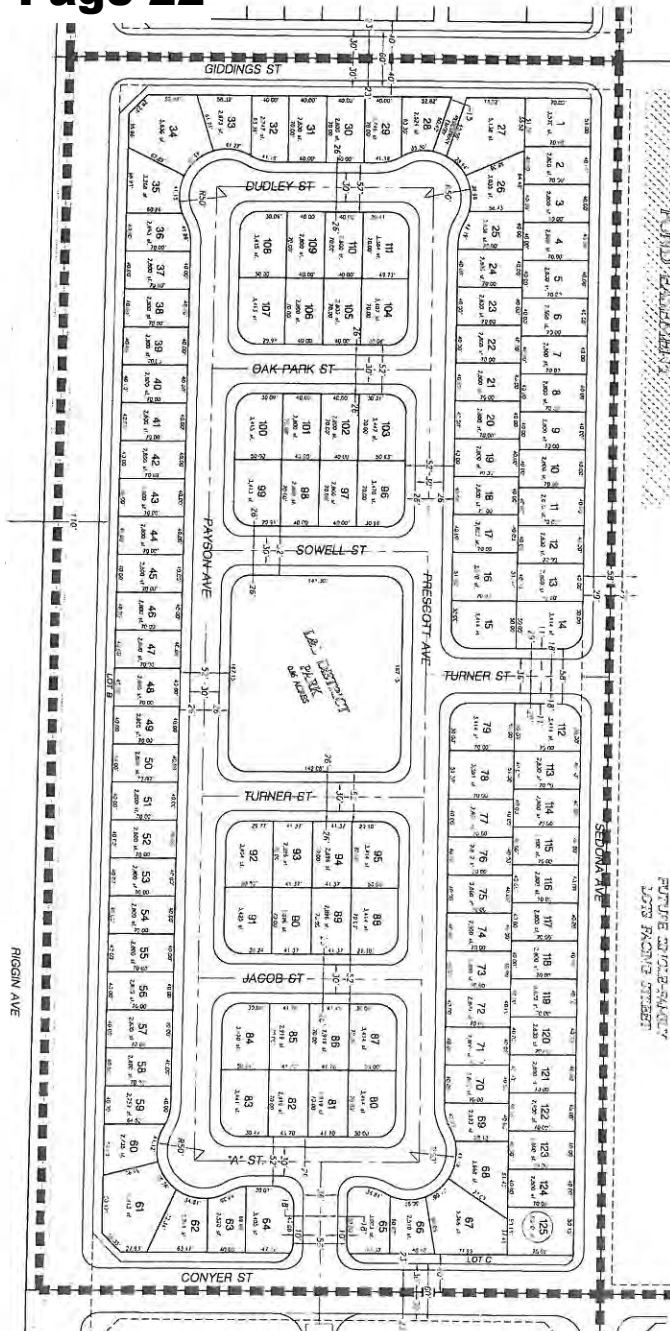


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10/28/2011

HIGHLAND PARK AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

PARCELS 2, 3, AND 5 OF SHANNON RANCH EAST, TOWN AND QUARTER 40 OF MAPS AT PAGE 46, SECTION 18, TOWNSHIP 3 NORTH, RANGE 7 EAST, COUNTY OF VISALIA, STATE OF CALIFORNIA

City of Visalia, California, Planning and Development Department, 1000 W. State Street, Visalia, CA 93291, 559.233.3100



PROPOSED LOT SETBACKS
 FRONT: 10 FT
 SIDE: 5 FT
 REAR: 5 FT

HIGHLAND PARK AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

SITE DATA

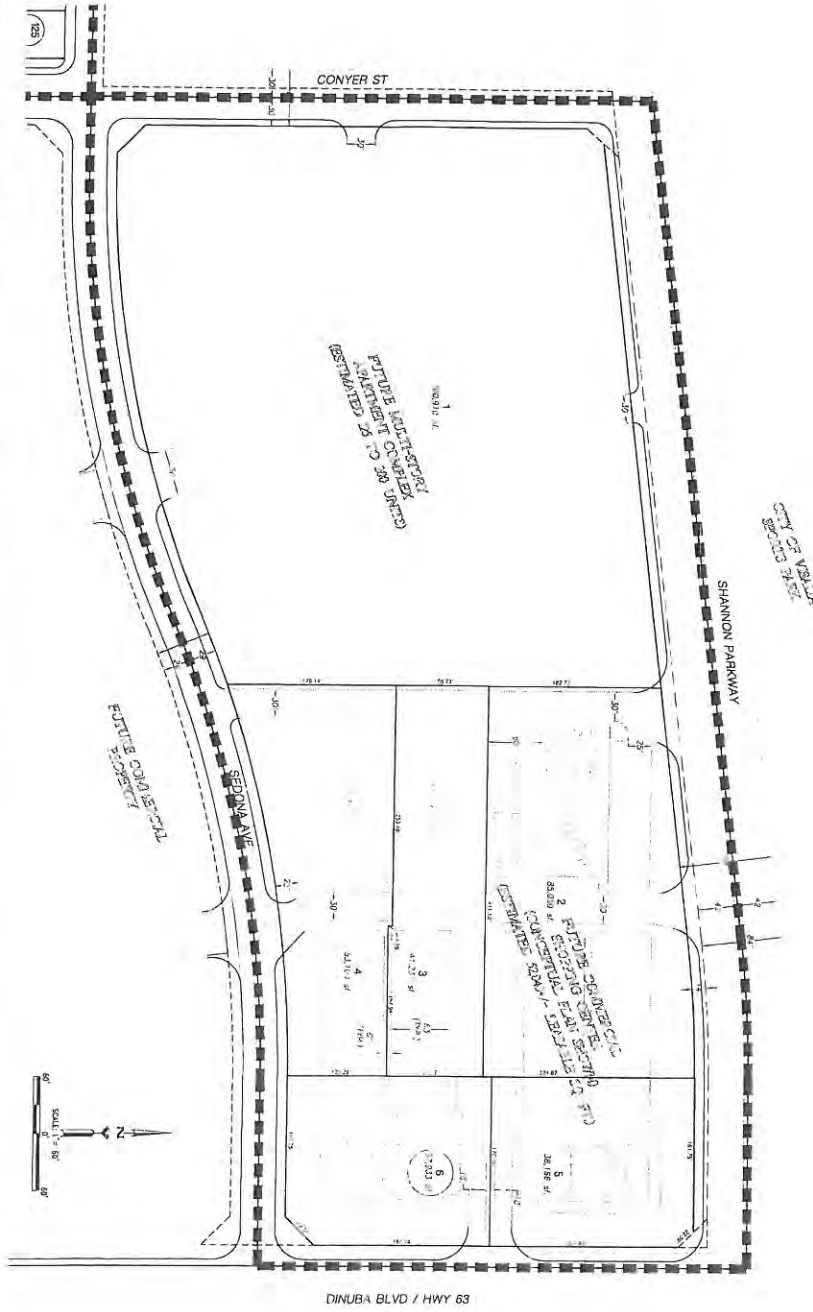
PROJECT NO: 2019-001
 EXISTING USE: RESIDENTIAL
 PROPOSED USE: RESIDENTIAL
 ZONING: R-1
 CITY OF VISALIA PLANNING AND DEVELOPMENT DEPARTMENT
 1000 W. STATE STREET, VISALIA, CA 93291
 PHONE: (559) 233-3100

PREPARED BY: QUAD KNOPT
 200 N. G STREET, VISALIA, CA 93291
 PHONE: (559) 233-3100

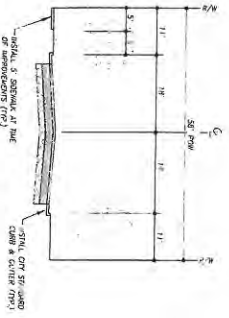
DATE: 10/20/2019

PROJECT LOCATION: PARCELS 2, 3, AND 5 OF SHANNON RANCH EAST, 1/4 SECTION 40, T4N, R12E, S10E, VISALIA, CALIFORNIA

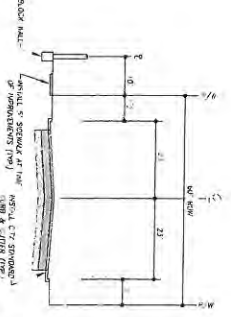
1:5000 Scale - 1/4" = 1'-0" - 11/16/2009 - 1:5000 Scale - 1/4" = 1'-0" - 11/16/2009



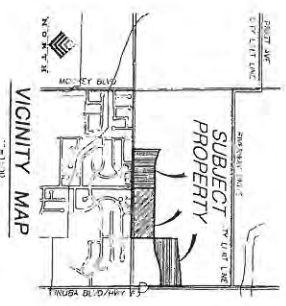
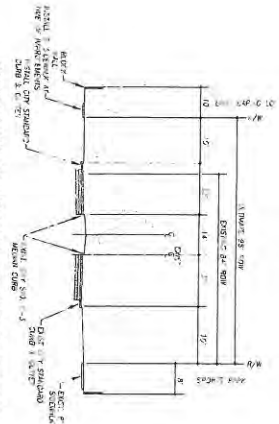
SECONA AVE CROSS SECTION
LOOKING EAST - NOT TO SCALE



CONYER ST CROSS SECTION
LOOKING NORTH - NOT TO SCALE



SHANNON PARKWAY CROSS SECTION
LOOKING WEST - NOT TO SCALE



SITE DATA

OWNER	REAR-2
ADDRESS	2400 S. 2ND ST.
CITY/STATE	VISALIA, CA 93281
PARCEL NO.	140845530000000000000
APN	021-001-010-000
LAND USE	COMMERCIAL - GENERAL
ZONING	C-2
PERMITTED	30,000 SQ. FT. GROSS FLOOR AREA
ESTIMATED	100,000 SQ. FT. GROSS FLOOR AREA
PLANTING	100,000 SQ. FT. GROSS FLOOR AREA
DATE	11/16/2009
PROJECT NAME	2 FUTURE CONSUMER CTR. PLANTING CONCEPTS (ESTIMATED) 26 TO 30 UNITS
NO. OF UNITS	26 TO 30
ESTIMATED	100,000 SQ. FT. GROSS FLOOR AREA
DATE	11/16/2009
PROJECT NAME	2 FUTURE CONSUMER CTR. PLANTING CONCEPTS (ESTIMATED) 26 TO 30 UNITS
NO. OF UNITS	26 TO 30
ESTIMATED	100,000 SQ. FT. GROSS FLOOR AREA
DATE	11/16/2009
PROJECT NAME	2 FUTURE CONSUMER CTR. PLANTING CONCEPTS (ESTIMATED) 26 TO 30 UNITS
NO. OF UNITS	26 TO 30
ESTIMATED	100,000 SQ. FT. GROSS FLOOR AREA
DATE	11/16/2009

HIGHLAND PARK AT SHANNON RANCH AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

PARCELS 2, 3, AND 5 OF SHANNON RANCH EAST, AS SHOWN IN VOLUME 46 OF MAPS AT PAGE 46, TOWNSHIP 18 NORTH, RANGE 3 EAST, SECTION 18, COUNTY OF VISALIA, COUNTY OF TULARE, STATE OF CALIFORNIA.

FOR: PULASKI SHANNON RANCH

PROJECT: HIGHLAND PARK AT SHANNON RANCH AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

DATE: 11/16/2009

BY: QUAD KNOPT ARCHITECTS

SCALE: 1/4" = 1'-0"

PROJECT NUMBER: 09010

PROJECT ADDRESS: 2400 S. 2ND ST., VISALIA, CA 93281

PROJECT PHONE: (559) 735-3000

PROJECT FAX: (559) 735-3000

PROJECT WEBSITE: WWW.QUADKNOPT.COM

PROJECT EMAIL: INFO@QUADKNOPT.COM

PROJECT CONTACT: QUAD KNOPT ARCHITECTS

PROJECT ADDRESS: 2400 S. 2ND ST., VISALIA, CA 93281

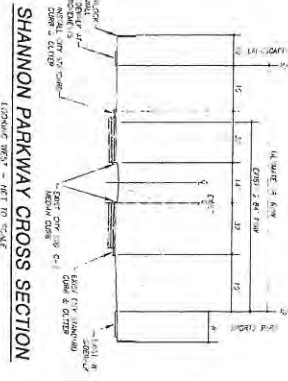
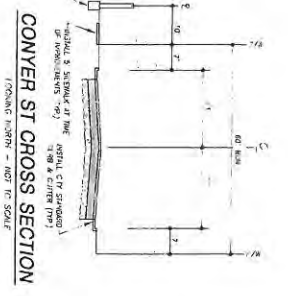
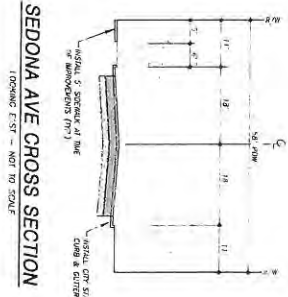
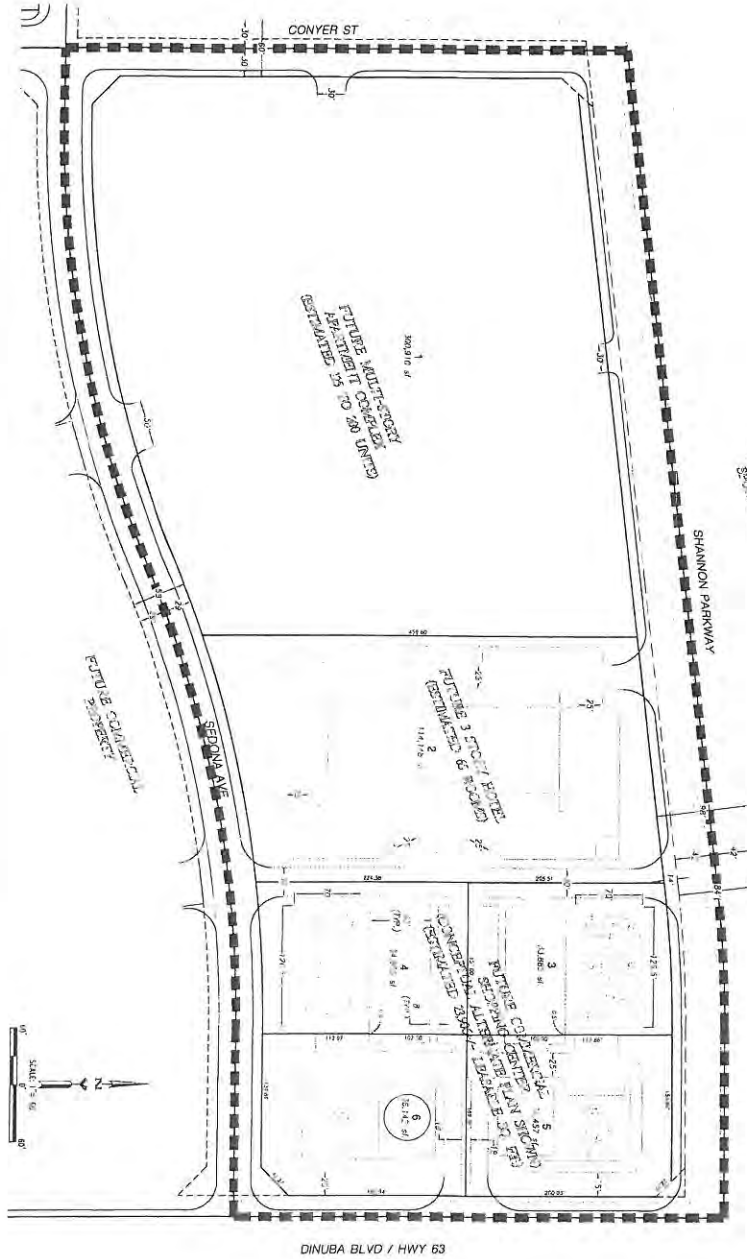
PROJECT PHONE: (559) 735-3000

PROJECT FAX: (559) 735-3000

PROJECT WEBSITE: WWW.QUADKNOPT.COM

PROJECT EMAIL: INFO@QUADKNOPT.COM

PROJECT CONTACT: QUAD KNOPT ARCHITECTS



HIGHLAND PARK AT SHANNON RANCH CONDITIONAL USE PERMIT AMENDMENT

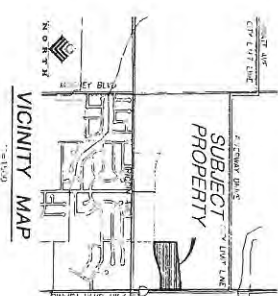
PARCELS 2, 3, AND 5 OF SHANNON RANCH EAST, RECORDED IN VOLUME 40 OF MAPS AT PAGE 45, TOWN AND QUARTER OF SECTION 18, TOWNSHIP 12 NORTH, RANGE 12 EAST, COUNTY OF TULARE, STATE OF CALIFORNIA

FOR: VALLEY SHANNON RANCH 10000 SHANNON PARKWAY, SUITE 100, TULARE, CA 95326

BY: QUAD KNOPF 10000 SHANNON PARKWAY, SUITE 100, TULARE, CA 95326

SITE DATA

PROJECT:	HIGHLAND PARK AT SHANNON RANCH
CLIENT:	VALLEY SHANNON RANCH
DATE:	07/24/2014
PROJECT NO.:	14-001
PROJECT NAME:	HIGHLAND PARK AT SHANNON RANCH
PROJECT ADDRESS:	10000 SHANNON PARKWAY, SUITE 100, TULARE, CA 95326
PROJECT PHONE:	(559) 832-1111
PROJECT FAX:	(559) 832-1112
PROJECT EMAIL:	info@quadknopf.com
PROJECT WEBSITE:	www.quadknopf.com
PROJECT CONTACT:	JOHN KNOPF, PROJECT MANAGER
PROJECT CONTACT PHONE:	(559) 832-1111
PROJECT CONTACT FAX:	(559) 832-1112
PROJECT CONTACT EMAIL:	john.knopf@quadknopf.com
PROJECT CONTACT WEBSITE:	www.quadknopf.com
PROJECT CONTACT ADDRESS:	10000 SHANNON PARKWAY, SUITE 100, TULARE, CA 95326
PROJECT CONTACT CITY:	TULARE, CA
PROJECT CONTACT STATE:	CA
PROJECT CONTACT ZIP:	95326
PROJECT CONTACT COUNTRY:	USA
PROJECT CONTACT TIMEZONE:	PST
PROJECT CONTACT LANGUAGE:	ENGLISH
PROJECT CONTACT CURRENCY:	USD
PROJECT CONTACT TAX ID:	94-1617000
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PROJECT CONTACT FIC100:	000000



SHEET 5 OF 5



City of Visalia Housing Element



Background Report and Policy Document

Prepared by:
mintierharnish
planning consultants

Adopted March 15, 2010

III. FUTURE HOUSING NEEDS

The State of California's Department of Housing and Community Development (HCD) is required to allocate each region's share of the statewide housing need to Council of Government (COG) based on Department of Finance (DOF) population projections and regional population forecasts used in preparing regional transportation plans. The COG develops a Regional Housing Need Plan (RHNP) allocating the region's share of the statewide need to cities and counties within the region. The RHNP promotes the following objectives: increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner; promote infill development and socioeconomic equity; protect environmental and agricultural resources; encourage efficient development patterns; and promote an improved intraregional balance between jobs and housing. Housing element law recognizes the most critical decisions regarding housing development occur at the local level within the context of the periodically updated general plan.

Housing element law requires a quantification of each jurisdiction's share of the regional housing need as established in the RHNP prepared by the COG. The Regional Housing Need Allocation (RHNA) is a minimum projection of additional housing units needed to accommodate projected household growth of all income levels by the end of the housing element's statutory planning period. Each locality's RHNA is distributed among five income categories (i.e., extremely low-, very low-, low-, moderate-, and above moderate-income) to address the required provision for planning for all income levels.

Regional Housing Needs Allocation

This section evaluates projected future housing needs in Visalia based on the Regional Housing Needs Allocation (RHNA) adopted by the Tulare County Association of Governments (TCAG) in July 2008. TCAG's methodology is based on the Regional Housing Needs Allocation (RHNA) supplied by HCD. The RHNA is broken down by income categories (i.e., extremely low-, very low-, low-, moderate-, and above moderate-income). TCAG allocates a "fair share" by income category based on projected housing need for each jurisdiction in Tulare County. Each jurisdiction is required to report to HCD on how the fair share allocation can be accommodated within the planning period. The allocations are intended to be used by jurisdictions when updating their housing elements as the basis for assuring that adequate sites and zoning are available to accommodate at least the number of units allocated. Table 36 shows the projected housing needs for the planning period from January 1, 2007, to June 30, 2014, for Visalia.

**TABLE 36
REGIONAL HOUSING NEEDS ALLOCATION BY INCOME
Visalia
January 1, 2007 to June 30, 2014**

	Extremely Low ¹	Very Low	Low	Moderate	Above Moderate	TOTAL	Average Yearly Need ²
RHNA	1,154	1,154	1,848	2,279	7,400	13,835	1,845
Percent of Total	10.5%	10.5%	15.6%	19.9%	43.4%	100.0%	-

¹Extremely low allocation is equal to 50 percent of the very low allocation (2,308 units).

²Based on a 7½ year planning period.

Source: Tulare County Association of Governments (TCAG), Final Tulare County 2008 Regional Housing Needs Assessment Plan, July 2008.

As shown in the table, TCAG allocated a total need of 13,835 units to Visalia for the January 1, 2007, to June 30, 2014, planning period. The allocation is equivalent to a yearly need of approximately 1,845 housing units for the 7½-year time period. Of the 13,835 housing units, 6,435 units are for moderate-income households and below, including 1,154 extremely low-income units, 1,154 very low-income units, 1,848 low-income units, and 2,279 moderate-income units. The total countywide housing need is 35,088 units, of which Visalia received 39 percent.

Comparison of Housing Unit Production with Projected Housing Needs

One of the Housing Element’s main goals is to ensure that a variety of housing opportunities at a range of prices and rents are made available to residents. This includes, but not limited to, conventional single-family homes, multi-family apartments and town homes, and housing for special needs groups. Since the Housing Element planning period runs from January 1, 2007, to June 30, 2014, Visalia’s RHNA can be reduced by the number of new units built (using building permit data) or approved since January 1, 2007 until the site inventory calculations are completed. In this case, the RHNA has been reduced by market rate units constructed or approved from January 1, 2007 to March 30, 2009. In addition, the Consultants compiled an inventory of all residential projects with an affordable housing component (i.e., non-subsidized and subsidized) that have been constructed since the start of the current Housing Element planning period (January 1, 2007), are under construction (as of March 30, 2009), or have been approved within the current Housing Element planning period.

Remaining Need

Table 40 shows Visalia's remaining RHNA based on income category and the need that has already been satisfied during the Housing Element period (i.e., January 1, 2007, to March 30, 2009 by built and approved units). Market-rate and affordable units satisfy only about 19.9 percent of the City's RHNA for this Housing Element period. This leaves a remaining 11,079 units to be accounted for in the vacant land inventory. Units for lower-income categories (i.e., extremely low-, very low-, and low-income) have 4,019 units that need to be satisfied—about 96.7 percent remains.

Income Category	2007 to 2014 RHNA	Market Rate ¹	Affordable	Remaining Need	Percent Remaining
Extremely Low, and Very Low	2,308	0	98	2,210	95.8%
Low	1,848	0	39	1,809	97.9%
Moderate	2,279	0	347	1,932	84.8%
Above Moderate	7,400	2,272	0	5,128	69.3%
TOTAL	13,835	2,272	484	11,079	80.1%

¹ Includes units from building permit data (Table 38) and approved market-rate units (Table 39).
Source: City of Visalia, 2009

IV. RESOURCE INVENTORY

The Resource Inventory section assesses the availability of land and services to meet the needs documented in the previous Section IV (Future Housing Needs). This section discusses Visalia's available residentially-zoned land, calculates the buildout potential of this land, and reviews the adequacy of services to support future housing development.

Available Sites Inventory Requirements

An adequate supply of land for residential construction is one of the most critical resources necessary to meet future housing demand. State law governing the preparation of housing elements emphasizes the importance of an adequate land supply by requiring that each housing element contain "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites" (Government Code Section 65583(a)(3)). The phrase "land suitable for residential development" in Government Code Section 65583(a)(3) includes all of the following:

- Vacant sites zoned for residential use;
- Vacant sites zoned for nonresidential use that allows residential development;
- Residentially zoned, underutilized sites that are capable of being developed at a higher density; and
- Vacant or underutilized sites zoned for nonresidential use that can be rezoned for, and as necessary, redeveloped for, residential use.

Without adequate vacant land, Visalia cannot demonstrate how it will accommodate its regional housing need allocation. The amount of land required to accommodate future housing needs depends on its physical characteristics, zoning, availability of public facilities and services, and environmental conditions.

In order to calculate the number of units that will accommodate its share of the regional housing need for lower-income households, a jurisdiction is required to do either of the following (Government Code Section 65583.21(3)):

- Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower-income households.
- Use the "default density standards" that are "deemed appropriate" in State law to accommodate housing for lower-income households given the type of the jurisdiction. Visalia is classified as a "metropolitan jurisdiction" even though it is within a county that is considered a "suburban jurisdiction" because its population is over 100,000, meaning the default density standard is "sites allowing at least 30 units per acre." HCD is required to accept sites that meet this density standard as appropriate for accommodating Visalia's share of the regional housing need for lower-income households.

The extent to which the City has "adequate sites" for housing affordable to very low- or low-income households will depend, in part, on General Plan and zoning standards, particularly typical density, parking, building coverage, height, and set-back standards.

Once the City has demonstrated that it has the theoretical development capacity to accommodate the RHNA, it has two obligations. First, the City must maintain a "no net loss" policy of its residential development capacity over the five-year housing element timeframe. Sites listed in the adopted Housing Element land inventory may not be down-zoned to lower density residential uses or rezoned to non-residential uses, unless the City upzones/rezones alternative sites prior to the density reduction or rezone on the inventoried site. Second, the City must continue to allocate available funding resources to and facilitate the development of affordable housing, as it has done frequently in the past. The City is not obligated to ensure construction of low income housing on any particular site within its city limits.

Methodology

The Housing Element Consultants (Mintier Harnish) worked with the City's Community Development Department to develop an accurate picture of Visalia's residential development potential as of March 2009. The inventory identifies vacant and underutilized sites that could accommodate new residential development within the city limits. City staff and Consultants identified available sites based existing city records, aerial photography, and field observation and then mapped the sites using a Geographic Information System (GIS).

Land Use Designation and Affordability

Visalia is one of the most affordable housing markets in California. Because of the relatively low land costs, housing type and density is not as much of a factor in reducing the affordability gap as it is in other jurisdictions throughout California. As a result, affordable housing projects are developed in almost every residential zone, regardless of the allowable density. Table 39 shows several deed-restricted affordable housing projects that were zoned for low- and medium-density residential uses. These affordable housing projects include the following:

- Sierra Meadows Senior Apartments: zoned/designated R-1-6/RLD; 41 very low-income units (new construction);
- Robinwood Court Senior Apartments: zoned/designated R-1-6/RLD; 2 very low-, 5 low-, and 3 moderate income units (new construction);
- Mill Creek Parkway Family Apartments: zoned/designated R-1-4.5/RLD; 35 very low- and 34 low-income units (new construction); and
- Paradise & Court: zoned/designated R-M-2/RMD; 20 very low-income units (new construction and rehabilitation).

For the purposes of this analysis, this Housing Element takes a conservative approach to identifying appropriate sites for the RHNA's five income groups. This inventory assumes that above moderate-income households will only be accommodated in lower density zoned sites (i.e., R-1-20, R-1-12.5, R-1-6, and R-A districts). However, given the number of recently built and approved affordable housing units

on sites designated and zoned for medium density and lower, it is reasonable to assume that affordable housing will be built on sites designated RMD at 10-15 units per acre. Additionally, the City has included a policy to increase the height restriction in the RMD to allow development of up to three stories. This will facilitate the development of housing at the higher end of the allowed density range.

Table 41 summarizes the land use designations and corresponding zoning districts that were assumed to meet each income category. Each land use designation corresponds with at least one zoning district, in some cases more than one. For example, the commercial land use designations (e.g., CDT, CS, CR) are associated with multiple zoning districts (i.e., CR, CDT, EDV1, EDV2, CSO, PA). Each parcel listed in the sites inventory is referenced by General Plan land use designation and zoning district.

TABLE 41
GENERAL PLAN LAND USE DESIGNATIONS ALLOWING RESIDENTIAL USES
Visalia
2009

Land Use Designation	Code	Consistent Zoning Districts	Density Range DU/acre	Typical Density	Inventoried Income Level
Residential Uses					
Rural Residential	RA	R-A	1 to 2	2	Above-moderate
Low-Density Residential	RLD	R-1-20, R-1-12.5, R-1-6,	2 to 10	4.8	Above-moderate
		R-1-4.5	2 to 10	8	Moderate
Medium-Density Residential	RMD	R-M-2	10 to 15	12	Low-
High-Density Residential	RHD	R-M-3	15 to 29	23	Extremely low-, Very low-, and Low-
Commercial Uses²					
Central Business District	CDT	CR	n/a	80	Extremely low-, Very low-, and Low-
Commercial Service	CS	CDT	n/a	80	
Commercial Regional Center	CR	EDV1 EDV2 CSO PA	n/a	40	
		PA	n/a	40	
Commercial Professional/Administrative Offices	PAO	PA	n/a	40	
Community Facilities Public/Institutional	PI	QP	n/a	40	

¹Densities are based on dwelling units per net acre.

²Land use designations that allow for mixed-use development do not have a specified density range; this site inventory assumes a typical density based on past projects, and specific plans.

Source: City of Visalia General Plan, 1996.

The sites inventory assumes that the RHD land use designation, and the corresponding R-M-3 district, provides sufficient density for the construction of extremely low-, very low-, and low-income units. Additionally, the inventory assumes that the RMD land use designation, and corresponding R-M-2 district, provides sufficient density for the construction of low-income units. The sites inventory assumes

that the R-1-4.5 zoning district is suitable for moderate-income units because of the number of lower-income housing projects built under this zone. For example, the Mill Creek Parkway Family Apartments, located at 3433 East Manzanita Drive, are on land designated RLD, and zoned R-1-4.5. This project is 100 percent affordable with 35 units for very low-income and 34 units for low-income households. Projects like Mill Creek Parkway Family Apartments demonstrate that the R-1-4.5 district provides sufficient density to accommodate affordable housing projects for lower-income households in addition to moderate-income households.

While density is important in determining affordability of a project, the size of a site can also determine the feasibility of developing an affordable housing project. The inventory includes several small parcels (less than 0.5 acres) that are available for higher-density residential development. The majority of these parcels are adjacent to other vacant or underutilized parcels and could be consolidated into larger sites suitable for an affordable housing project. However, vacant and underutilized parcels in the inventory that are not contiguous with other parcels have been inventoried as available for moderate-income projects. This assumption is based on the project types (e.g., small multi-family project, four-plex, duplex) that could be expected on these small parcels.

The sites inventory includes a significant amount of land that is zoned for commercial zones that allow a wide range of residential uses and densities. Many of these parcels are underutilized and/or targeted for redevelopment because they are located within a redevelopment project area or has been identified in a strategic plan. These sites are largely located in strategic growth areas, such as the East Downtown Visalia, Central Business District, and along the South Mooney Boulevard corridor. The City intends to revitalize these areas through the construction of mixed use development and a variety of housing types.

Available Sites Inventory

Vacant Sites

Above Moderate-Income Unit Potential

The RHNA for above-moderate units can be accommodated on vacant land in nearly every residential land use designation and zone. However, as stated earlier in the Methodology Section, this analysis takes a very conservative approach by assuming that lower density residential designations/zones will accommodate only above-moderate income households. There are 1,060 acres of land designated RLD, which has a total capacity for 5,088 units of above moderate-income units. Visalia also has a limited supply of land (61.4 acres) designated Rural Residential (RA) with a total capacity for 122 above moderate-income units. As shown in Table 42, there is a potential for 5,210 units under the RLD and RA designations and their corresponding zones.

Total Residential Holding Capacity vs. Projected Needs

The City of Visalia has sufficient capacity to meet the RHNA for extremely low-, very low-, low- and moderate income units. The total capacity identified in the sites inventory is 6,745 units for extremely low-, very low-, and low-income units and 922 moderate-income units. As shown in Table 48 the city's total residential holding capacity exceeds the overall RHNA by 1,801 units.

	Extremely Low, Very Low	Low ¹	Moderate	Above Moderate
Adjusted Need				
RHNA	2,308	1,848	2,279	7,400
Built and Approved Projects (see Table 40)	98	39	347	2,272
Adjusted Need	2,210	1,809	1,932	5,128
Adjusted Need for Site Inventory		4,019	1,932	5,128
Sites Inventory				
Vacant Sites (see Table 42 and 43)		2,786	824	5,213
Underutilized Sites/Redevelopment				
Downtown		904	-	-
East Downtown		1,393	-	-
South Mooney Boulevard		1,662	-	-
Second Units		-	98	-
Total Sites Inventory		6,745	922	5,213
Remaining Need				
Adjusted Remaining Need		2,726	1,010	-85
Total Remaining Need				0
Surplus Capacity²				1,801

¹Units for extremely low- and very low-income units can be counted for low-income based on default density standards.

²Surplus capacity for lower-income groups can be used toward meeting higher income groups (i.e., moderate-income group).

Source: City of Visalia, 2009

Adequacy of Public Facilities and Infrastructure

This section addresses the adequacy of public facilities and services (i.e., water and sewer services) to accommodate planned residential growth through the end of the Housing Element planning period (June 30, 2014). The following information regarding the adequacy of public facilities and infrastructure is based largely on information provided directly from the California Water Services Company and the Superintendent of the City of Visalia Wastewater Treatment Plant.

Water

The California Water Services Company is the water service provider for the City of Visalia. The City's water supply system consists of a total of 73 groundwater wells and an underground network of

TABLE B-1
SITES INVENTORY: CAPACITY ON VACANT LAND
Visalia
2009

APN	GP LU Designation Code	Zoning Code	GPLU Minimum Allowable Density (DU/acre)	GPLU Maximum Allowable Density (DU/acre)	Typical Density (DU/acre)	GIS acres	Number of Affordable Units at Maximum Density	Number of Affordable Units at Typical Density	Environmental Constraints		Inventoried Income Level	Notes
									Flood zones	Other?		
096321012	RHD	R-M-3	15	29	23	0.3	10	8	-	-	Moderate	Small site, could accommodate a small multi-family complex
098180026	RHD	R-M-3	15	29	23	0.33	31	25	-	-	Low	3 adjacent parcels - 2 vacant, 1 lot with abandoned, dilapidated structure.
098180027	RHD	R-M-3	15	29	23	0.42	39	31	-	-	Low	
098180028	RHD	R-M-3	15	29	23	0.33	42	33	-	-	Low	
087090035	RHD	R-M-3	15	29	23	1.1	133	105	-	-	Low	
097272032	RHD	R-M-3	15	29	23	1.3	173	137	-	-	Low	
123220002	RHD	PA R-M-3	15	29	23	1.5	282	224	-	-	Low	
126100012	RHD	R-M-3	15	29	23	4.6	710	563	-	-	Low	
119730005	RHD	R-M-3	15	29	23	5.9	224	180	-	-	Low	
						9.7						
						24.4						
Subtotal												
Medium-Density Residential Sites												
000003858	RMD	QP R-16	10	15	12	5.0	76	60	-	-	Low	
000003860	RMD	A QP R-16 R-M-2	10	15	12	1.4	21	17	-	-	Low	
000008908	RMD	CCM R-M-2	10	15	12	0.96	20	16	-	-	Low	2 adjacent vacant parcels
000008909	RMD	M-2	10	15	12	7.3	70	56	-	-	Low	
000008911	RMD	R-M-2	10	15	12	4.6	70	56	-	-	Low	
077100079	RMD	R-16 R-M-2	10	15	12	5.0	75	60	-	-	Low	
077640012	RMD	R-M-2	10	15	12	4.9	73	58	-	-	Low	
078120008	RMD	R-M-2	10	15	12	12.9	193	154	-	-	Low	
078120009	RMD	R-M-2	10	15	12	15.8	238	190	-	-	Low	
078120011	RMD	R-M-2	10	15	12	15.5	233	187	-	-	Low	
079071011	RMD	R-M-2	10	15	12	15.0	224	180	-	-	Low	

✓ HIGHLAND PARK SITES

CITY OF VISALIA

PART 3. APPENDICES
HOUSING ELEMENT

TABLE B-1
SITES INVENTORY: CAPACITY ON VACANT LAND
Visalia
2009

APN	GP LU Designation Code	Zoning Code	GFLU Minimum Allowable Density (DU/acre)	GFLU Maximum Allowable Density (DU/acre)	Typical Density (DU/acre)	GIS acres	Number of Affordable Units at Maximum Density	Number of Affordable Units at Typical Density	Environmental Constraints		Inventoried Income Level	Notes
									Flood zones	Other?		
103330050	RLD	R-1-4.5	2	10	8	2.9	29	23	-	-	Moderate	3 adjacent parcels
103210035	RLD	R-1-4.5	2	10	8	3.2	32	26	Yes	-	Moderate	
103260019	RLD	R-1-4.5	2	10	8	3.5	35	28	Yes	-	Moderate	
098050064	RLD	R-1-4.5	2	10	8	3.5	35	28	Yes	-	Moderate	
091040025	RLD	R-1-4.5	2	10	8	5.2	52	41	-	-	Moderate	2 adjacent parcels
091333044	RLD	R-1-4.5	2	10	8	13.6	136	109	-	-	Moderate	4 adjacent parcels
101060008	RLD	R-1-4.5	2	10	8							
098050044												
098050051												
098050058												
098050063												
098050065												
<i>Subtotal</i>												
						67.4	674	539	-	-	Moderate	
TOTAL EXTREMELY LOW- AND VERY LOW-INCOME						102.1	1,021	816				
TOTAL LOW-INCOME						24.1	700	555				
TOTAL MODERATE-INCOME						187.9	2,785	2,231				
GRAND TOTAL						314.4	4,516	3,610				

MARCH 15, 2010

PAGE A-7

TABLE B-2
SITES INVENTORY: EAST DOWNTOWN VISALIA
Visalia
2009

Site Number	APN	GP LU Code	Zoning	GIS Acres	Typical Density	Typical Units	Inventoried Units*	Inventoried Income Level	Comments
Neighborhood 1: Santa Fe									
1	094305003, 094305008, 094305009	CDT	EDV1	0.4 0.5 0.3 1.2	40	47	24	Lower	One parcel is vacant. Other parcels contain marginal uses.
2	094295008	CDT	EDV1	0.8	40	31	16	Lower	Site is mostly occupied by a parking lot and vacant area. Restaurant on small portion of site.
3	094285008	CDT	EDV1	0.7	40	30	15	Lower	Industrial use. Adjacent to the Downtown Visalia Transit Center.
4	094284004	CDT	EDV1	1.0	40	39	20	Lower	Dilapidated industrial site
5	094274005, 094274006	CDT	EDV1	0.9 0.1	40	38	19	Lower	Vacant, dilapidated building
6	094250038, 094250039	CS	EDV1	1.6 0.1 1.6	40	65	33	Lower	A quarter of the property is vacant and the rest consists of a sign shop. The property owner has contacted the City and has expressed interest in redeveloping the site as a mixed-use development.
7	094240001, 094240002, 094240033	CS	EDV1	0.3 0.5 1.0 1.7	40	70	35	Lower	Industrial/warehouse with large parking area.
8	094231001, 094231014, 094231021, 094231023	CDT	EDV1	0.03 0.4 0.04 0.4 0.8	40	33	17	Lower	
9	094221010	CDT	EDV1	0.6	40	23	12	Lower	Parking lot for adjacent industrial building
10	094221006	CDT	EDV1	0.3	40	11	5	Moderate**	Vacant lot
SUBTOTAL - NEIGHBORHOOD 1				9.6		387	194		
Neighborhood 2: East Main									
1	09422030	CS	EDV1	1.1	40	43	32	Lower	Industrial/warehouse
2	094222029	CS	EDV1	3.4	40	137	103	Lower	Industrial/warehouse
3	094222001, 094222002	CS	EDV1	0.3 0.1	40	30	23	Lower	Sites 3 and 4: Vacant land owned by City RDA. Site recently being cleared with federal

CITY OF VISALIA

PART 3. APPENDICES
HOUSING ELEMENT

TABLE B-2
SITES INVENTORY: EAST DOWNTOWN VISALIA

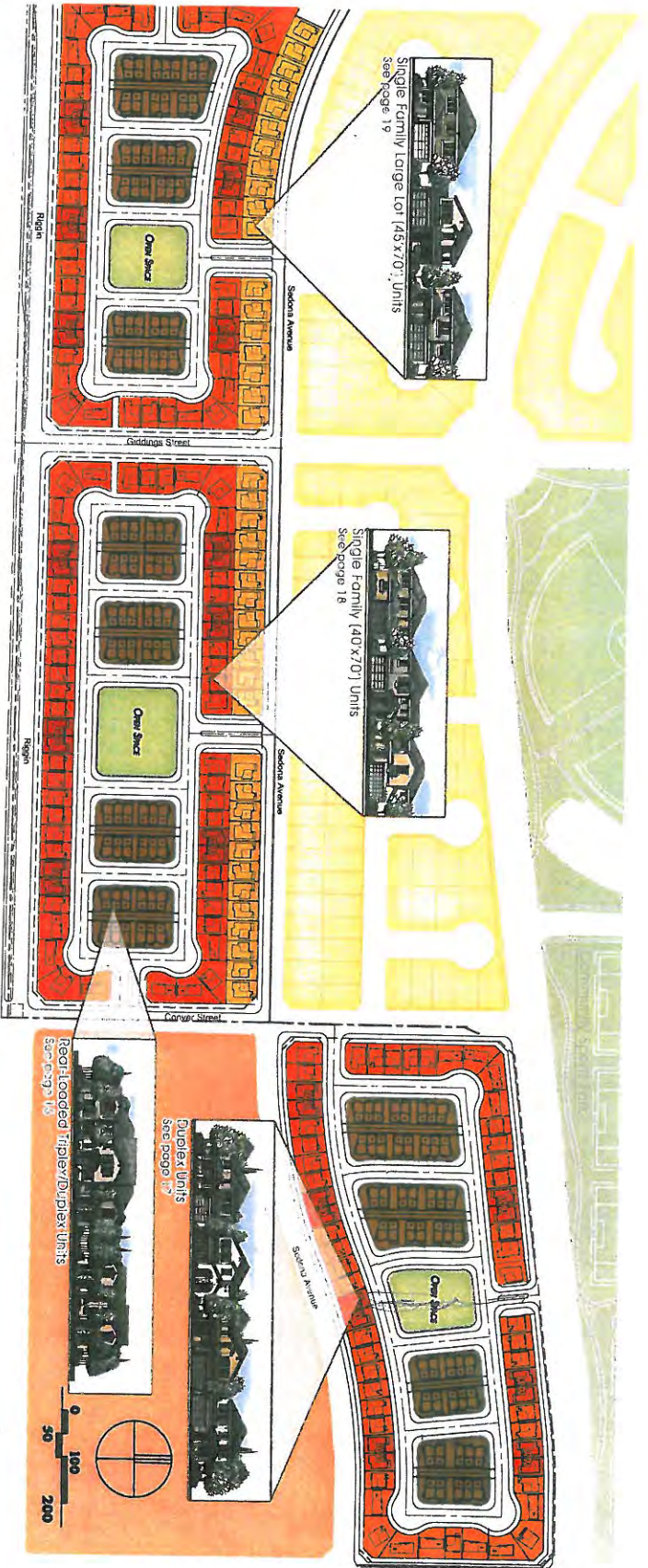
Site Number	APN	GP LU Code	Zoning	GIS Acres	Typical Density	Typical Units	Inventoried Units*	Inventoried Income Level	Comments
27	094190001	C CS	EDV1	0.4	40	15	12	Lower	Industrial/warehouse.
SUBTOTAL - NEIGHBORHOOD 2				27.3		1,088	814		
Neighborhood 4: Central Park									
1	094250031	CS	EDV1	0.7	40	28	21	Lower	Vacant site
2	094250015	CS	EDV1	0.8	40	34	26	Lower	Industrial/warehouse.
3	094180007	C CS	EDV1	4.8	40	191	143	Lower	Vacant site
4	094180006	C CS	EDV1	6.6	40	262	197	Lower	Vacant site
SUBTOTAL - NEIGHBORHOOD 2				12.9		514	386		
TOTAL ALL NEIGHBORHOODS				49.9		1,999	1,393		
TOTAL LOWER-INCOME				48.5		1,943	1,360		
TOTAL MODERATE-INCOME				1.4		47	33		

Notes: *Inventoried capacity varies by neighborhood:
 Neighborhood 1: Santa Fe - inventoried at 50 percent capacity
 Neighborhood 2: East Main - inventoried at 75 percent capacity
 Neighborhood 4: Central Park - inventoried at 75 percent capacity
 **Sites smaller than 0.5 acres inventoried as available for moderate-income based on expected project size for these sites



Site Specifics

SITE IMAGERY BULLET



SIZE DATA

	1	2	3	Total
Gross Acres	14.4	18.0	15.8	48.2
Less Public ROW	6.7	8.6	8.1	23.4
Less Park OS	0.6	0.8	0.6	2.0
Net Acres	7.1	8.6	7.2	22.9
Total Units	105.0	131.0	112.0	348.0
Gross Density	7.3 du/ac	7.3 du/ac	7.1 du/ac	7.2 du/ac
Net Density	14.7 du/ac	15.3 du/ac	15.6 du/ac	15.2 du/ac
Avg. Lot Size (sf)	2946.0	2839.0	2836.0	2870.0
Park Cost/ac	0.6	0.8	0.6	2.0

UNIT SUMMARY

	1	2	3	Total
Attached				
Duplex (40x70)	12.0	12.0	14.0	38.0
Triplex/Duplex	32.0	48.0	50.0	130.0
Total	49.0	60.0	64.0	173.0
% of Total	47%	46%	57%	50%
Detached				
45x70	18.0	24.0	-	42.0
40x70	38.0	47.0	48.0	133.0
Total	56.0	71.0	48.0	175.0
% of Total	53.0	54.0	43.0	50.0
TOTAL	105.0	131.0	112.0	348.0

PARKING PROVIDED

696 Garage Spaces (348 Units x 2 Garage/Unit)
 426 Driveway Spaces (213 Units x 2 Driveway/Unit)
 428 Guest (On-Street) Spaces¹

Total Provided: 1550 Spaces (4.5 Spaces/Unit)

¹ Determined as:



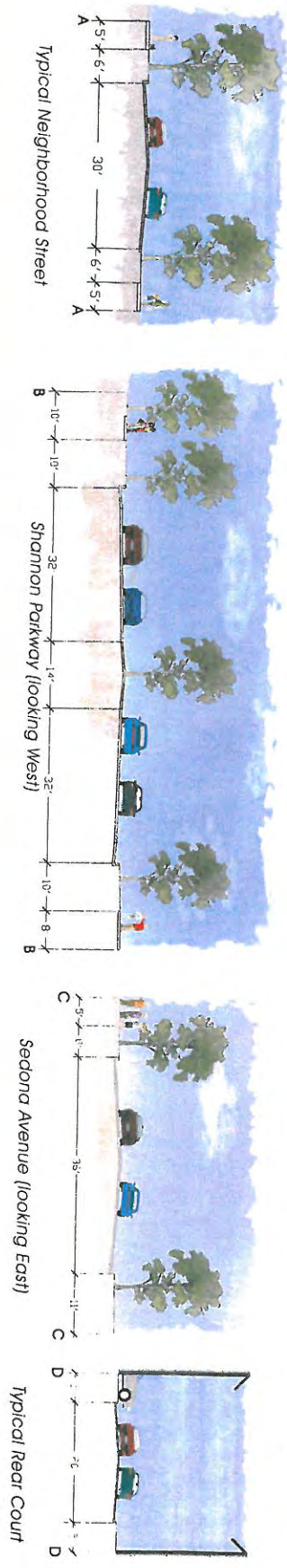
See Parking and Refuse Exhibit for a more detailed analysis of parking.



OVERALL SUMMARY
 Total Site Area: 22.85 Net Ac.
 Total Units: 348 Units
 Net Density¹⁾: 15.2 DU/Net Ac.

1) (Total Density - Open Space - 10%)
 Net Area

TYPICAL STREET SECTIONS



Conceptual Site Plan

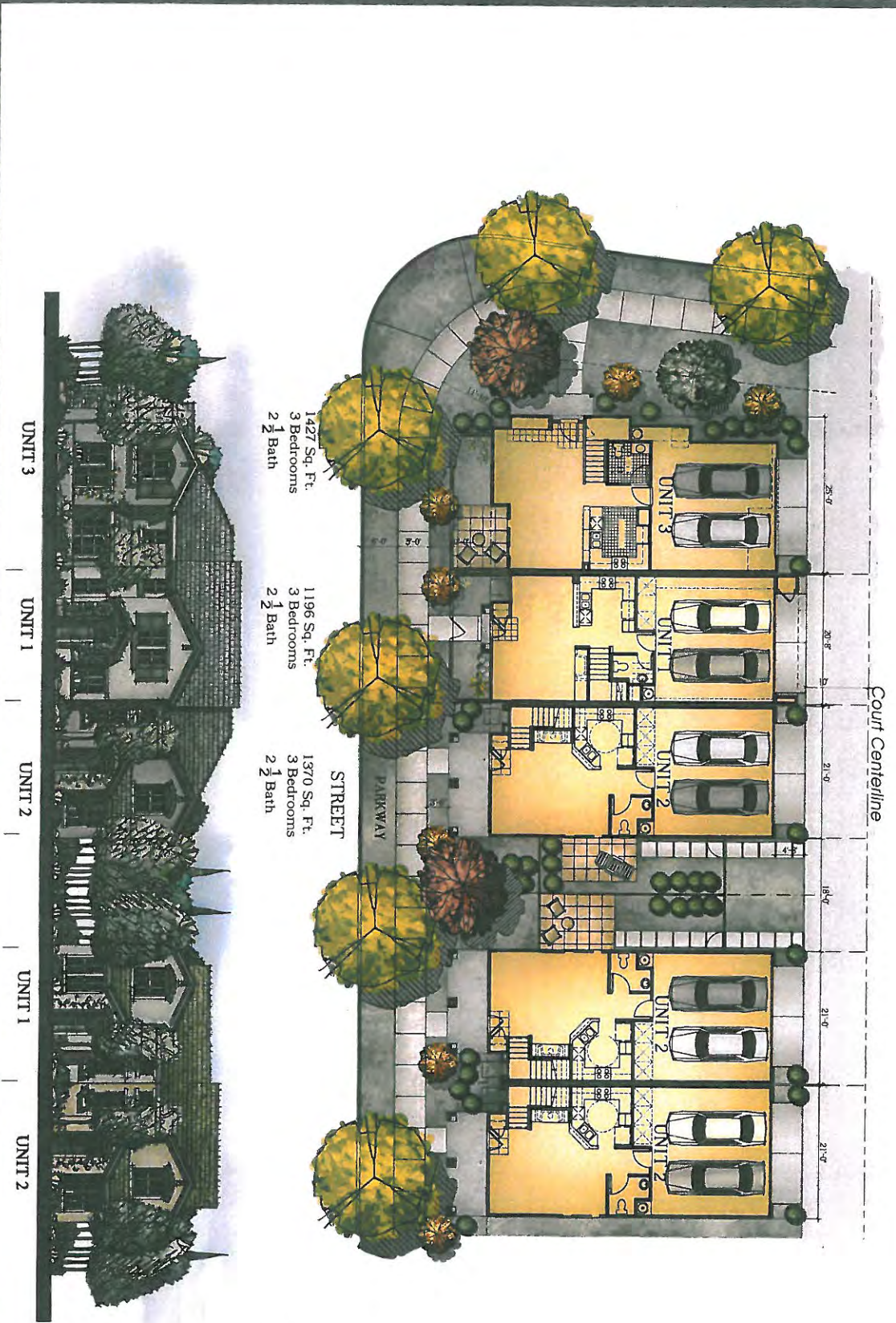
SITE IMAGERY BY KLET



Rear-Loaded Triplex/Duplex Street Scene



SITE IMAGERY BULLET



SEE SITE SPECIFICS (Pg. 6)
FOR LOCATION DETAILS



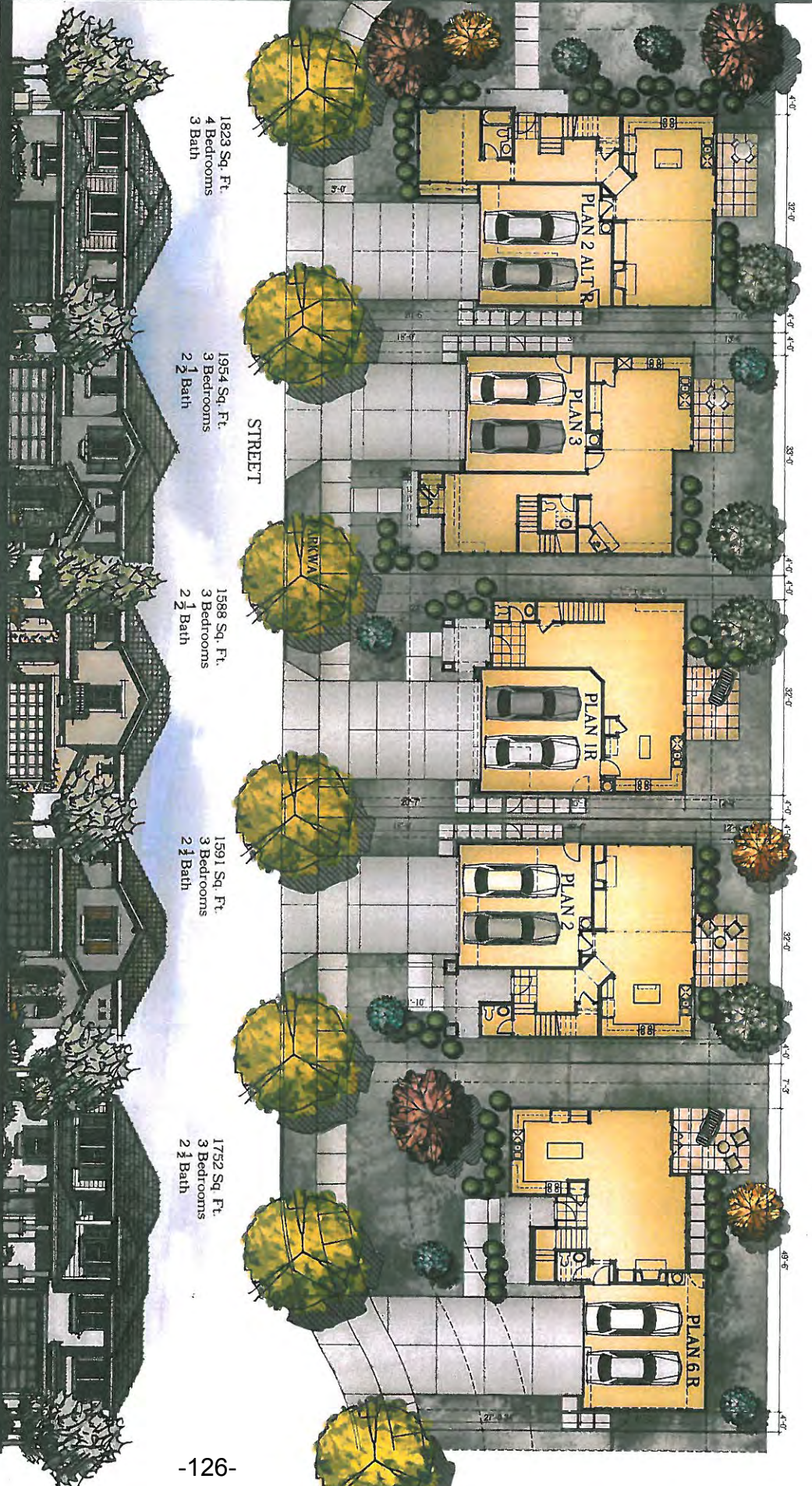
SEE SITE SPECIFICS (pg. 6) FOR LOCATION DETAILS



Duplex Street Scene



SITE IMAGERY BOULET



PACIFIC UNION HOMES



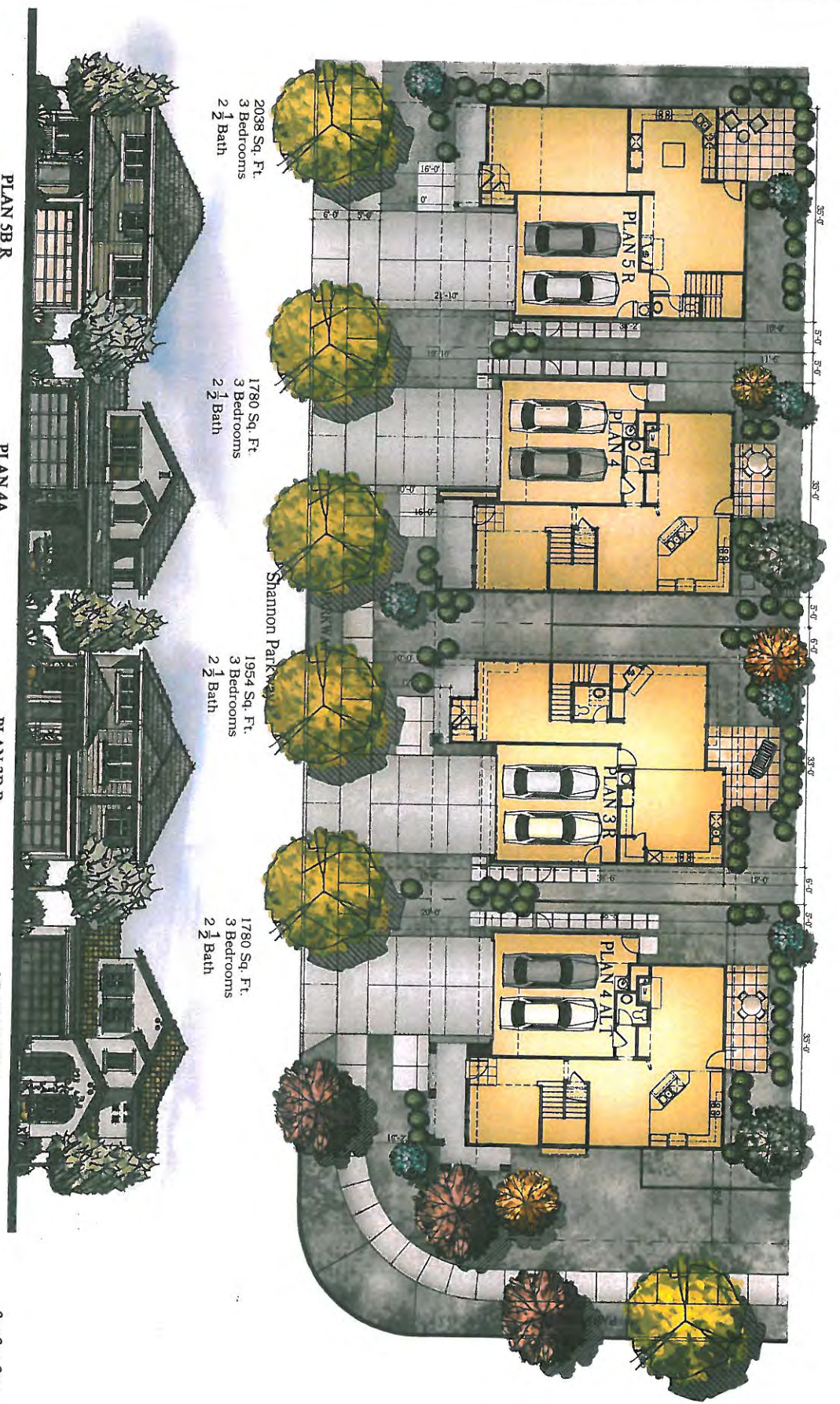
KTGY GROUP, INC.

Single Family (40'x70') Street Scene



SITE IMAGERY B00KLET

SEE SITE SPECIFICS (Pg. 6) FOR LOCATION DETAILS

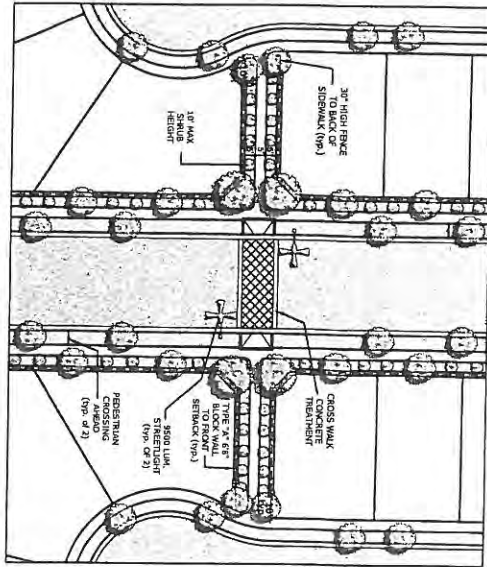


See Site Specifics (pg. 6) FOR LOCATION DETAILS

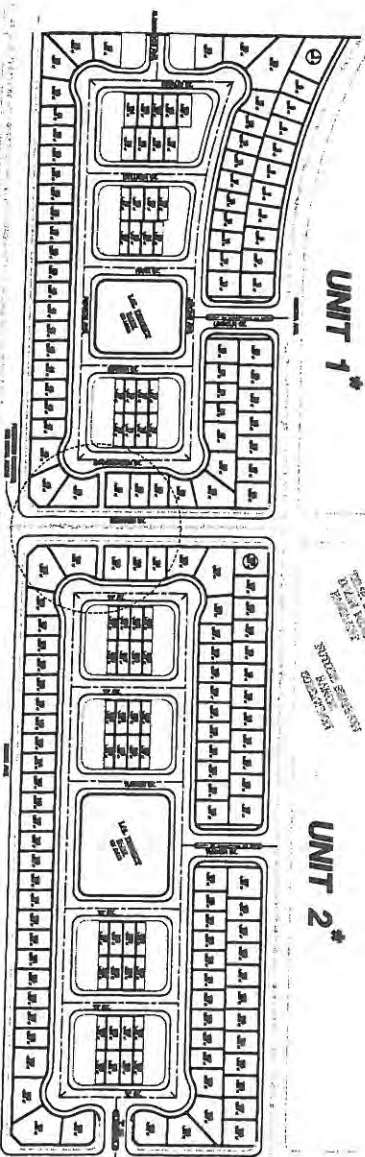


Single Family Large Lot (45'x70') Street Scene

SITE IMAGERY BOOKLET



PEDESTALIAN CROSSING AT GARDENS ST. DETAIL



OVERALL LAYOUT

PHASED FINAL MAPS ARE PROPOSED

SITE DATA:

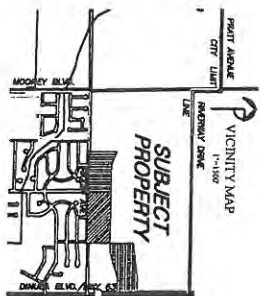
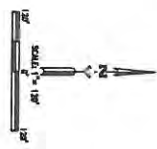
EXISTING ZONING:	PROPOSED ZONING:
AGRICULTURAL	RESIDENTIAL
PROPOSED USE:	CITY OF VISALIA
WATER: SEWER:	SEWER: WATER:
POWER: GAS:	POWER: GAS:
TELEPHONE:	TELEPHONE:
AD. N.E. ACCESS:	AD. N.E. ACCESS:
NO. OF LOTS:	NO. OF LOTS:

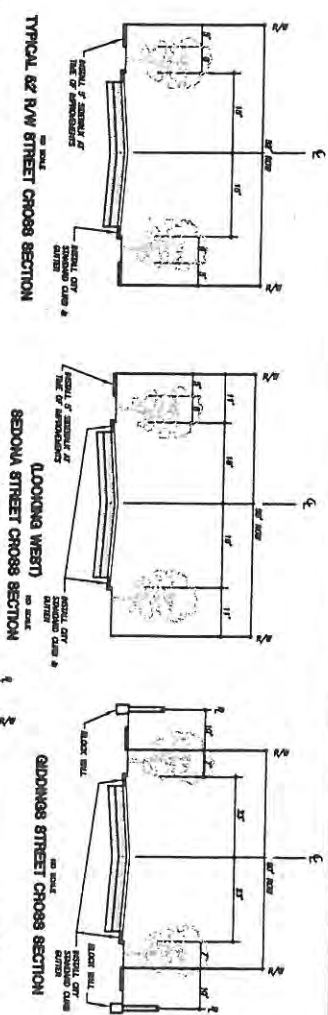
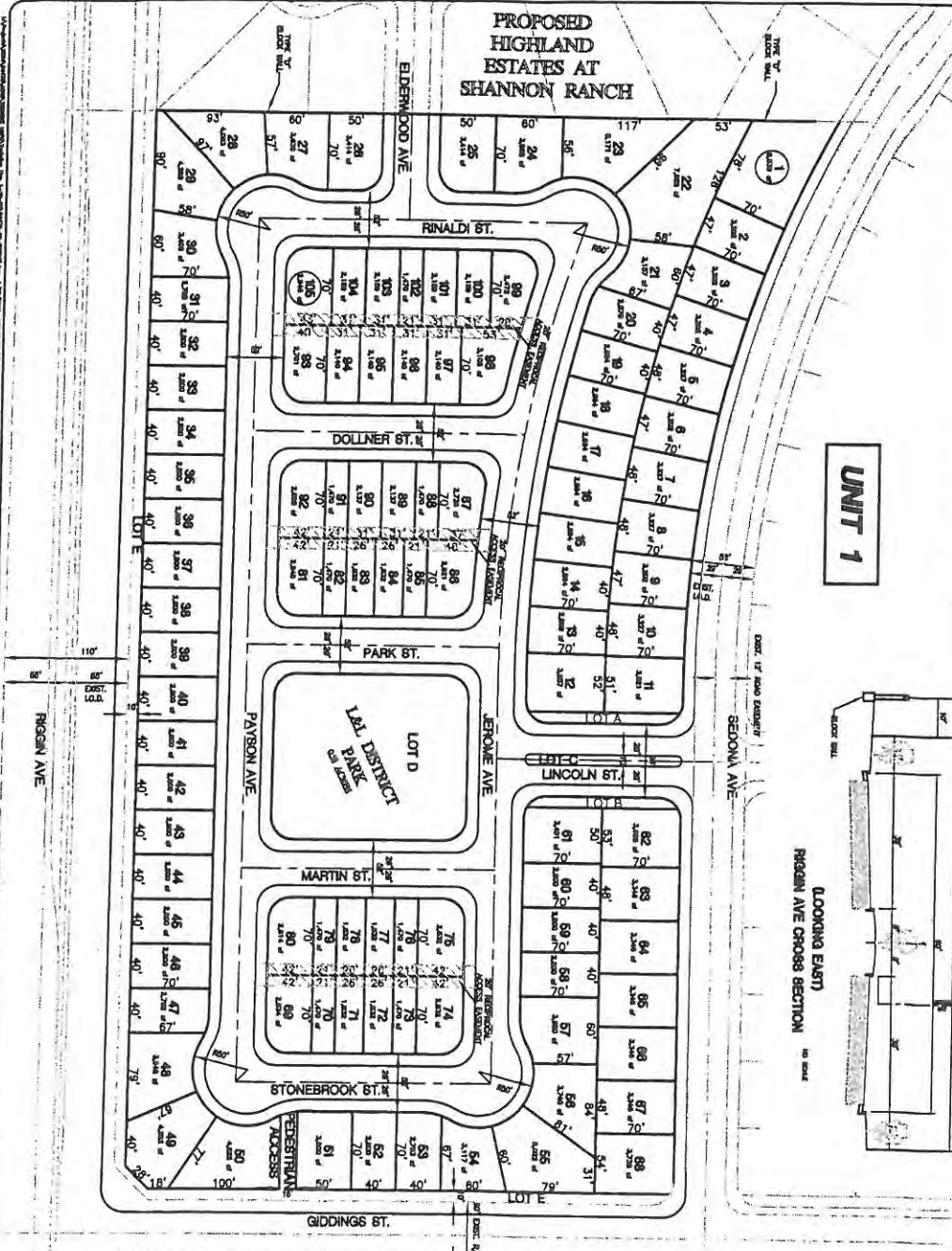
PARCELS 3, 3, AND 5 OF SHANNON RANCH EAST, RECORDED IN VOLUME 40 OF MAPS AT PAGE 48, TOMAHAWK QUARTER OF SECTION 18, TOWNSHIP 14 NORTH, RANGE 12 WEST, COUNTY OF VISALIA, CALIFORNIA.

BY: **Quad Knopf**
 FOR: **Fort Mohr & Garbano Bruno**
 6000 Cortez Rd., Suite 200
 Visalia, CA 93291
 Phone: (559) 334-0008

JANUARY 2008

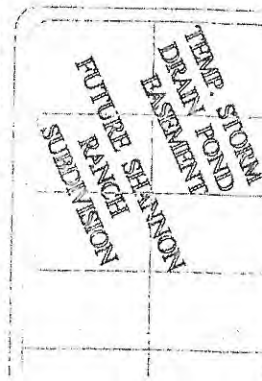
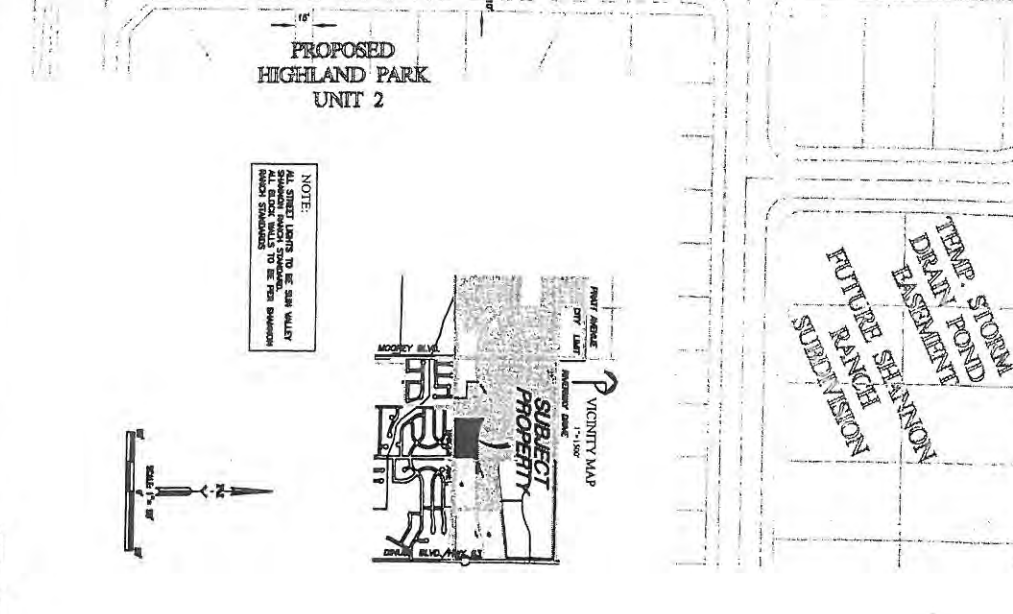
HIGHLAND PARK AT SHANNON RANCH TENTATIVE SUBDIVISION MAP





SITE DATA:

EXISTING ZONING	MAP 3 - ZONING
PROPOSED ZONING	MAP 3 - ZONING
ADJACENT ZONING	MAP 3 - ZONING
ADJACENT USE	MAP 3 - ZONING
ADJACENT DEVELOPER	MAP 3 - ZONING
ADJACENT OWNER	MAP 3 - ZONING
ADJACENT ADDRESS	MAP 3 - ZONING
ADJACENT PHONE	MAP 3 - ZONING
ADJACENT FAX	MAP 3 - ZONING
ADJACENT E-MAIL	MAP 3 - ZONING
ADJACENT WEBSITE	MAP 3 - ZONING
ADJACENT SOCIAL MEDIA	MAP 3 - ZONING
ADJACENT OTHER	MAP 3 - ZONING



HIGHLAND PARK AT SHANNON RANCH TENTATIVE SUBDIVISION MAP

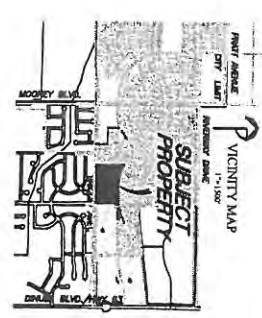
PARCEL 2 OF SHANNON RANCH EAST, RECORDED IN VOLUME 40 OF MAPS AT PAGE 14, TOWNSHIP 18 NORTH, RANGE 29 EAST, IN THE CITY OF PHOENIX, COUNTY OF MARICOPA, STATE OF ARIZONA.

JANUARY 2008

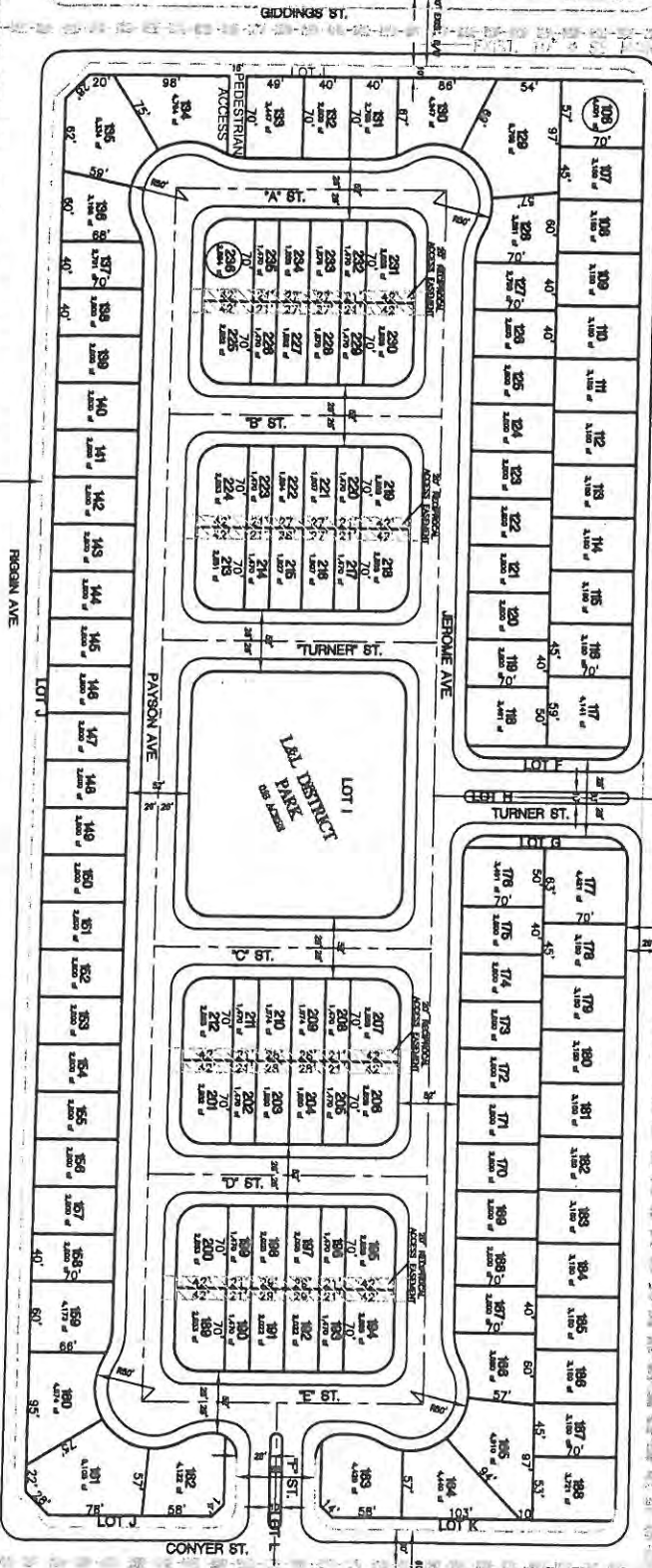
BY: **Quad Knopf**

FOR: **Metz & Barbara Bruno**

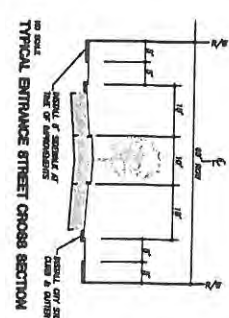
1000 N. CENTRAL AVENUE, SUITE 100
PHOENIX, ARIZONA 85004
PHONE: (602) 233-0048



PROPOSED
HIGHLAND PARK
UNIT 1



TEMP. STORM
DRAIN POND
EASEMENT
FUTURE SHANNON
RANCH
SUBDIVISION



UNIT 2

- SITE DATA:
- EXISTING ZONING: UNCLASSIFIED
 - PROPOSED ZONING: UNCLASSIFIED
 - PROPOSED USE: UNCLASSIFIED
 - APPLICABLE MAPS: UNCLASSIFIED
 - APPLICABLE ORDINANCES: UNCLASSIFIED
 - APPLICABLE CODES: UNCLASSIFIED
 - APPLICABLE RULES: UNCLASSIFIED
 - APPLICABLE REGULATIONS: UNCLASSIFIED
 - APPLICABLE STANDARDS: UNCLASSIFIED
 - APPLICABLE SPECIFICATIONS: UNCLASSIFIED
 - APPLICABLE PROCEDURES: UNCLASSIFIED
 - APPLICABLE METHODS: UNCLASSIFIED
 - APPLICABLE MATERIALS: UNCLASSIFIED
 - APPLICABLE EQUIPMENT: UNCLASSIFIED
 - APPLICABLE TOOLS: UNCLASSIFIED
 - APPLICABLE SUPPLIES: UNCLASSIFIED
 - APPLICABLE SERVICES: UNCLASSIFIED
 - APPLICABLE CONTRACTORS: UNCLASSIFIED
 - APPLICABLE PROFESSIONALS: UNCLASSIFIED
 - APPLICABLE AGENCIES: UNCLASSIFIED
 - APPLICABLE DEPARTMENTS: UNCLASSIFIED
 - APPLICABLE DIVISIONS: UNCLASSIFIED
 - APPLICABLE OFFICES: UNCLASSIFIED
 - APPLICABLE POSITIONS: UNCLASSIFIED
 - APPLICABLE PERSONNEL: UNCLASSIFIED
 - APPLICABLE RESOURCES: UNCLASSIFIED
 - APPLICABLE CAPABILITIES: UNCLASSIFIED
 - APPLICABLE LIMITATIONS: UNCLASSIFIED
 - APPLICABLE CONSTRAINTS: UNCLASSIFIED
 - APPLICABLE RISKS: UNCLASSIFIED
 - APPLICABLE OPPORTUNITIES: UNCLASSIFIED
 - APPLICABLE CHALLENGES: UNCLASSIFIED
 - APPLICABLE SOLUTIONS: UNCLASSIFIED
 - APPLICABLE OUTCOMES: UNCLASSIFIED
 - APPLICABLE IMPACTS: UNCLASSIFIED
 - APPLICABLE BENEFITS: UNCLASSIFIED
 - APPLICABLE COSTS: UNCLASSIFIED
 - APPLICABLE REVENUES: UNCLASSIFIED
 - APPLICABLE EXPENDITURES: UNCLASSIFIED
 - APPLICABLE INVESTMENTS: UNCLASSIFIED
 - APPLICABLE RETURNS: UNCLASSIFIED
 - APPLICABLE RISKS: UNCLASSIFIED
 - APPLICABLE OPPORTUNITIES: UNCLASSIFIED
 - APPLICABLE CHALLENGES: UNCLASSIFIED
 - APPLICABLE SOLUTIONS: UNCLASSIFIED
 - APPLICABLE OUTCOMES: UNCLASSIFIED
 - APPLICABLE IMPACTS: UNCLASSIFIED
 - APPLICABLE BENEFITS: UNCLASSIFIED
 - APPLICABLE COSTS: UNCLASSIFIED
 - APPLICABLE REVENUES: UNCLASSIFIED
 - APPLICABLE EXPENDITURES: UNCLASSIFIED
 - APPLICABLE INVESTMENTS: UNCLASSIFIED
 - APPLICABLE RETURNS: UNCLASSIFIED

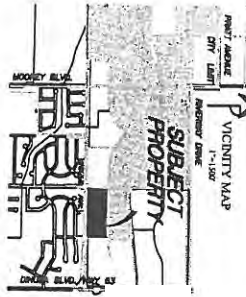
**HIGHLAND PARK
AT SHANNON RANCH
TENTATIVE
SUBDIVISION MAP**

PARCEL 3 OF SHANNON RANCH EAST, RECORDED
IN VOLUME 40 OF MAPS AT PAGE 49, 10R IN
BOOK 11 SOUTH, QUARTER OF SECTION 18, TOWNSHIP
11 SOUTH, COUNTY OF TULARE, STATE OF
CALIFORNIA

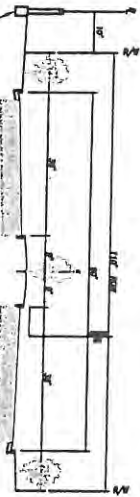
JANUARY 2008

BY: **Quadrant**

FOR: **Mark & Barbara Burns**
1000 N. 10th St.
Tulare, CA 93230
PHONE: (559) 383-5000



NOTE:
ALL DISTANCES TO BE AS MEASURED
ALONG THE CENTER LINE OF THE
SUBDIVISION MAP TO BE FOR SHANNON
RANCH SUBDIVISION.



EXISTING RECORDS
PROPOSED USES
PROPOSED LOTS
PROPOSED DRIVEWAYS
PROPOSED WALKWAYS
PROPOSED UTILITIES
PROPOSED LIGHTING
PROPOSED SIGNAGE
PROPOSED FLOOD ZONE
PROPOSED SETBACKS
PROPOSED LOT DIMENSIONS
PROPOSED LOT PERCENTS

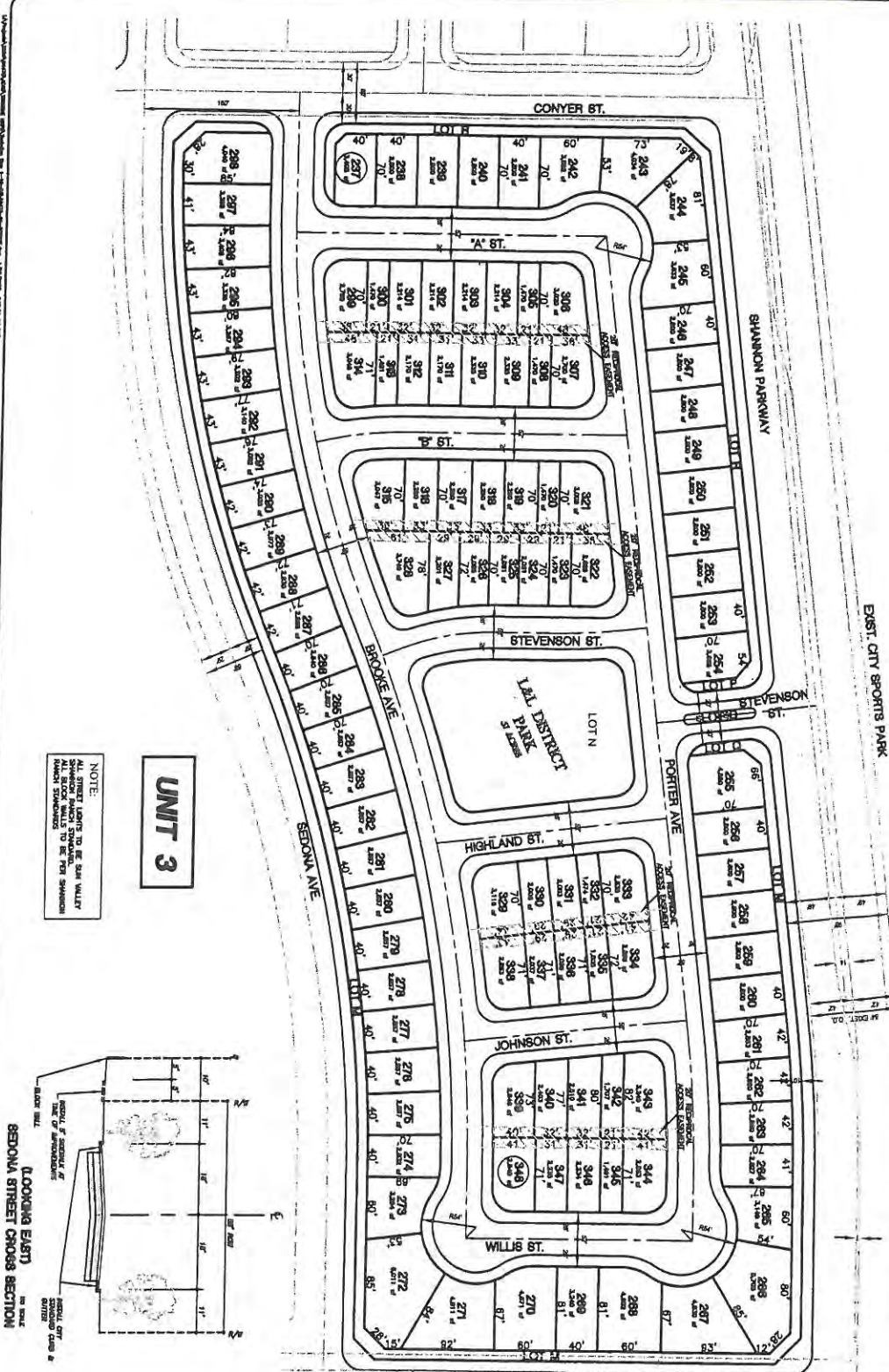


HIGHLAND PARK AT SHANNON RANCH TENTATIVE SUBDIVISION MAP

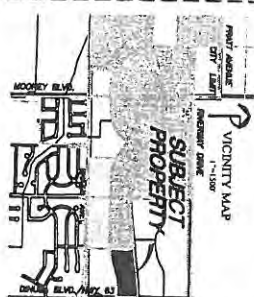
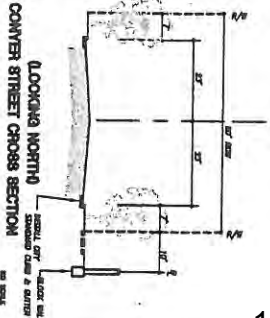
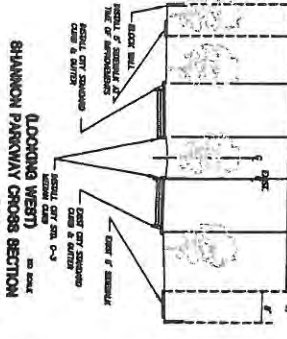
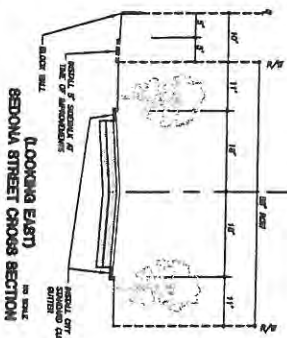
PARCEL 8 OF SHANNON RANCH EAST, RECORDED IN VOLUME 48 OF SECTION 28, T4S, R18E, IN THE SOUTHEAST QUARTER OF SECTION 18, T4S, R18E, IN THE CITY OF VISALIA, COUNTY OF TULARE, STATE OF CALIFORNIA

JANUARY 2008

FOR: Mark & Debra Bergsma
BY: Quad Knopf



NOTE:
ALL STREET LIGHTS TO BE SET WALL MOUNTED ON THE OUTSIDE OF ALL BLOCK WALLS TO BE THE SHANNON MOUNT DESIGN.



VISALIA SHANNON SP PROJECT

By:  Prepared by: 



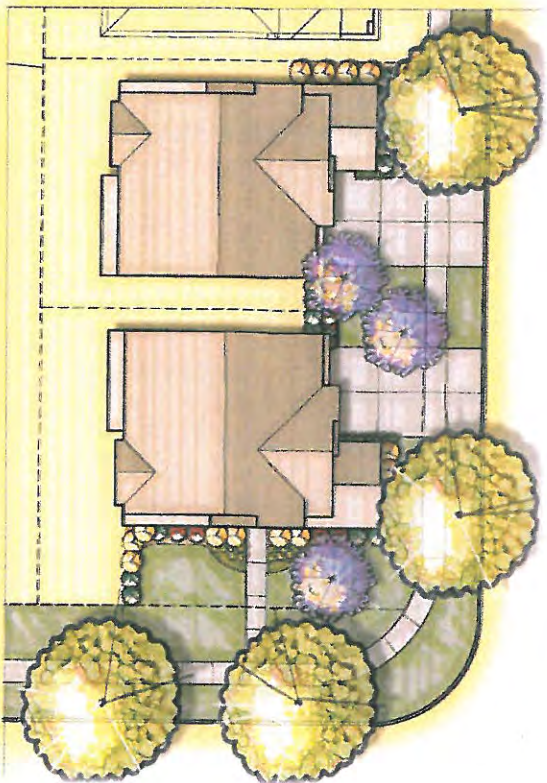
ENTRY MEDIAN

Corner lot:
 Trees: 3-15 gallon street trees
 2-15 gallon flowering trees
 Shrubs: 23-5 gallon
 19-1 gallon
 Groundcover: 40 square feet
 Turf: 1,960 square feet

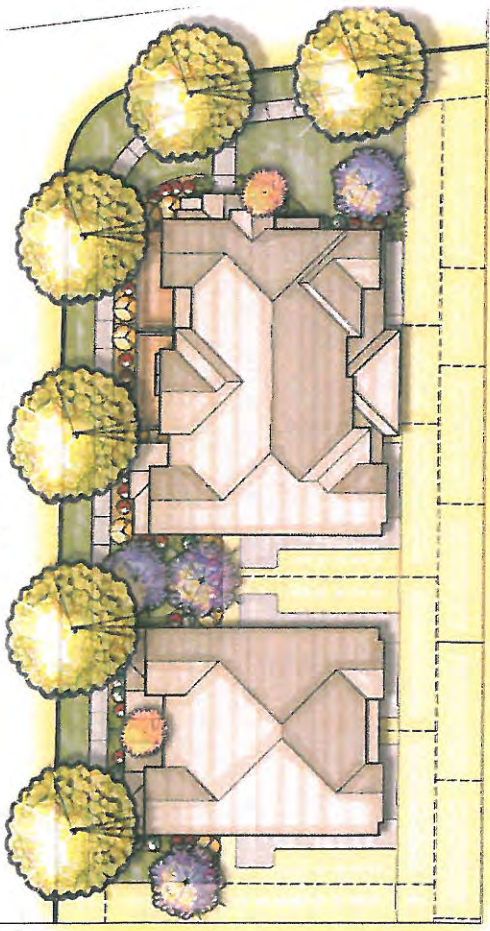
Inner lot:
 Trees: 1-15 gallon street tree
 1-15 gallon flowering tree
 Shrubs: 12-5 gallon
 16-1 gallon
 Groundcover: 20 square feet
 Turf: 410 square feet

Triple unit:
 Trees: 4-15 gallon street trees
 3-15 gallon flowering trees
 Shrubs: 44-5 gallon
 14-1 gallon
 Groundcover: 110 square feet
 Turf: 1,985 square feet

Double unit:
 Trees: 2-15 gallon street trees
 3-15 gallon flowering trees
 Shrubs: 25-5 gallon
 6-1 gallon
 Groundcover: 200 square feet
 Turf: 585 square feet



SINGLE FAMILY DWELLINGS



TOWNHOMES

Median:
 Trees: 6-15 gallon flowering trees
 Shrubs: 52-5 gallon
 46-1 gallon
 Groundcover: 650 square feet
 Turf: N/A



KEY BLVD.

DITCH (P)

RIGGIN AVE.

Highland Park Unit 1

Highland Park Unit 2

RIGGIN AVE.

Highland Park Unit 3

DINUBA HWY.

DINUBA HWY.

INGS ST.

HWY.

SPRINGS

EXHIBIT U

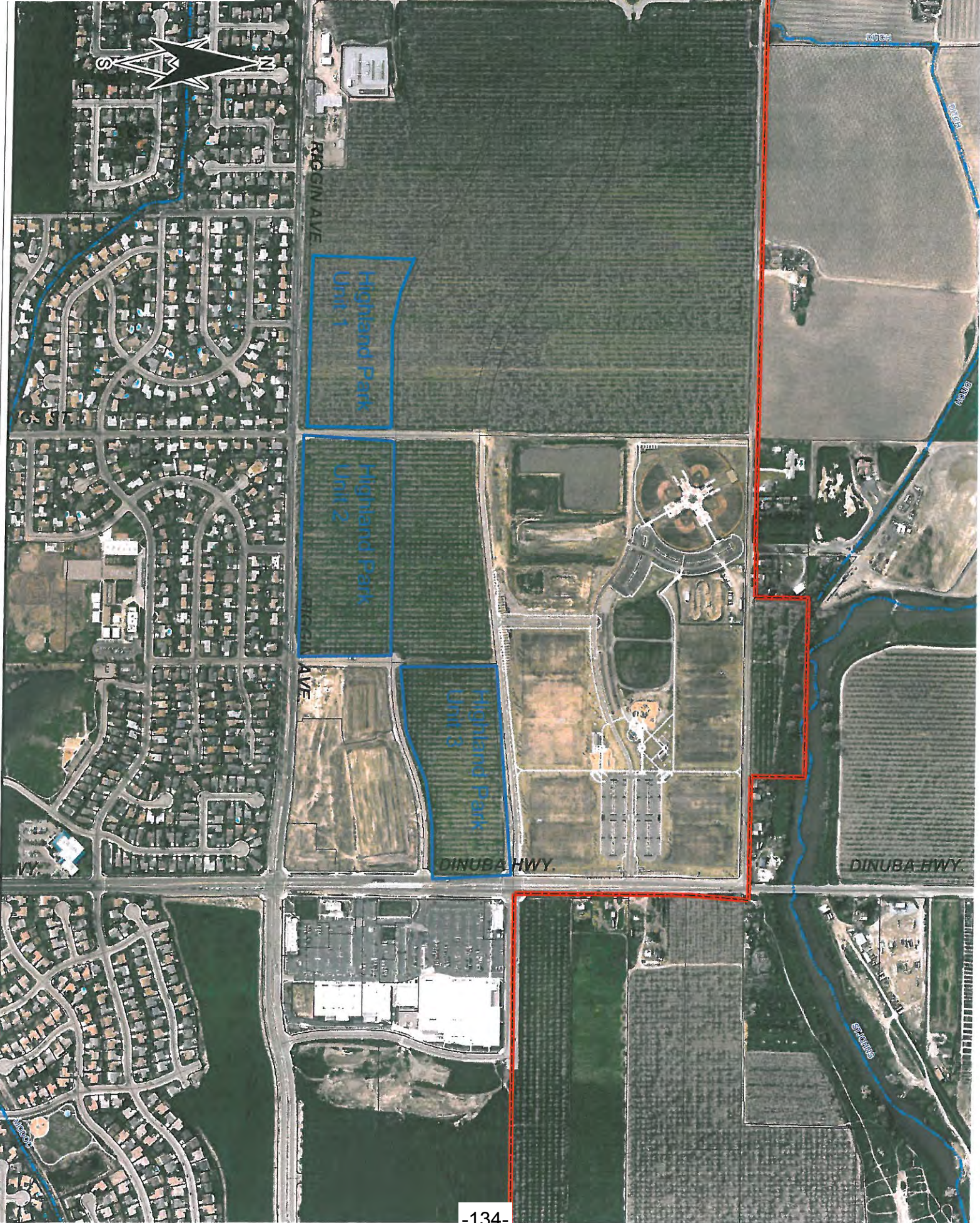


EXHIBIT 2

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Authorization for the City Manager to approve a one-year extension of the Professional Services Agreement with Van Scoyoc Associates for federal legislative advocacy services, effective Jan. 1, 2012 through December 31, 2012 for a monthly fee of \$7,000 plus expenses, not to exceed \$5,000 for the year – the same fee for which the firm has worked for the past two years.

Deadline for Action: December 19, 2011

Submitting Department: Administration

Contact Name and Phone Number: Michael Olmos at 713-4332 and Nancy Loliva at 713-4535.

Department Recommendation: Authorize the City Manager to approve a one-year extension of the Professional Services Agreement with Van Scoyoc Associates for federal legislative advocacy services, effective Jan. 1, 2012 through December 31, 2012 for a monthly fee of \$7,000 plus expenses, not to exceed \$5,000 for the year – the same fee for which the firm has worked for the past two years.

Background: Van Scoyoc Associates (VSA) is a bi-partisan, full-service Federal Government affairs firm and the largest independent lobbying company in Washington, D.C. The firm’s team for the City is led by Vice President Greg Burns. Assistant City Manager Mike Olmos and Community Relations Manager Nancy Loliva work directly with the VSA staff on legislative matters. VSA is completing its second year of lobbying services for the City. Staff believes VSA has worked very hard for the City during this period and has achieved progress on a variety of issues, particularly on FEMA flood insurance. VSA has maintained constant communication with the City on legislation, federal programs, grant opportunities, and other matters of interest. VSA has also been effective in establishing contact and setting meetings with appropriate Federal agencies and officials on matters affecting the City.

Work Summary: During the Dec. 5 Council meeting, Mr. Burns presented the City Council with a summary of work that VSA has engaged with on the federal level on behalf of the City of Visalia.

Flood Insurance: Burns has worked with Congress and the Federal Emergency Management Agency (FEMA) to promote a more actuarially sound program that better recognizes true flood risk and prices its policies accordingly. In Visalia, this means that people who have lower flood risk than other parts of the country will ultimately pay less for their insurance. They have also

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 6. - Page 2

worked to allow for greater private flood insurance offerings which also could significantly lower premiums for homeowners in the flood plain. VSA worked to secure a two-year Preferred Risk Policy rate for homeowners recently mapped into the floodplain, saving those residents hundreds of dollars in premiums.

Pre-Disaster Mitigation Grant: In late 2010 VSA staff assisted in the pre-disaster mitigation grant program. In order to apply for these Federal grant funds, a community must have a multi-hazard mitigation plan developed. Since then, the City has worked to complete a mitigation plan which was recently approved by FEMA and allowed the City to subsequently submit a grant for \$3 million to help reduce flood risk in the community.

Flood control improvements: VSA staff has continued to work to allow the City to secure other Federal investment in flood control improvements via the Army Corps of Engineers. While this effort remains ongoing as Congress works to wrap up the Fiscal Year 2012 appropriations process, this continues to have strong support from Senator Feinstein for our plan. Her support is critical because of the key role she plays in drafting the funding legislation for the Corps of Engineers.

Essential Air Service Program: VSA continues to work closely on efforts to preserve the Essential Air Service (EAS) program. While substantial gains in ridership have been made with the new service from Visalia to Los Angeles, VSA is working to ensure that the EAS program is not a casualty of the funding debates in Washington, as has been recently proposed a number of times. VSA also works diligently to keep staffs of Senators apprised of the airport's situation with regard to its new service and eligibility for the EAS program. Due to their efforts, Visalia was highlighted by Senator Boxer during floor debate in May as the Senate discussed alterations to the EAS program.

Federal grants: Federal grants also remain a key focus of VSA on behalf of the City. Recently, they have been working with City staff to try to improve internal grant processes in the hopes of ultimately being more successful in securing Federal grants across all departments. VSA works with the Federal agencies to better understand their goals for their grants and then provide that information to the City to weave into grant applications and supports the City's grants through Congressional involvement during the agency's review process.

Other issues on which VSA has worked and provided strategic advice and counsel include:

- Engaged Federal agencies to better understand their programs and policies on programs such as the City's COPS hiring grant and a pre-disaster mitigation grant through FEMA that could provide funding for flood control projects.
- Followed progress of the transportation reauthorization debate in Congress to advise the City on possible funding opportunities for City projects and to evaluate future funding levels as well as potential funding sources for the program.
- Monitored the "Supercommittee" and other deficit reduction proposals to evaluate their potential impacts to the City.
- Supported various "jobs" proposals in Congress and from the Administration that would benefit the City.
- Supported a variety of Federal programs during the Fiscal Year 2012 appropriations process that directly impact the City, including funding for programs such as CDBG, high speed rail, Sustainable Communities, COPS, Byrne, SAFER, AFG and other public safety programs, water infrastructure, transit, and transportation. While the appropriations process is still ongoing, VSA continues to monitor the impact on programs until Congress finalizes funding.
- Advised City staff on a host of other issues, partially including:
 - Central Valley water legislation

- “D Block” wireless spectrum issues as they relate to public safety agencies
- Property Assessed Clean Energy legislation
- Worked to maintain and improve positive relationships with the City’s Congressional delegation.

Proposed work in 2012: Over the next year, VSA proposes to continue offering comprehensive representation on behalf of the City in Washington. That is expected to include continuing work on many of the issues on which they have worked over the past two years, any new issues of interest the City may have, and other issues that may be discussed in Washington. These should include further flood insurance reform, transportation reauthorization (and the related issue of the definition of MPO’s that could affect the distribution of local transportation planning funding), deficit reduction talks, and the ongoing annual appropriations process that impacts a number of programs that are vital to the City. In addition, VSA will develop a comprehensive Federal legislative agenda for the City that will clearly outline the City’s position on a broad array of Federal legislative items. VSA will continue to assist the City in preparing and following up on applications for any applicable Federal grants that become available, including for public safety services such as fire personnel or the COPS hiring grant.

To continue this work, VSA proposes a contract from January 1, 2012, through December 31, 2012, for a monthly fee of \$7,000 plus expenses, which we offer to cap at \$5,000 for the year. This is the same fee VSA has charged Visalia for services the past two years.

Prior Council/Board Actions: Contract approval on December 20, 2010, for federal legislative advocacy services by Van Scoyoc Associates through December 31, 2011.

Committee/Commission Review and Actions: NA

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected): I move to authorize the City Manager to approve a one-year extension of the Professional Services Agreement with Van Scoyoc Associates for federal legislative advocacy services, effective Jan. 1, 2012 through December 31, 2012 for a monthly fee of \$7,000 plus expenses, not to exceed \$5,000 for the year – the same fee for which the firm has worked for the past two years.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Item 6. - Page 4

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 7

Agenda Item Wording: Request authorization to file a Notice of Completion for the Transit Operations & Maintenance Facility expansion (Project No. 4511-0-72-0-9409).

Deadline for Action: December 19, 2011.

Submitting Department: Administration – Transit Division

Contact Name and Phone Number:
Monty Cox 713-4591
Leslie Caviglia, 713-4317

Department Recommendation: It is recommended that Council authorize staff to file a Notice of Completion for project No. 4511-0-72-0-9409 for the Transit Operations & Maintenance Facility expansion located at 525 N. Cain St.

Summary: Staff is requesting to file a Notice of Completion on this project since the general contractor, Seals Biehle General Contractors, of Visalia, has achieved substantial completion of the original scope, and the City of Visalia has taken possession of the property. All substantial work has been completed by the general contractor and their subcontractors, at a final cost of \$2,294,128.43. The contract amount for this job was \$2,070,000. Change orders for the construction project totaled \$214,408.95 (10.83%).

Background: The Transit Division needed to expand the Transit Maintenance Facility on Cain to meet the demands of the growing transit system. The expansion consisted of the addition of 7,538 SF of shop space and 3,080 SF in the Wash building. The additional wash building space will be for a future automated wash unit. Until then, the space will be used for storage. The expansion also increased parking space to accommodate a total of 125 buses. All of the funding for the project came from federal and state dedicated transit funds; no general fund dollars were used for this project.

As indicated above, there was approximately \$214,408.95 (10.83%) in contract change orders for this project. The project was completed within available federal/state funds; however, the schedule was disrupted by several events, some of which were out of the control of the contractor.

Several changes to the original drawings were made during the construction. These changes can be characterized into four categories: (a) Owner requested (b) Errors & Omissions (c)

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:

Dept. Head _____
 (Initials & date required)

Finance RN 7/1/09
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 7. - Page 2

Balance of quantities (d) Unforeseen. We have received credits from the contractor for changes associated with contractor changes.

It is important to note that almost 75% of the change requests came as a result of water and soil issues that were discovered during the construction process and needed to be addressed. These water and soil related changes are outlined as follows:

1. Remove unacceptable sod from planters (unforeseen)	\$ 38,888.88
2. Major earthwork/stabilization (unforeseen)	\$ 30,716.74
3. Additional concrete around bus wash (owner requested)	<u>\$ 89,830.41</u>
Total	\$159,436.03

The existing sod found in the planters was filled with debris which required removal. In addition, the water from the bus wash had seeped underground and caused damage to the asphalt. This water damage had to be excavated and repaired. To avoid similar issues in the future the asphalt in this area was changed to concrete. This was considered unforeseen and resulted in owner requested changes that made sense in order to prevent similar problems in the future. The remaining changes of approximately \$55,000 (2.7%) consisted of some additional owner requested changes, some errors & omissions, and a decrease of quantity item.

A summary of all the project change orders by change request type is as follows:

(a) Owner Requested	\$ 94,072.25
(b) Errors & Omissions	\$ 43,083.97
(c) Balance of Qty	\$ (1,210.50)
(d) Unforeseen Issues	<u>\$ 78,463.23</u>
	<u>\$ 214,408.95</u>

The City used \$873,552 in American Recovery and Reinvestment Act (ARRA) grant funds that were left over from the Transit Center expansion project toward the Operations Facility. The remaining funds came from the Local Transportation Fund (LTF) initially and will be replaced by Prop 1B transportation funds that the Transit Division is programmed to receive as the State is able to sell bonds. Both the LTF and Prop 1B funds are not scheduled to be used for any other purpose until the Prop 1B funds are received, at which time the LTF funds can be redirected to other capital or operating expenditures. Seals Biehle General Contractors of Visalia was the contractor. The architect was Taylor Teter Partnership of Visalia. For Construction Management, the City used the former City Building Official, Dennis Lehman, until he left the City, and then contracted with CM Construction Services, as the construction Manager, to oversee the project. The entire project costs, including the construction contract just completed include the following:

Seals/Biehle General Contractors:	\$ 2,294,128.43
Taylor Teter:	\$ 287,230.00
Technicon - inspections	\$ 46,770.00
Construction/Project Management	\$ 21,000.00
Building Permits	\$ 64,673.11
MV	\$ 45,591.73
Misc. (staff time, plans, door keying)	<u>\$ 101,435.08</u>
Total	\$ 2,860,828.35

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives: None.

Attachments: None

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I move that the City Council authorize the Transit Division to file a Notice of Completion for the Transit Operations & Maintenance Facility expansion (Project No. 4511-0-72-0-9409).

Financial Impact

Funding Source:

Account Number: 4511-0-72-0-9409

Budget Recap:

Total Estimated cost: \$ 0	New Revenue: \$ 0	
Amount Budgeted: \$ 0	Lost Revenue: \$	
New funding required: \$ 0	New Personnel: \$	
Council Policy Change: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

Tracking Information: *Record a Notice of Completion with the County Recorder*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Authorization to enter into an agreement between the City of Visalia and Habitat for Humanity of Tulare County, for use of U. S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP) funding dollars (\$480,000) for acquisition of foreclosed single family dwellings, rehabilitation and costs associated with resale to households at or below fifty percent (50%) of the area median income, within the Visalia NSP Target Area.

Deadline for Action: December 19, 2011

Submitting Department: Housing & Economic Development Department

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director, (x4190); Rhonda Haynes, Housing Specialist, (4460)

Department Recommendation: Staff recommends that the City Council authorize the City Manager to enter into an agreement with Habitat for Humanity (HFH) of Tulare County as a Developer, for a loan, (with conditions) in the amount up to Four hundred Eighty Thousand dollars (\$480,000) utilizing Neighborhood Stabilization Program (NSP) funds to:

1. Purchase and rehabilitate existing foreclosed single-family homes for very-low income families (50% Area Median Income (AMI) or below) including title and closing costs; and
2. Utilize NSP funds for predevelopment (soft costs) of acquired properties, such as building permit fees, pest control inspections, lead inspection and appraisal costs, as well as costs associated with resale; and
3. Authorize Habitat to serve as the loan servicing agency for the repayment of the income qualified family loans; and
4. Authorize the City Manager to execute amendments to the agreement to allow portions of recycled NSP program income funds to be utilized by HFH, to acquire additional properties which will assist families/households at and below 50% AMI
5. Authorize the City Attorney to make any minor or technical revisions or corrections to the respective agreement (Attachment "B"); and
6. Authorize the Housing and Economic Development Director as an additional signer for Habitat's (Developer) draws of NSP funding.

Summary/background: The City has been partnering with Habitat for Humanity of Tulare County since 1995 with the use of Redevelopment Low Mod Funding which has resulted in

For action by:
 City Council
 Redev. Agency Bd.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time
 (Min.): __15__

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

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assisting 27 very low income families (homes constructed, financed and sold). Due to HFH's success constructing new homes, renovating foreclosed homes and reselling to very low-income households, with the use of Redevelopment Low Mod funds, the Agency represents an ideal partner for use of the NSP 50% funds, which the City has encountered challenges finding households which meet these income requirements. HFH has a strong relationship with this population and proven track record. The NSP funds, initially in the amount of Four Hundred Eighty Thousand Dollars (\$480,000), shall be provided to Habitat for the acquisition and rehabilitation of existing foreclosed single family dwellings. Habitat shall act as "Developer" in the use of the federal NSP funding. The funds will be repaid on a monthly basis up to a 30 year term. As is practice with all Habitat programs there will be no interest charged on the loans to the approved borrower. Habitat, serving as a loan servicing agency will resubmit the repayment of such funds to the City on a monthly basis as well. This allows for the recycling of NSP funds for future uses. These funds will serve as program income.

Neighborhood Stabilization Program (NSP):

The U. S. Department of Housing and Urban Development (HUD), through the Housing and Economic Recovery Act (HERA) in 2008, awarded the City NSP funding in the amount of \$2.388 million dollars to address the foreclosure crises. As a requirement for the use of NSP funding, twenty five percent (25%) of the \$2.3 million awarded must be set aside to address the needs of households at or below fifty percent (50%) of the area median income (AMI).

NSP 50% AMI funding increase:

HUD required that 25% of the \$2.388 allocation be set aside to assist households at or below 50% of the area median income. Approximately \$597,082 NSP funding was originally set aside for this purpose. Approximately \$109,000 has been expended toward one household and home to date.

Recently in August of 2011, HUD set forth a new requirement for recipients of NSP funds. The rule requires that 25% of any program income received after October 19, 2010, also be set aside to assist households at 50% AMI or below. Therefore, currently, the total balance available for this purpose is \$748,900, of which \$480,000 shall be provided to HFH, with the remaining balance to be utilized by the City to continue acquiring properties. Households at this income level find it most difficult to obtain a first mortgage loan and become homeowners, with limited income. This partnership with HFH helps those families in most need of assistance as well as fulfills HUD's requirements for the use of NSP 25% set aside funding.

City's NSP successes:

The City has been utilizing NSP funds to acquire foreclosed homes and has resold 24 homes to households between 80% and 120% AMI, 1 four-plex to Visalia Rescue Mission and 1 home resold to a household at 50% AMI. Staff continues to evaluate and purchase properties to assist and meet both income level households.

Working with Habitat as a Developer:

The City is requesting \$480,000 to be allocated to Habitat as a Developer. Habitat will be required to acquire a minimum of five (5) single family dwellings within the NSP Target Neighborhood Map (Attachment "A"), rehabilitate the home meeting the City's building requirements, HUD requirements and resell to households at or below 50% AMI by January 31, 2013. Habitat must purchase homes by June 30, 2012.

The agreement with Habitat (Developer) will allow for a ten percent (10%) fee and will be provided in payments (upon each acquisition closing of escrow, after completion of rehabilitation and final payment upon completing the resale). The developer fee, \$48,000, is included, as part of the \$480,000 allocation, therefore, approximately \$432,000 will be available

Item 8. - Page 3

for acquisition, rehabilitation and soft costs associated with the purchase of the homes. As a rule, NSP funds may not be utilized to pay for both a project manager and a developer fee, therefore, costs associated with a project manager will not be reimbursed with NSP. Additionally, under HUD requirements Habitat must follow the regulations pertaining to the conflict of interest, which apply to any person who is an employee, agent, consultant, officer, elected or appointed official, or of any designated public agencies receiving funds under the rule. This would include family or related members as well.

The City would enter into an agreement with Developer herein attached as Attachment "B"

Developer Loan Structure:

The NSP funds would be provided to Habitat (Developer) as a loan with conditions that they utilize these funds to acquire and rehabilitate properties, pay for title fees, closing costs, building permits, pest and lead inspections, appraisal and other predevelopment costs for assisted homes to be occupied by families of very low income for a period of thirty (30) years. Habitat shall be designated as a "Developer" in this transaction and follow the requirements established by HUD, for the use of the NSP funding. This includes the purchase price to be a minimum of 1 % below the appraised market value; rehabilitation shall be conducted to insure the property has met the American Disability Act (ADA), removal of lead for pre-1978 homes, mold, if applicable, local building codes for rehabilitation and health and safety; and resale of the home to a household at or below 50% of the area median income (i.e. Family of 4 @ 50% ami = \$28,600 annually).

The total cost of acquisition, pre-development and soft costs, Developer fee and rehabilitation may not exceed \$100,000 per property. Habitat is required to submit the cost of acquisition and scope of work for rehabilitation for City Staff's review and approval at the time an offer is made. City staff will authorize the purchase and complete the environmental review. HUD NSP funds may not be released until the Environmental Review documents are completed, approved and billed to Habitat by the City's Environmental Coordinator, Planning and/or Housing and Economic Development Staff. NSP funds will be released to the title company for acquisitions and will reimburse Habitat for eligible rehabilitation costs upon receiving invoices.

Acquisition:

NSP funds require that the purchase price be no less than 1 % below the appraised market value. Habitat (Developer) is required to obtain an appraisal within the due diligence period (7 days of offer) and submit to the City for authorization. The cost associated with the appraisal is part of the pre-development costs. Staff has recommended that the purchase price not exceed \$75,000 per property. Habitat's agreement requires the purchase of the properties (Note and Deed of Trust) to be completed by June 30, 2012, in order to also "obligate" accurate costs for the rehabilitation by the January deadline.

Rehabilitation:

As referenced above, NSP funds may be used to rehabilitate the property. However, the rehabilitation costs may not exceed twenty-five percent (25%) of the acquisition costs. This too, must be submitted to the City for review and approval. Obligation of the rehabilitation requires execution of a Note and Deed of Trust with Habitat (Developer). Any costs associated with Habitat's sweat equity (materials, labor) will not be reimbursed with NSP funding. Habitat will be responsible for this activity.

Resale-Borrower Loan Structure:

The funds invested in a property will be transferred to the new homeowner, through the assumption of the Habitat loan. A Resale Restriction Agreement will also be recorded to ensure continued affordability for a 15 year period. The borrowers will also be required to

attend an 8-hour Housing Counseling session with Self Help Enterprise. The cost for the counseling is part of Habitat's pre-development costs.

A loan repayment schedule will be prepared for each household to make monthly payments with no interest rate charged, only principal. Payments made by the borrower will begin thirty (30) days following the close of escrow to the qualified borrower/household. If the borrower does not comply with the requirements, and Habitat is unable to re-occupy the property with a qualifying family, the funds must be re-paid in full to the City or foreclosure proceedings will be considered. However, the City will utilize all available avenues to modify the loan working closely with both the borrower and Habitat to ensure the loan is maintained as well as the affordability restrictive covenant.

Habitat as Loan Servicing Agency:

Habitat's ability to act as a loan servicing agency has proven successful with the use of Redevelopment Low Mod funding. Staff recommends that this same approach be utilized to service Habitat's NSP Loan recipients.

The Loan Agreement with Habitat will not be a revolving loan fund account meaning additional funds are not automatically available to Habitat annually for additional acquisitions. With the monthly repayment from the borrowers, Habitat will submit the payment to the City and invoice loan servicing fee of \$12.00 per month, per borrower. The accumulation of the payments is considered NSP program income and shall be placed into the City's NSP account. Habitat may submit a request for additional funds if available and the City cannot presently guarantee that additional funds will be made available due to requirements of the NSP Program.

Authority & Amendments:

The City Manager executes the HUD Grants, therefore, staff is requesting that the City Manager have the authority to amend this agreement with Habitat (Developer), in a case where the original \$480,000 is expended, and authorize additional funding to acquire additional properties, this may be completed by a memo and amending the agreement.

Additionally, the Housing and Economic Development Director has the responsibility of the day to day activities in the use of NSP funding. Therefore, staff is requesting that the Director have the authority to approve Habitat's property selection, expenditures, scope of work and developer fee as has been the case in the past.

Deadlines:

HUD's agreement with the City is for a four (4) year period from grant authority. Therefore, upon grant close out, final review of the requirements will be evaluated (March 18, 2013). It is the City's intent to work with Habitat (Developer) to meet the 50% income requirements by January 2013.

Prior Council/Board Actions: November 3, 2008- NSP Program Action Plan Amendment; March 7, 2011.

Committee/Commission Review and Actions:

Alternatives: None

Attachments:

Attachment "A"- City NSP Target Neighborhood Map
Attachment "B" -Program Agreement with Habitat as Developer

Recommended Motion (and Alternative Motions if expected): Move to authorize the City Manager to enter into an agreement with Habitat for Humanity (HFH) of Tulare County as a Developer, for a loan, (with conditions) in the amount up to Four hundred Eighty Thousand dollars (\$480,000) utilizing Neighborhood Stabilization Program (NSP) funds to:

1. Purchase and rehabilitate existing foreclosed single-family homes for very-low income families (50% Area Median Income (AMI) or below) including title and closing costs; and
2. Utilize NSP funds for predevelopment (soft costs) of acquired properties, such as building permit fees, pest control inspections, lead inspection and appraisal costs, as well as costs associated with resale; and
3. Authorize Habitat to serve as the loan servicing agency for the repayment of the income qualified family loans; and
4. Authorize the City Manager to execute amendments to the agreement to allow portions of recycled NSP program income funds to be utilized by HFH, to acquire additional properties which will assist families/households at and below 50% AMI
5. Authorize the City Attorney to make any minor or technical revisions or corrections to the respective agreement; and
6. Authorize the Housing and Economic Development Director as an additional signer for Habitat's (Developer) draws of NSP funding.

Environmental Assessment Status

CEQA Review: n/a

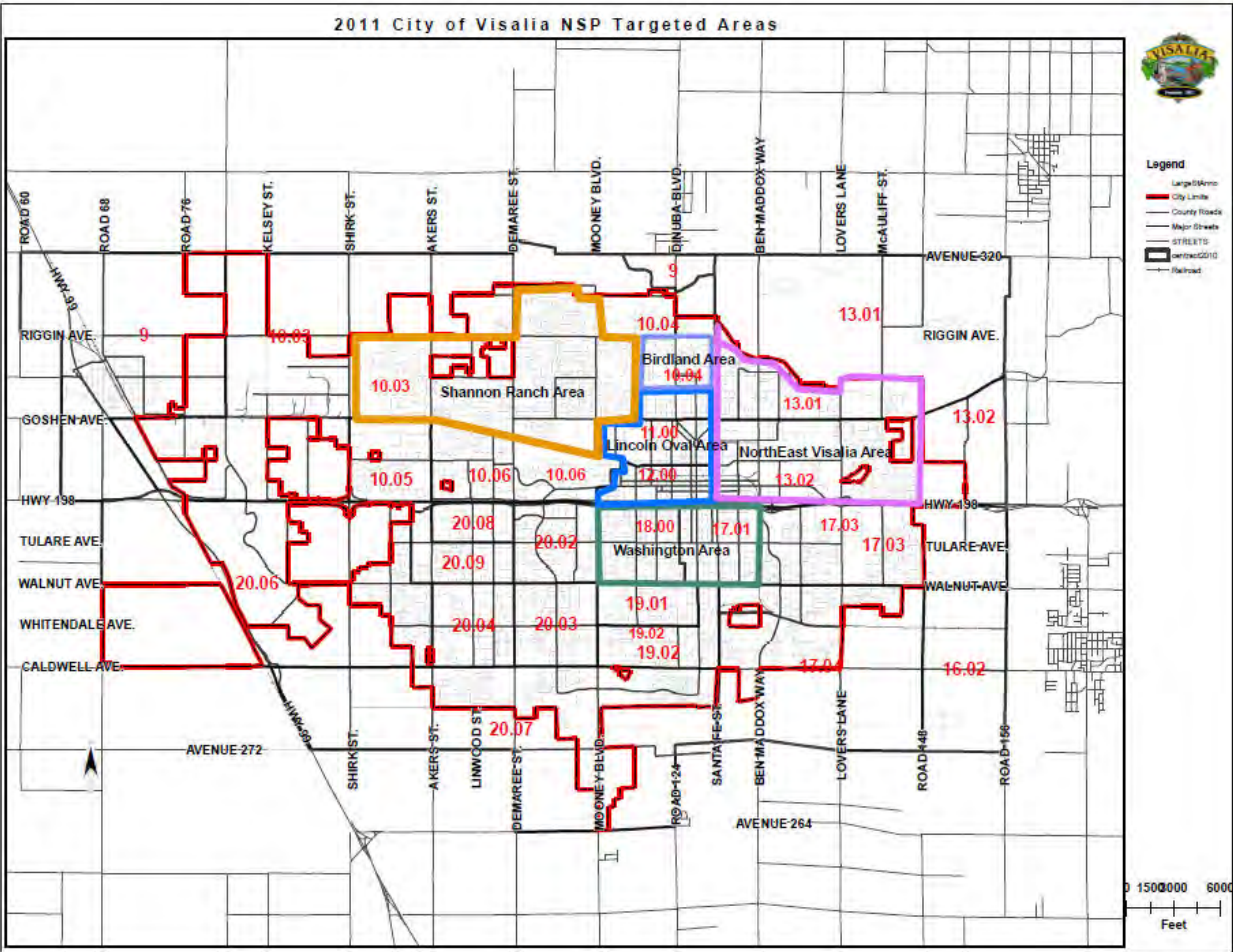
NEPA Review: Completed for Habitat NSP Program. Also, NEPA review will be required for each property prior to expenditure.

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

*Habitat Agreement and Exhibits
Expenditure deadline January 31, 2013*

Copies of this report have been provided to:

Attachment "A"
City NSP Target Neighborhood Map



Attachment "B"
Program Agreement with Habitat as Developer

**CITY OF VISALIA
NEIGHBORHOOD STABILIZATION PROGRAM
AFFORDABLE HOUSING LOAN AGREEMENT**

THIS PROGRAM AGREEMENT ("Agreement") is entered into as of _____, 2011 (the "Effective Date"), and is between the **City of Visalia**, a municipal Corporation and a charter law city organized and existing under the laws of the State of California (the "City") and **Habitat for Humanity of Tulare County**, a California non-profit corporation, (the "Developer").

RECITALS

- A.** The City was awarded funds under the Community Development Block Grant, Neighborhood Stabilization Program ("NSP") pursuant to Title I of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570 of the regulations of the United States Department of Housing and Urban Development ("HUD"), as the same may be amended from time to time, by Title III of Division B of the Housing and Economic Recovery Act 2008 ("HERA" or the "Act"), Section 2301. This grant program is commonly known as the Neighborhood Stabilization Program ("NSP"), as amended by the American Recovery and Reinvestment Act ("ARRA") of 2009.
- B.** Except as otherwise prescribed by the Act, the statutory and regulatory provisions that govern the Community Development Block Grant ("CDBG") program under Title I of the Housing and Community Development Act of 1974, as amended, apply with equal force to the NSP (including those at 24 CFR part 570 subparts A, C, D, J, K, and O, as appropriate).
- C.** The parties desire to implement a program under which the Developer will (i) acquire and rehabilitate approved, vacant, single-family houses that are foreclosed and in need of renovation, located in qualifying neighborhoods of the City of Visalia, and (ii) sell the renovated houses to Eligible Purchasers, as defined below (together, such actions are the "Program").
- D.** The parties desire that the City make NSP funds available to the Developer for use in the Program in the form of loans.
- E.** The NSP funds made available to the Developer may be used to pay for the cost of acquiring an approved property, and pay certain soft costs associated with the acquisition of such properties, as well as rehabilitate such properties in a manner that meets the NSP and CDBG regulations.
- F.** The National Environmental Protection Agency ("NEPA") does apply to the use of the NSP1 funding, whereas the Developer must comply with NEPA review prior to disbursement of any NSP1 funding.

NOW, THEREFORE, the parties therefore agree as follows:

I. DEFINITIONS

Item 8. - Page 9

The following terms have the following meanings:

A. “**Acquisition Costs**” means costs directly related to acquiring title in fee simple absolute to a Subject Property, including the purchase price, due diligence costs, and title and escrow costs.

B. “**Appraised Value**” means the value of a property established through an appraisal that is: (i) made in conformity with the appraisal requirements of the Uniform Relocation Authority Act (49 CFR 24.103) and, (ii) completed within five (5) business days of the final offer made for the property.

C. “**Developer Fee**” means an amount not to exceed Forty-Eight Thousand Dollars (\$48,000) paid to Developer in accordance with the Loan Agreement, and under no circumstances shall be more than ten percent (10%) of the total allocation.

D. “**Director**” means the City’s Housing and Economic Development Director or his designee.

E. “**Eligible Purchaser**” means a person who (i) qualifies as Very Low Income, as defined below, (ii) will occupy the renovated house as his primary residence, (iii) has completed a City of Visalia approved application, and (iv) meets the income requirements, and (v) has completed at least eight hours of pre-purchase counseling through a counseling agency certified by the U.S. Department of Housing and Urban Development.

F. “**Final Approval**” means the Director’s approval of a Qualifying Property for inclusion in the Program, which approval is subject to the execution of Loan Documents.

G. “**Foreclosed**” means the point in time that, under state or local law, the mortgage (i.e., the deed of trust) or tax foreclosure is complete. A foreclosure is complete once title to the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

H. “**Initial Approval**” means the Director’s preliminary approval of a Qualifying Property for inclusion in the Program, which approval is conditioned upon the Director’s receipt of documentation confirming that if NSP funds are used to finance the purchase of the Qualifying Property, the purchase price does not exceed the Qualifying Purchase Price.

I. “**Loan**” means the loan of NSP funds by the City to the Developer

J. “**Loan Documents**” include the following, but are not limited to: (i) a promissory note for the NSP funds in favor of the City, evidencing Developer’s promise to repay the Loan in accordance with the terms of this Agreement; (ii) a deed of trust, giving the City a security interest in the Subject Property, and (iii) other ancillary documents, including, without limitation, escrow instructions, assumption agreements and, if requested by Developer, a subordination agreement, under which the City subordinates its security interest in the Subject Property to that of Developer’s mortgage lender, if applicable.

K. “**Qualifying Neighborhood**” means the City of Visalia NSP-1 Special Areas of Greatest Need as defined in the City’s NSP1 Substantial Amendment to the Annual Action Plan and any subsequent amendments. The areas are located within the City of Visalia, and are more specifically identified in the Visalia NSP Targeted Areas Map, attached hereto as Exhibit “A” and incorporated herein by this reference.

L. “Qualifying Property” means a single family residence that : (i) is vacant; (ii) is Foreclosed and owned by the foreclosing entity; (iii) has been determined by the Director to be in need of renovation; (iv) is located in a Qualifying Neighborhood; (v) can be acquired with NSP-1 funds by **June 30, 2012**, and fully rehabilitated at no more than twenty-five percent (25%) of the acquisition costs, (vi) have a total estimated cost not to exceed \$100,000 or less (including the Developer Fee and any ancillary costs); and (vii) can reasonably be expected to be rehabilitated and resold in no event later than **January 31, 2013**.

M. “Qualifying Purchase Price” means the price that can be paid to acquire title in fee simple absolute to a Subject Property when proceeds from a loan of NSP-1 funds are used to finance such acquisition. The Qualifying Purchase Price is the price that: (i) is equal to or less than \$75,000, and (ii) is equal to, or less than, ninety-nine percent (99%) of the Appraised Value of the Subject Property as per NSP-1 URA requirements (49 CFR 24.103).

N. “Rehabilitation Costs” means costs incurred to rehabilitate a Subject Property after its acquisition, including material and labor, permits and fees, holding costs and other soft costs. Rehabilitation Costs shall not exceed twenty five percent (25%) of the acquisition cost.

O. “Soft Costs” means costs associated with the property acquired, more particularly, funds may be used to conduct an appraisal for acquisition and in preparation of resell, conduct flood elevation evaluation, to reduce the costs associated with maintain flood insurance by the homebuyer. Cost however, must be reasonable and approved by the Director prior to requesting services.

P. “Subject Property” means a property that (i) satisfies the criteria set forth in this Agreement, and (ii) is included in the Program following a recommendation by the Developer and Final Approval by the City.

Q. “Very Low Income” means a household with an annual income equal to or less than fifty percent (50%) of the area median income, as defined by the U.S. Department of Housing and Urban Development for the San Francisco-Visalia-Porterville Metropolitan Statistical Area; AMI is also defined by 2301 (f) (3) (A) (ii).

R. “Vacancy” means a property that has not been occupied for a minimum of three (3) consecutive months. The Uniform Relocation Act, 24 49 CFR 24.101 shall be followed. Offers may not be made if the property has not been vacant for this minimum period.

II. PROGRAM REQUIREMENTS

A. Property Acquisition, Rehabilitation and Disposition Activities

1. Property Selection. The Developer may recommend Qualifying Properties to the City for inclusion in the Program. Statutory liens, including “back taxes”, clear tax liens or other liens that are associated with acquisition costs, must be paid by the seller. The City and/or Developer cannot use NSP funds to repay taxes or fines that the City levied (i.e. Weed Abatement, Code Enforcement). Residential structures will be rehabilitated. Primary structures on properties acquired with NSP funds may not be demolished.

Item 8. - Page 11

2. Request for Initial Approval. Once the Developer has identified a Qualifying Property that it believes should be considered for inclusion in the Program, the Developer shall submit an initial proposal to the Director requesting Initial Approval. The initial written proposal must include the following:
 - a. The listing information that includes the address, including the Assessor's Parcel Number, original listing price, age, square footage, and photos.
 - b. Confirmation that it is within the NSP targeted area.
 - c. The proposed purchase price and an estimated as-is market value of the Qualifying Property.
 - d. A checklist showing necessary rehabilitation that addresses: (i) ADA Compliance, (ii) Mold issues, if applicable, (iii) Lead Paint issues, if applicable, (iv) Historic Property designation, if applicable, and (v) Termite/Pest Inspections (to be conducted during due diligence period).
 - e. An estimate of the Acquisition Costs, Rehabilitation Costs, Soft Costs and the costs of disposition of the Subject Property, which includes identification of the source of funds proposed for acquisition, rehabilitation and disposition costs.
3. Initial Approval. The Director may grant Initial Approval to include a Qualifying Property in the Program if the Qualifying Property identified in a complete initial proposal from the Developer meets applicable Program qualifications. The Director will endeavor to grant or decline Initial Approval in writing, within four business days of receipt of the complete initial proposal. If Initial Approval is granted, the Director will: (i) reserve the estimated total NSP funds required by the Developer to purchase and/or rehabilitate the Qualifying Property, (ii) initiate an environmental review of the property pursuant to the National Environmental Policy Act "NEPA," and (iii) request a flood plain report.
4. Negotiations with Seller. If Initial Approval is granted in writing, the Developer may make an offer to purchase the Qualifying Property. The purchase offer, and any subsequent purchase agreement, must have the Director's Final Approval and include the following contingencies:
 - a. Developer's receipt of evidence that the property is Foreclosed, including but not limited to a completed NSP Voluntary Acquisition of Foreclosed Property letter and the Required Compliance Questionnaire for seller, the form of which will be provided to the Developer by the City
 - b. Developer's receipt of evidence that the Appraised Value of the Qualifying Property supports the inclusion of the property in the Program. NSP-1 requires that the purchase price be one percent (1%) below the appraised value, at a minimum. The Appraisal must conform to NSP-URA requirements (49 CFR 24.10), and be submitted to City with Final Approval request

- c. Developer's receipt and approval of an environmental study that addresses the environmental impact of the renovation of the Qualifying Property in accordance with NEPA.
 - d. Developer's receipt of a wood destroying pests and organisms report acceptable to the Director.
 - e. Developer's receipt of a flood plain report acceptable to Director.
5. Unsuccessful Negotiations with Seller. If the Developer fails to reach an agreement with the seller to purchase the Qualifying Property, the Developer shall notify the Director in writing as soon as practicable. Following receipt of such notice, or thirty (30) days after the date Initial Approval is granted, whichever occurs first, the Director will discontinue reserving NSP funds for the purchase and/or rehabilitation of the Qualifying Property and will cancel the NEPA review.
6. Successful Negotiations with Seller. If the Developer enters into a purchase contract with the seller of the Qualifying Property that is the subject of an Initial Approval, the Developer shall cause the following actions to be taken as soon as practicable and submit documentation to City for final approval:
- a. A notice to be provided to the Director advising that a contingent purchase agreement has been reached with the seller and that a proposal requesting Final Approval is forthcoming.
 - b. Provide evidence of completion of various due diligence aspects of acquisition process, including but not limited to home inspection reports, signed purchase agreements and other documents associated with the opening of escrow, and similar activities related to acquisition of NSP-1 properties.
 - c. A proposal requesting Final Approval to be submitted to the Director, which shall include: (i) The purchase agreement; (ii) An estimate of all costs associated with the purchase, rehabilitation and sale of the Subject Property, including Acquisition Costs and Rehabilitation Costs, with the detailed scope of work, funding source and timeline for completion; and (iii) Evidence that the property has been foreclosed and vacant for more than 90 days.
7. Final Approval. Final Approval is required before a Qualifying Property may be included in the Program. To receive Final Approval, the following conditions must be satisfied:
- a. If NSP funds are used to fund Acquisition Costs of the Qualifying Property, the price paid for the Qualifying Property does not exceed the Qualifying Purchase Price.
 - b. If NSP funds are used to fund Rehabilitation Costs of the Qualifying Property, the NSP funds used for such purpose do not exceed the total costs including acquisition, developer fee and soft costs of (i) \$100,000 or (ii) twenty-five percent (25%) of the purchase price of the Qualifying Property, whichever is less.
 - c. An inspector approved by the Director has reviewed and approved the proposed renovations and the rehabilitation budget.

The Director will grant Final Approval in writing within seven (7) business days of receipt of: (i) a complete proposal, (ii) an environmental report completed in accordance with NEPA that is satisfactory to the Director, (iii) a wood destroying pests and organisms report acceptable to the Director, and (iv) a flood plain report acceptable to the Director. For distributions from the City NSP Loan Account, for specific acquisition Soft Costs (Title Report, Natural Hazard Disclosure, Appraisal), City, at its sole discretion, may distribute funds directly to Developer, or may distribute those funds directly to Developer's payees, such as the Title Company. City will require that a W-9 form be completed by the recipient of the funds.

8. Escrow. If NSP funds are to be used to fund Acquisition Costs of a Subject Property, the City may deposit the funds to be used for that purpose with the escrow agent responsible for administering the closing of the acquisition of the Subject Property (the "Escrow Agent"). Escrow instructions will provide that if the acquisition of the Subject Property does not close within five (5) days of the date of deposit of funds by the City (subject to written extension by the Director for good cause), NSP funds deposited with the Escrow Agent will be returned to the City. If the acquisition of the Subject Property does close, repayment of any NSP funds deposited with the Escrow Agent is governed by this Agreement and any Loan Documents that have been executed in conjunction with the acquisition of the Subject Property. The Developer shall notify the City in writing of the identity of the Escrow Agent as soon as practicable following the opening of escrow.
9. Limitations on Availability of NSP Funds. If acquisition of a Subject Property has not occurred within forty-five (45) days of the date Final Approval is granted, the City may rescind the approval and any funds in escrow will be returned to the City pursuant to this Agreement. In addition, all NSP funds that have been reserved for that Subject Property will be released by the Director and made available to another Qualifying Property.
10. Conditions Precedent to Closing. The Developer shall cause the following to occur prior to the close of escrow:
 - a. The satisfaction, (with the concurrence of the Director), of all contingencies to the purchase set forth in the purchase agreement between the Developer and the seller.
 - b. The preparation of a preliminary title report.
 - c. The execution of Loan Documents to be provided by the City.
 - d. The issuance of a CLTA title insurance policy.
11. Loan Documents. The City will make NSP funds available to the Developer pursuant to any Loan Documents that the City may, at its discretion require as set forth in this Agreement.
12. Rehabilitation. The Developer shall cause all rehabilitation work to be done in compliance with local building codes, health and safety and housing quality standards

and this Agreement. The Developer shall also be responsible for the rehabilitation and the following:

- a. Work write-ups and cost estimates for rehabilitation of each property.
 - b. Management payment to contractors when applicable.
 - c. Compliance with NSP-1 regulations (including but not limited to home inspection, home warranty, etc.).
 - d. Compliance with minimum rehabilitation standards.
 - e. Environmentally sensitive (“green”) and energy efficient building is encouraged.
 - f. Maintenance and securing of vacant properties.
 - g. Financial tracking of all work performed and accounting for rehabilitation expenditures per home.
 - h. Financial tracking of non-construction costs (including but not limited to taxes, insurance, security, maintenance, etc.).
 - i. Documenting rehabilitation in the form of photographs (before and after).
13. Sales Price Valuation: The Developer development model relies extensively on gifts-in-kind, donations, and volunteer skilled and unskilled labor. Many Developer affiliates have expressed concern about how to properly value such contributions when setting the sales price of NSP-assisted units. Section 2301(d) (2) of HERA directs that, if an abandoned or foreclosed-upon home or residential property is purchased, redeveloped, or otherwise sold to an individual as a primary residence, then such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition. Sales and closing costs are eligible NSP redevelopment or rehabilitation costs. Note that the maximum sales price for a property is determined by aggregating all costs of acquisition, rehabilitation, and redevelopment (including related activity delivery costs, which generally may include, among other items, costs related to the sale of the property). The cost of donated materials and professional services may also be included in the base for determining the maximum sales price under section 2301(d) (3) of HERA. The cost of the donated materials must be based on their fair market value at time of donation. Estimates of the value of unskilled or sweat-equity labor may not be included in the total development cost. Moreover, the costs of donated professional services and materials may not be reimbursed by the NSP grant.
14. Sale of Rehabilitated Properties. Following the rehabilitation of a Subject Property, the Developer shall use reasonable efforts to cause the Subject Property to be sold to an Eligible Purchaser. The Developer shall be responsible for the outreach, marketing, screening and intake of potential clients, case file preparation and management. Before any sale can occur, the Developer shall provide the Director with evidence satisfactory to the Director that the following conditions have been met:
- a. Receipt by City of a completed, “NSP HFH Application,” the form for which will be provided to Developer by City.

- b. Receipt by City of income documentation certified by the Eligible Purchaser and verification and eligibility is confirmed by both Developer and City, including but not limited to: (i) pay stubs (most recent 2 months), 2 years of income taxes or other HUD or City approved documentation, (ii) completion by Eligible Purchaser of HUD certified- Housing Counseling through Self Help Enterprises.
 - c. The sale price shall equal to or less than the total cost of development of the Subject Property, including acquisition, rehabilitation, Developer Fee, and soft costs, as documented by the Developer to the City and may not exceed the fair market value, which shall be confirmed through an appraisal, which shall be provided to City.
 - d. The Developer shall not utilize NSP1 funds for down payment assistance.
15. Security For and Repayment of City NSP Loan. Prior to the close of escrow on any acquisition of a Subject Property by Developer utilizing funds from the City NSP Loan Account, Developer shall execute a Note, in a form substantially similar to the “Form of Note” which shall be provided by City to Developer. Upon the close of escrow on any acquisition of a Subject Property, Developer shall execute and record a Deed of Trust, in a form substantially similar to the “Form of Deed of Trust” which shall be provided by City to Developer. Should Developer request disbursement of additional Project Soft Costs after the close of escrow on a Subject Property, Developer may be required to amend the Note and the Deed of Trust required by this Section to reflect the additional funds loaned to Developer for the Subject Property.
- a. Developer shall not be required to make payment on the City NSP Loan so long as Developer is in compliance with the terms and conditions of this Agreement.
 - b. The Note required by this Section shall contain a provision that repayment on the City Loan will commence thirty (30) days after title to a Subject Property has been transferred to an Eligible Purchaser.
 - c. It is anticipated that, as provided for herein, the Eligible Purchaser will have assumed the obligations of Developer under the Note required by this Section. Prior to the close of escrow for the sale of the Subject Property to an Eligible Purchaser, Developer agrees to amend the Note required by this Section to add a loan payment schedule.
 - d. The Eligible Purchaser must complete a City application to confirm income eligibility. Developer shall review the application and certify that the requirements have been met. The application will then be submitted to the City for final review to confirm income eligibility as well as documentation for HUD reporting requirements.
 - e. The loan payment schedule shall require monthly payments to the City for a period not to exceed thirty (30) years. Calculation of the monthly payment amount term of the loan may consider the Eligible Purchaser’s income and eligibility in addition to the percentage of the City’s investment versus Developer’s investment, however City retains sole discretion to approve the loan payment schedule submitted by Developer.

- f. Each payment is considered Program Income. Program Income shall be used first before any additional principal balance is used.
 - g. A 15 year Affordability Covenant shall be recorded against the property.
 - h. Upon full repayment of the City NSP Loan by an Eligible Purchaser for a Subject Property, a substitution of Trustee and Full Reconveyance shall be processed and recorded at the expense of the Eligible Purchaser.
16. Repayment of NSP Loan. The Developer shall repay each NSP Loan in accordance with this Agreement and any Loan Documents required by the City.
17. Resell- Escrow: The following information and/or documentation is required as it relates to the disposition of Subject Property to an Eligible Purchaser:
- a. The name(s) of the Eligible Purchaser, the number of persons that will be residing at the Subject Property, the anticipated initial occupancy date, the gross income per year of the Eligible Purchaser, as certified by Developer, and the percentage of the mortgage to be paid by the Eligible Purchaser in relation to the Qualified Person or Household's income.
 - b. The name, address and telephone number of the title company and escrow officer handling the disposition of the property from Developer to the Eligible Purchaser.
 - c. The telephone numbers and contact person at Developer responsible for the Subject Property disposition.
 - d. A proposed loan payment schedule for all City NSP Loan funds invested by Developer in the Subject Property to be sold to the Eligible Purchaser.
 - e. Copies of the Resale Restriction and/or Assumption Agreement (Affordability Covenant) documents that must be executed by the Eligible Purchaser, as required by this Agreement, and as provided to Developer by City.
 - f. Copies of all documents Developer intends to use to effectuate the transfer of the Subject Property and to secure its interest in the Subject Property, including but not limited to purchase and sale agreement, loan agreements, promissory notes, deeds of trust, legal notices and disclosures.
 - g. Provide Truth in Lending Disclosure as to the full payment amount carried over to the Eligible Purchaser that includes the payment structure, principle amount, payment required and start date.
 - h. Any other documentation required under HUD-NSP and City program guidelines.

Developer shall transfer a Subject Project property to an Eligible Purchaser subject to the obligations of Developer to the City contained in the Note and Deed of Trust between Developer and City required by this Agreement. City agrees to allow Developer to transfer those obligations to an Eligible Purchaser at the close of escrow on a Subject Property. In order to transfer its obligations to an Eligible Purchaser, Developer shall ensure that the Eligible Purchaser executes an Assumption Agreement, in a form substantially similar to the "Form of Assumption Agreement" which will be provided to Developer by City.

Developer agrees that any Deed of Trust or security instrument required between Developer and the Eligible Purchaser shall be subordinate to City's Deed of Trust securing City's investment in the Subject Property. These requirements shall survive the term of this Agreement and shall apply to all proceeds obtained as a result of this Agreement even if used after the expiration of the term hereof. Where it is intended that any security document be recorded against a Subject Property, Developer shall cause said document to be recorded in the Tulare County Assessor's Office.

18. Resale Restriction. Prior to close of escrow on a Subject Property between Developer and an Eligible Purchaser, Developer shall ensure that the Eligible Purchaser executes a Resale Restriction and Purchase Option, in a form substantially similar to the "Form of Resale Restriction and Purchase Option" which shall be provided to Developer by City. Upon repayment of the balance of the City NSP Loan on a Subject Project property by the Eligible Purchaser and/or by Developer, the affordability covenants shall cease
19. Loan Collection Services. Developer shall provide to City loan collection services on City's Notes for Subject Properties that have been assumed by an Eligible Purchaser pursuant to a disposition of those Subject Properties by the Developer. Developer shall be entitled to retain from the payment made by the Eligible Purchaser a loan collection service charge of TWELVE DOLLARS (\$12.00). For billing and accounting purposes, this fee shall be invoiced separately.

In addition to the Note assumed by the Eligible Purchaser, Developer shall provide the Eligible Purchaser with any documents Developer or City deem necessary to provide the Eligible Purchaser with notice of the monthly total amount due and the date that payment for same is required. Developer shall forward to City within five (5) days of receipt all payments received from an Eligible Purchaser, along with a current month reconciliation report which shall include the following:

- a. Eligible Purchaser's account number (established through and coordinated with the City of Visalia's Housing & Economic Development and/or Finance Staff).
- b. Eligible Purchaser's name and address.
- c. Eligible Purchaser's loan payment start date.
- d. Eligible Purchaser's number of loan payments made.
- e. Eligible Purchaser's number of loan payments remaining.
- f. Eligible Purchaser's payment end date (term of the loan).
- g. Eligible Purchaser's principal balance.
- h. The amount of Eligible Purchaser's payment submitted to Developer.
- i. Display fee for Developer collection services, then remittance to City.
- j. Eligible Purchaser's Remaining Balance.
- k. Any other information requested by City Staff to conform to Audit.
- l. Management of case file for all of the years the mortgage and deed restrictions are in place on subject properties.

- m. Annual verification that homeowner is still living in the house for the life of the mortgage

In the event that any Eligible Purchaser is in default on its obligations under the Note it has assumed pursuant to the disposition of a Subject Property from Developer, Developer shall inform the City of the default within five (5) days of the default. Developer may initiate consultation with City within five (5) days of its notice of the Eligible Purchaser's default should Developer desire to assist the Eligible Purchaser with a proposed plan for remedy of the default. Should Developer initiate a loan default consultation with City on behalf of an Eligible Purchaser, City agrees to review Developer's proposed plan for remedy, and may: (1) accept the plan as proposed by Developer, (2) modify the plan as proposed by Developer in its sole and absolute discretion, or (3) reject the proposed plan by Developer in its sole and absolute discretion and pursue its rights and remedies under the Note required for the City NSP Loan and assumed by the Eligible Purchaser. City and Developer agree to work cooperatively to develop and execute all documents necessary to effectuate a City approved default remedy plan contemplated by this Section.

- 20. Right to Cancel Loan Collection Services. In the event of breach of any condition or provision hereof, the City shall have the right to terminate Developer's loan collection services. The City shall have the benefit of such work as may have been completed up to that time of such termination and with respect to any part which shall have been delivered to and accepted by the City, there shall be an equitable adjustment of compensation. Irrespective of any default hereunder, the City may also, at any time at its discretion, terminate Developer's loan collection services, in whole or in part, by giving Developer thirty (30) days written notice thereof and in such event, Developer shall be entitled to receive compensation specified herein for all work completed prior to such thirty (30) day notice of termination or cancellation, delivered or not yet delivered to the City. Developer shall also be entitled to compensation for all subsequent work requested by the City and delivered by Developer, after notice of termination. For any work partially completed at the date of termination, such work will be compensated on a prorated basis. Developer, at its discretion, may terminate its obligation to provide loan collection services, in whole or in part, by giving the City thirty (30) days written notice.
- 21. General Administration. The Developer shall not be provided funds for administration, however, Developer shall be required to provide and/or conduct project management and general administrative services pursuant to the requirements of this Agreement. Such administrative support includes but is not limited to the following: data collection and analysis, preparation and submission of quarterly and close-out reports, budget preparation and submission of demands for reimbursement, and any other function that ensures compliance with this Agreement and applicable federal regulations as expressed herein.

B. Levels of Accomplishment

Item 8. - Page 19

The Developer shall acquire title to at least four (4) Subject Properties by June 30, 2012. Unless otherwise authorized by the Director, NSP funds allocated to the Developer pursuant to this Agreement that have not been expended by September 15, 2012 shall be rescinded. The Developer shall rehabilitate and sell the Subject Properties to Eligible Purchasers before January 31, 2013. The City may permit the Developer to acquire, rehabilitate and sell additional properties if additional NSP funds are available and NSP rules are amended by HUD to allow additional time beyond the initial four (4) years from grant authority.

C. Performance Monitoring

The City has the right to monitor the performance of the Developer against goals and performance standards established herein. Substandard performance as determined by the County constitutes noncompliance with this Agreement. If action to correct substandard performance is not taken by the Developer within ten (10) days after being notified in writing by the City that Developer's performance has been determined to be substandard, the City may initiate Agreement suspension or termination pursuant to the procedures set forth in Section VII (G) of this Agreement.

D. Documentation and Record-Keeping

1. Records to be maintained. The Developer shall maintain all records required by the federal regulations specified in 24 CFR Part 570.506 and HERA, and satisfactory to City, and that are pertinent to the activities to be funded under this Agreement.
2. Retention. The Developer shall retain all financial records, supporting documents, statistical records, and all other records pertinent to services performed and expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement, or after the resolution of all litigation, claims, Federal audits, negotiation or other actions that involve any of the records cited, whichever occurs later. Developer shall retain records for non-expendable property acquired with funds under this Agreement for five (5) years after final disposition of such property. Records for any Qualified Purchaser who has acquired a Subject Property must be kept for five (5) years after the Developer has received final payment.
3. National Objectives. The Developer shall maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet the low-income national objective under NSP.
4. Close-Outs. Developer's obligation to the City does not end until all close-out requirements are completed. Close-out period requirements include, but are not limited to: submission of close-out report, making final payments, disposing of Program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and receivable accounts to the City), and determining the custodianship of records.
5. Audits & Inspections. All Developer records with respect to any matters covered by this Agreement are to be made available to the City and HUD at any time during normal business hours, as often as the City or HUD deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Developer within thirty (30) days

after notice of the deficiencies is delivered to the Developer. Failure of the Developer to comply with the above audit requirements constitutes a violation of this Agreement and may result in the withholding of future payments.

E. Reporting and Payment Procedures

1. Budgets. Developer's project budget for each Subject Property acquisition, rehabilitation and disposition, shall include all sources of funding, the amount of each funding source, and the expenditures to be met by each funding source. The City and the Developer may agree to revise any project budget from time to time in accordance with this Agreement and existing City policies.
2. Program Income. The Developer shall report monthly any program income as defined at 24 CFR 570.500(a) generated by activities carried out with NSP funds made available under this Agreement. Developer shall cause its use of Program income to comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Developer may only use such income during the Agreement term for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. Developer shall return any unused program income to the City upon the expiration or earlier termination of the Agreement, unless specific written amendments are made between the City and the Developer. Any interest earned on cash advances from the U.S. Treasury is not program income and Developer shall remit such income promptly to the City.
3. Indirect Costs. If indirect costs are charged, the Developer shall develop an indirect cost allocation plan for determining the appropriate share of administrative overhead costs allocable to the Project and shall submit such plan to the City for approval.
4. Funding Procedures. The City shall make funds available to the Developer for a Subject Property in accordance with the Loan Documents applicable to that Subject Property. Any unused funds revert back to the City. Funding will be adjusted by the City in accordance with the terms of this Agreement.
5. Progress Reports. The Developer shall submit regular progress reports to the City in the form, content and frequency required by the City. The progress reports must be submitted at least quarterly, unless otherwise directed by the City. Developer shall submit a final progress report no later than thirty (30) days after the expiration or earlier termination of this Agreement.

F. Procurement

1. Compliance. This agreement and funding does not allow for costs associated with the purchase of equipment.

G. Use and Reversion of Assets

The use and disposition of real property under this Agreement must be in compliance with the requirements of 24 CFR Part 84 and CFR 570.502, 570.503, 570.504, and HERA as applicable, which include but are not limited to the following:

Item 8. - Page 21

1. The Developer shall transfer to the City any NSP funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination of this Agreement.
2. Real property under the Developer's control that was acquired or improved, in whole or in part, with funds under this Agreement shall be used to meet one of the NSP eligible uses.

H. City Responsibilities

The City shall oversee the following:

1. Acquisition of Qualifying Properties utilizing NSP-1 funds in conjunction with Developer. Even though the City will facilitate the acquisition of the Qualifying Properties and be in charge of the disposition of NSP funding for Program purposes, the City will not take ownership of the Subject Properties. Developer will be the entity holding the title of the Subject Properties.
2. Consult with Developer regarding compliance with NSP-1 regulations regarding the acquisition, rehabilitation and disposition of Subject Properties (including but not limited to appraisal, 1% discount, URA, environmental, home inspection, survey, etc).
3. Completion of Tier 1 environmental assessments and providing Tier 1 clearances for all NSP-1 target areas, as well as providing site specific environmental reviews for acquisition, rehabilitation and disposition of Qualifying Properties.
4. Management of all draws of NSP-1 funds from HUD and payment of valid and properly documented draw requests from Developer.
5. Reporting to HUD via the Disaster Recovery Grant Reporting (DRGR) system, using, in part, data provided by Developer.
6. Monitoring all Program activities of Developer to assure compliance with the terms of this Agreement, including all NSP1 requirements.
7. Ensuring that information required by HERA, as amended, is reported in the Disaster Recovery Grant Reporting (DRGR) in a timely manner. City may be required comply with the NSP performance reporting requirements and with any additional reporting requirements announced by HUD at any time during the duration of this Agreement.

III. TIME OF PERFORMANCE AND TERM OF AGREEMENT

The term of this Agreement commences upon execution of this Agreement by the parties and continues through and including January 31, 2013. The term of this Agreement and the provisions herein may be extended to cover any additional time period during which the Developer remains in control of NSP funds or other NSP assets including program income, at City's sole discretion. This Agreement may terminate sooner if the City runs out of NSP funds. A project milestone schedule will be included in the Loan Agreement.

IV. AVAILABLE FUNDS

The total amount made NSP funds available by the City under this Agreement is Four Hundred and Eighty Thousand Dollars (\$480,000). The \$480,000 shall be the initial agreement, which includes a developer fee, with subsequent amendments to include additional funds set aside from Program Income as per HUD’s most recent updated guidance on meeting the 25% set aside requirements. The City of Visalia will determine how much if any additional funds are made available for future activities. The Developer may request NSP funds in accordance with the terms of this Agreement. Advancement of NSP funds may be contingent upon certification of the Developer's financial management system in accordance with the standards specified in OMB Circular A-110.

V. DEVELOPER FEE

A Developer Fee is an allowed use of NSP funding. The maximum Developer Fee shall not exceed Ten Percent (10%) of the allocation) for this Agreement. Developer shall receive the fee based upon per property in increments not to exceed ten percent (10%) of each acquisition price. A portion shall be paid upon completion of the acquisition, in an amount not to exceed half of developer fee-for the acquisition. Forty percent (40%) of the developer fee per Subject Property shall be paid following completion of the rehabilitation and approval by the City’s Building Inspector and Housing Specialist. The last ten percent (10%) of the fee, per Subject Property, shall be paid upon sale of the Subject Property to an Eligible Purchaser, upon receiving a completed application, confirmation of income qualifications and the completion of escrow which includes signed, notarized and recorded deed, restrictive covenant, note and truth in lending documents. Developer may earn no other fee or profit from sale of a Subject Property, other than the fee referenced herein. The final sale of a Subject Property shall not exceed the original purchase price and total rehabilitation costs combined.

VI. NOTICES

All notices required by this Agreement must be in writing and delivered via United States Mail, certified and with postage prepaid or by commercial courier or personal delivery. Any notice delivered or sent in the manner described above is effective on the date of delivery or sending. All notices and other written communication concerning this Agreement and/or any amendments hereto are to be directed to the following, unless otherwise modified by written notice:

City
City of Visalia
Housing and Economic Development
Attn: Director
315 East Acequia
Visalia, CA 93291

Developer
Habitat for Humanity of Tulare County
Attn: Executive Director
637 South Lovers Lane
Visalia, CA 93292

VI. SPECIAL CONDITIONS

A. HUD Regulation Compliance. The Developer shall comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 of the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG), including subpart K of these regulations, as amended by HERA, and all federal regulations and policies issued pursuant to these regulations.

Item 8. - Page 23

- B. Prevailing Wage Requirements.** The Project may be subject to federal prevailing wage requirements. If subject to federal prevailing wages, Developer shall provide City with appropriate documentation of compliance with all federal requirements including but not limited to bid package, appropriate wage decision, construction contract, fringe benefit statements, and weekly certified payrolls. Developer shall sign an affidavit stating that federal prevailing wages are being paid to all contractors and subcontractors and maintain records, including certified payrolls, documenting the payment of prevailing wages for the period of the contract.
- C. Conflict of Interest.** The Developer shall comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 of the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG) pertaining to conflicts of interest, including but not limited to 24 CFR Section 570.489 and 24 CFR Section 570.611.
- D. Relocation, Real Property Acquisition and One-for-One Housing Replacement.**

The Developer agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24; 24 CFR Part 42 – Displacement, Relocation Assistance and Real Property Acquisition for HUD and HUD Assisted Programs; and 24 CFR 570.606 – Displacement, relocation acquisition, and replacement of housing. The Developer shall provide appropriate relocation assistance (URA or section 104(d)) to eligible displaced persons as defined by applicable HUD and/or URA regulations that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for an NSP-assisted project. The Developer also agrees to comply with applicable Grantee or local ordinances, resolutions and policies concerning the displacement of persons.

- E. Tenant Protection Requirements**

The Developer agrees to comply with the Recovery Act provisions concerning tenant protections applicable to NSP acquisitions of foreclosed property. The Developer must document its efforts to ensure that the initial successor in interest (ISII) in a foreclosed upon dwelling or residential real property (typically, the ISII in property acquired through foreclosure is the lender or trustee for holders of obligations secured by mortgage liens) has provided bona fide tenants with the notice and other protections outlined in the Recovery Act. The Developer will not use NSP funds to finance the acquisition of property from any ISII that failed to comply with applicable requirements. If the Developer knows that the ISII did not comply with the NSP tenant protection requirements and vacated the property contrary to the NSP requirements, NSP funds cannot be used to acquire such properties.

- F. Environmental Compliance.** The Developer shall comply with the following regulations insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. 7401, et seq.
2. Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as

well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

3. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.
 4. National Environmental Policy Act of 1969.
 5. HUD Environmental Review Procedures (24 CFR Part 58).
- G. Flood Disaster Protection.** The Developer shall comply with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement, and shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).
- H. Lead-Based Paint.** The Developer agrees that any activities with regard to residential structures with assistance provided under this Agreement are subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, and applicable Sub-Parts.
- I. Historic Preservation.** The Developer shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty (50) years old or older or that are included on a Federal, State, or local historic property list.
- J. Preliminary Mold issues** Properties that have visible signs of mold should not be considered for purchase since funds are limited. If however, mold is identified during the due diligence period for the acquisition of a Subject Property, the cost to remove should be negotiated with the seller. If the seller refuses to remove mold, it must be addressed (remediated) with certification PRIOR TO beginning rehabilitation of home. Additionally, if mold existed in the Subject Property, the Eligible Purchaser must be informed with the appropriate noticing requirements established through the disposition of the Subject Property.
- K. City and Other Governmental Agency Permits.** Developer shall secure and maintain, or cause to be secured and maintained, any and all permits or entitlements that may be required by City or any other governmental agency affected by or which has jurisdiction over the Program.
- L. Taxes and Assessments.** Developer shall pay prior to delinquency all ad valorem real estate taxes and assessments on any Subject Project property, subject to Developer's right to contest in good faith any such taxes. Developer shall remove or have removed any levy or attachment made on any Subject Project property or any part thereof, or assure the satisfaction thereof within thirty (30) days following the date of attachment or levy.

- M. **Hazardous Materials Discovered on Subject Properties.** Developer shall take all necessary precautions to prevent the release into the environment of any Hazardous Materials (as defined below) that are located in, on or under any Subject Property. Such precautions shall include compliance with all regulatory requirements with respect to Hazardous Materials. In addition, Developer shall install and utilize such equipment and implement and adhere to such procedures as are consistent with the standards prevailing in the industry, to the extent such standards exceed applicable regulatory requirements, as respects the disclosure, storage, use, removal and disposal of Hazardous Materials. Developer shall cause each release of Hazardous Materials in, on or under any Subject Property to be remediated in accordance with all regulatory requirements.

Developer agrees to indemnify, defend and hold City and their officers, employees, volunteers, agents and representatives harmless from and against any and all claims, resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about, or the transportation of any such Hazardous Materials to or from, any Subject Property, or (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment or license relating to the use, generation, release, discharge, storage, disposal or transportation of Hazardous Materials on, under, in or about, to or from, any Subject Property, caused by Developer or any of Developer's predecessors in interest. This indemnity shall include any damage, liability, fine, penalty, parallel indemnity, cost or expense arising from or out of any claim, action, suit or proceeding for bodily injury (including sickness, disease or death), tangible or intangible property damage, compensation for lost wages, business income, profits or other economic or consequential loss, damage to the natural resource or the environment, nuisance, contamination, leak, spill, release or other adverse effects on the environment.

"Hazardous Materials" means any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is: (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) friable asbestos; (vii) polychlorinated biphenyls; (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (ix) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317); (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. (42 U.S.C. §6903); or (xi) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and

Liability Act, 42 U.S.C. §9601, et seq., as the foregoing statutes and regulations now exist or may hereafter be amended.

VII. GENERAL CONDITIONS

A. General Compliance.

The Developer shall comply with all applicable Federal, State and local laws and regulations governing the funds provided under this Agreement and with those laws and regulations concerning the Developer's performance hereunder, including but not limited to federal regulations, guidelines, bulletins, and circulars pursuant to Title III of the Housing and Urban Development, Title III Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, section 102 of the Housing and Community Development Act of 1974, including Title 24 of the Code of Federal Regulations, Part 570 as published in the Federal Register, Vol. 73 No. 194, Monday, October 6, 2008 as amended by HERA; and subsequent bridge notification Vol. 75, No. 68, Friday, April 9, 2010 which are incorporated herein by reference. Developer shall make documentation of such compliance available for review by the City upon request.

B. Independent Contractor Status

Nothing contained in this Agreement is intended to, and does not, create or establish the relationship of employer/employee, agent/servant, partnership, joint venture or association between the parties. The Developer is at all times an independent contractor with respect to the services performed under this Agreement. The City is acting only as a lender in this Project and is in no way acting as a principal in the matter of the acquisition or renovation of any Subject Property. The City is not responsible for any work performed in connection with renovation. Any inspections conducted by the City are for its own benefit and are not for the benefit of the Developer or any subsequent owner of the Subject Property. The City is not responsible for obtaining waivers of construction liens.

C. Indemnification

The Developer shall defend, indemnify, save, and hold harmless the City and its officers and employees from any and all claims, costs and liability for any damages, sickness, death, or injury to person(s) or property, including without limitation all consequential damages, from any cause whatsoever arising directly or indirectly from, or connected with the operations or services of the Developer or its agents, servants, employees or subcontractors hereunder, save and except claims or litigation arising through the sole gross negligence or sole willful misconduct of the City or its officers or employees. The Developer shall reimburse the City for any expenditure, including reasonable attorneys' fees that the City makes by reason of the matters that are the subject of this indemnification and if requested by the City, the Developer shall defend any claims or litigation to which this indemnification provision applies at the sole cost and expense of the Developer.

D. Insurance and Bonding

Item 8. - Page 27

During the entire term of this Agreement and any extension or modification thereof, the Developer shall keep in effect insurance policies meeting the following insurance requirements unless otherwise expressed in Section VI. Special Conditions:

1. Liability Insurance. Comprehensive liability insurance, including coverage for owned and non-owned automobiles, with minimum combined single limit coverage of \$1,000,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance is to be endorsed to include the City and its officers and employees as additional insured as to all services performed by the Developer under this Agreement.
2. Workers' Compensation. Workers' compensation insurance coverage for its employees.
3. All Risk Insurance. All Risk property damage insurance including flood plain insurance whenever applicable, for each Subject Property upon its acquisition, in accordance with this Agreement.
4. Additional Provisions. The policies are to include a provision for thirty (30) days written notice to City before cancellation or material change of the above specified coverage. Said policies are to constitute primary insurance as to the City, the State and federal governments, their officers, agents, and employees, so that other insurance policies held by them or their self-insurance program(s) are not required to contribute to any loss covered under the Developer's insurance policy or policies. The Developer shall carry sufficient insurance coverage to protect Project assets from loss due to theft, fraud and/or undue physical damage, and at a minimum Developer shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the City. **Not later than the commencement date of the Agreement, the Developer shall provide the City with a certificate(s) of insurance evidencing the above liability insurance.**

In addition, the Developer shall comply with the bonding and insurance requirements of OMB Circular A-110, Bonding and Insurance.

E. City Recognition

The Developer shall ensure recognition of the role of the City in providing services through this Agreement. As appropriate, Developer shall cause activities, facilities and items utilized pursuant to this Agreement to be prominently labeled as to funding source. In addition, the Developer shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

F. Amendments

City or Developer may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and (except as expressly provided below) approved by the City Council and/or City Manager. Any such amendments do not invalidate this Agreement, nor relieve or release the City or Developer from their obligations under this Agreement.

Should federal or State regulations, laws, policies or funding amounts touching upon the subject of this Agreement be adopted or revised during the term hereof, this Agreement will be deemed amended to assure conformance with such federal and State requirements. Notwithstanding the foregoing, if such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both City and Developer.

Subject to the payment limit set forth in Section IV and any required State or federal approvals, minor changes to only the Agreement Budget and the scope of work may be made by a written administrative amendment executed by the Developer and the City Manager, or Director, provided that such administrative amendments do not substantively change the Agreement Budget or the scope of work.

G. Suspension or Termination

In accordance with 24 CFR 85.43, the City may suspend or terminate this Agreement if the Developer materially fails to comply with the terms of this Agreement, which failures include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time.
2. Failure, for any reason, of the Developer to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Developer's submission of reports to the City that is incorrect or incomplete in any material respect.

Upon suspension or termination of this Agreement, the City may, in addition to any other remedies available at law or in equity, complete Developer's obligations in any reasonable manner it chooses, take possession, in accordance with the Deed of Trust in favor of the City, of any real or personal property associated with the Project, construct, operate or maintain the Project as the City may deem necessary to fulfill the requirements of the Federal government, and deduct the costs thereof and the amount of damage, if any, sustained by City by virtue of Developer's breach of this Agreement from any amounts owing to Developer for services provided prior to City's suspension or termination of this Agreement.

Item 8. - Page 29

In accordance with 24 CFR 85.44, City may also terminate this Agreement for convenience, in whole or in part, upon thirty (30) days written notice. This Agreement may also be cancelled immediately by written mutual consent.

Subject to the rights of senior lenders, in the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by Developer under this Agreement will, at the option of the City, become the property of the City, and Developer is entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

H. Cessation of Funding.

The City's obligation to make any NSP funds available to the Developer hereunder is contingent on the availability of NSP funds to the City during the term of this Agreement. In the event the Federal funding for this Agreement ceases, this Agreement is terminated. In the event of unforeseeable budget adjustments by the Federal government, this Agreement is subject to renegotiation.

I. Extension of Term for Performance

Without any additional consideration on the part of Developer or City, the City, through its City Manager or Director, may grant Developer an extension of time for performance, beyond that time specified in this Agreement. Any extension must be in writing and is at the sole discretion of the City.

J. Entire Agreement. This Agreement and the Loan Documents contain all the terms and conditions agreed upon by the parties. Except as expressly provided herein and in amendments relating thereto, if any, no other understandings, oral or otherwise, regarding the subject matter of this Agreement and the Loan Documents is deemed to exist or to bind any of the parties hereto.

K. Retained Powers. All powers not explicitly invested in the Developer or incidental to the exercise of those powers invested in the Developer remain in the City.

L. Disputes. Disagreements between City and Developer concerning the meaning, requirements or performance of this Agreement are subject to final determination in writing by the City for which this Agreement is made or his or her designee or in accordance with applicable procedures (if any) required by the Federal government.

M. Law Governing Agreement. This Agreement is made in Contra Costa County and is governed by the laws of the State of California.

N. Conformance with Federal and State Regulations. Should Federal or State regulations touching upon this Agreement be adopted or revised during the term hereof, this Agreement is subject to modification to assure conformance with such Federal or State requirements.

- O. Available Copies.** Copies of the City's Project documents and all pertinent Federal statues, regulations, guidelines, bulletins, and circulars applicable to this Agreement, will be available at all times for inspection by the Developer during regular business hours at the offices of the City of Visalia Housing and Economic Development Department.
- P. Original Agreement.** The original copy of this Agreement and of any modification thereto is that copy filed in the City of Visalia.
- Q. Severability.** Should any term, portion or provision of this Agreement be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise to be unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions of this Agreement will be deemed severable and not affected thereby, provided that such remaining parts, terms, portions or provisions can be construed in substance to constitute the Agreement that the parties intended to enter into in the first instance.
- R. No Third-Party Beneficiaries.** Notwithstanding mutual recognition that services under this Agreement may provide some aid or assistance to members of the City's population, it is not the intention of either City or Developer that such individuals occupy the position of intended third-party beneficiaries of the obligations assumed by either party to this Agreement.
- S. Waivers.** No waiver of any breach of any covenant or provision in this Agreement is a waiver of any other covenant or provision in this Agreement and no waiver is valid unless in writing and executed by the waiving party.

[Remainder of this Page Intentionally Left Blank]

Item 8. - Page 31

T. **Headings and Captions.** The section headings and captions of this Agreement are, and the arrangement of this instrument is, for the sole convenience of the parties to this Agreement. The section headings, captions and arrangement of this instrument do not in any way affect, limit, amplify or modify the terms and provisions of this Agreement. This Agreement is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. The parties to this Agreement and their counsel have read and reviewed this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply to the interpretation of this Agreement.

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

CITY

City of Visalia, a municipality
California

DEVELOPER

Habitat for Humanity, Tulare County
a California non-profit corporation

By: _____
(Steve Salomon--City Manager)

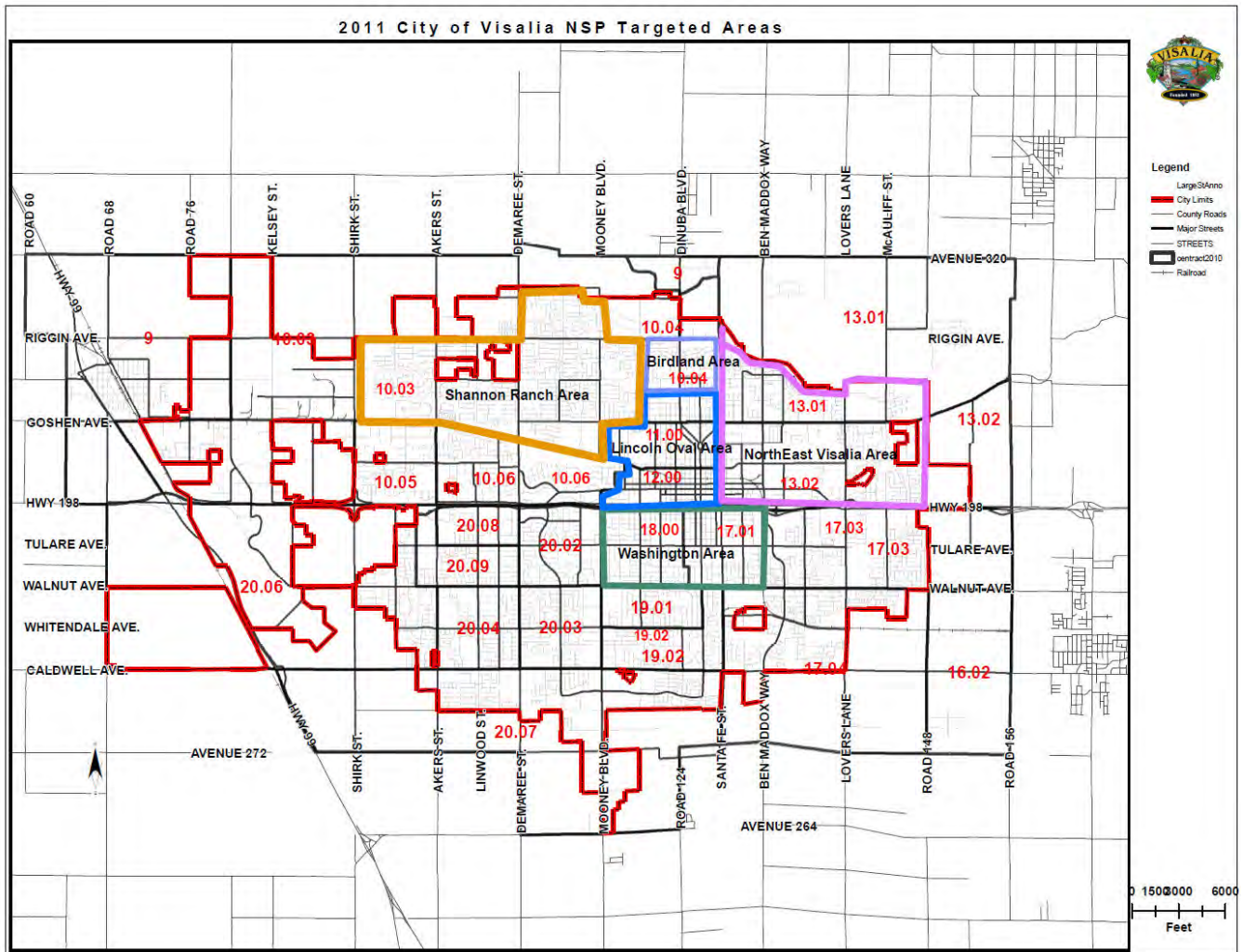
By: _____
(Elizabeth Murphy--Executive Director)

By: _____
(Director – Housing & Economic Development)

Approved As To Form:

By: _____
(City Attorney)

Exhibit "A"
 Visalia NSP1 Area Map



**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 9

Agenda Item Wording: Approval of 5 year lease of the Police Firing Range located at 7400 Ave. 328, Visalia, CA between the City of Visalia and the Visalia Police Association with an option to extend the lease by 5 years upon mutual consent.

Deadline for Action: None

Submitting Department: Administrative Services

Contact Name and Phone Number: Eric Frost, Administrative Services Director (x4474)

Department Recommendation: Approval of 5 year lease of the Police Firing Range located at 7400 Ave. 328, Visalia, CA between the City of Visalia and the Visalia Police Association with an option to extend the lease by 5 years upon mutual consent.

Summary/background: The City of Visalia owns a 38 acre parcel new road 76 and Avenue 334. The parcel is divided into three sections which are used by the Visalia Sportsman's Club, the Tulare County Trap Club and Visalia Police Association (VPA). Each of the entities operates their own operation. However, the VPA's site has been greatly developed, mainly by the City, to provide a suitable location for the City's police officers a location to develop and maintain their skills with firearms.

The City and the VPA have collectively benefited from leasing the site at a minimal cost to the VPA in the following manner:

- Officers are given a modern firing range that offers an individual an opportunity to develop and maintain his or her skills
- The City does not have to staff the facility
- The officers do not have to drive to Tulare County's firing range, located in Tulare.
- Police officers have more time at the range than would be otherwise available if the City did not have this range.

The last lease replaced a 1989 lease. As a result, a number of terms appeared to be in need of updating. As a result, the proposed lease has inserted a number of new items, namely:

- 1) A recital of the City's 2005 investment in the firing range

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:
 Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- 2) A recital that the City has now placed the canine training facility at the firing range. This is important because the VPA did not have to allow the City to conduct canine training at this site. The City in exchange should take full responsibilities for what occurs during canine trainings.
- 3) A recital that VPA paid \$1,100 for improvement property taxes in FY 2011/12
- 4) A revision of the rent. The property taxes are split. The City pays the land property taxes. VPA should pay its appropriate share, 8%. The Association pays the improvement's property taxes directly to the County.
- 5) VPA to increase their liability coverage from \$1 million to \$2 million.
- 6) A new section that grants access for the City to the new canine training facility while the City holds VPA harmless for any liability claims which may occur at that site.
- 7) A new section after item 14 called "Operating Fees Waived for the City of Visalia Use" providing the City with 80 days of year of use at no cost and a reduced rate of 50% for any use beyond those days.
- 8) A requirement to submit an annual operating report detailing who used the facility
- 9) A requirement that the City agree to the VPA's renter's use. The intent of this requirement is to assure that the City acknowledges who is using the facility.

The basic concept of the lease is that the City provides the facility while the VPA leases and operates the facility. VPA also subleases the facility to other users. Their fee schedule is as follows:

Usage fees:

Clubhouse only	\$ 75 per day
Range only	\$ 100 per day
Clubhouse & Range	\$ 175 per day
Store rooms	\$ 500 annually
Small store rooms	\$ 300 annually

The City is not charged these fees because in 2005, the City completed a significant upgrade to the firing range at a cost of \$328,290. The agreement was that for 20 years, the City would not pay use fees in exchange for upgrading the facility. If the current fee schedule was applied to the City's usage, the City would pay the following to the VPA for use fees:

Typical Use of Firing Range

PD Scheduled Annual Use:

Clubhouse & Range	80 days	\$14,000
3 Store rooms		1,500
5 Small store rooms		1,500

PD Average Annual Unscheduled Use

@ 20 days at half the normal fee: 1,750

Total: \$18,750

In other words, the City for 20 years has been given 80 days a year of access to the facility for the \$328,000 investment the City made to the facility. These use fees, if they stayed the same as they are now, would total \$375,000.

Item 9. - Page 3

The other proposed changes are designed to maintain proper oversight of this facility and to increase liability coverage from \$1 to \$2 million in recognition that potential claims could cost more today than 20 years ago.

The City's remuneration is the payment of \$600 a year plus the site's proportional share of the land property taxes. VPA will pay the improvement property taxes directly to the Tulare County Tax Assessor.

Finally, the VPA has agreed to have the canine facility locate at the firing range even though the canine training facility has nothing to do with the firing range. In exchange, the City takes responsibility for the canine training activities.

The City views this relationship as productive and mutually beneficial. As a result, staff recommends approval of the lease.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives: To direct the City to continue negotiations with different parameters

Attachments: #1 Proposed Lease
#2 Site Map

Recommended Motion (and Alternative Motions if expected): Approve a 5 year lease of the Police Firing Range located at 7400 Ave. 328, Visalia, CA between the City of Visalia and the Visalia Police Association with an option to extend the lease by 5 years upon mutual consent.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

http://www.co.tulare.ca.us/government/prop_vital/assessor/abovintbaa/772-02.pdf - Microsoft Internet Explorer provided by City of

http://www.co.tulare.ca.us/government/prop_vital/assessor/download/772-02.pdf

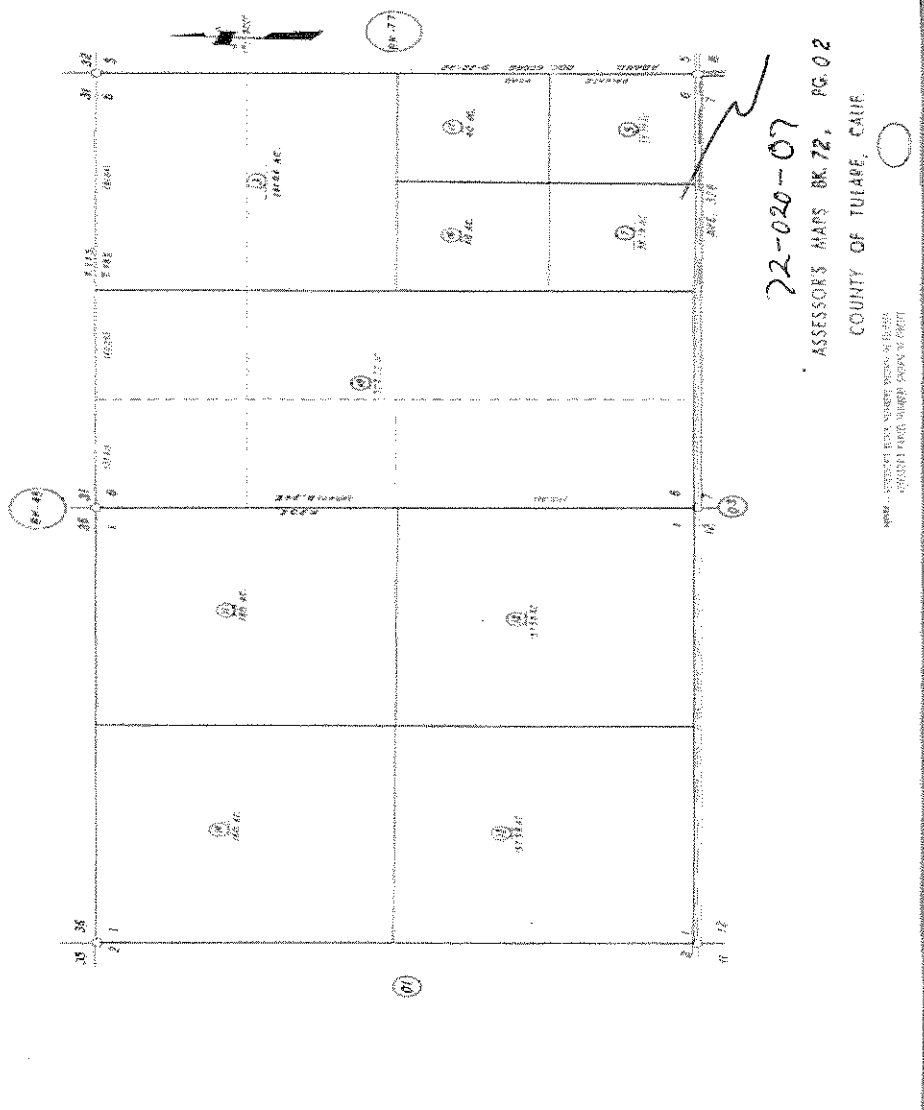
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http://www.co.tulare.ca.us/government/prop_vital...

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SEC. 1, T18S, R23E, & SEC. 6, T18S, R24E., M. D. B. & M. TAX CODE AREA 72-02 153-059



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**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Authorize City Manager to execute a Purchase & Sales Agreement with Summit G. Buffett, Inc. for city-owned parcels (APNs 125-041-34 & 35) and conduct Second Reading of Ordinance No.2011-14 for the disposition of the property

Property: Approximately 1.62 acres located on the north side of Packwood Creek/Cameron Avenue, 190' west of Mooney Boulevard. APNs 125-041-34 & -35

Deadline for Action: December 19, 2011

Submitting Department: Housing & Economic Development Department

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director 713-4190

Department Recommendation:

Staff recommends Council:

1. Authorize the City Manager to execute a Purchase & Sales Agreement with Summit G. Buffett, Inc. for city-owned parcels (APNs 125-041-34 & 35)
2. Conduct Second reading of Ordinance No. 2011-14 as part of the disposition of the city-owned parcels.

Summary/background:

On December 5, 2011, the City Council approved a first reading of Ordinance No. 2011-14 for the disposition of the Mooney Boulevard Ponding Basin. As part of the sale of the city land, a second and final reading of the ordinance is required. Staff is also requesting Council's approval to negotiate a Purchase & Sales Agreement.

Next Steps

Following approval of the Purchase & Sales Agreement, the buyer shall have 120 days from execution of the Agreement to complete its investigations and clear any contingencies. The City will also complete its due diligence and is not obligated to sell the property until issues related to boring underneath Packwood Creek are satisfied. The agreement currently calls for the escrow to close 180 days following execution of the Purchase & Sales Agreement (runs simultaneously with due diligence period). The City will also have 180 days following close of escrow to

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 10

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 10. - Page 2

complete filling of the basin to rough grade conditions. This will allow the City the opportunity to combine the filling with another project where dirt is being removed in or to save costs. During this same period, the buyer can commence construction of the new restaurant once all entitlement issues are addressed including approvals from Caltrans.

Prior Council/Board Actions:

- December 5, 2011 Council approved First Reading of Ordinance No. 2011-14

Committee/Commission Review and Actions: NA

Alternatives: Decline proposal from Summit G. Buffet for purchase of the property.

Attachments:

1. Ordinance No.2011-14
2. Exhibit A "Legal Description of the Property"
3. Aerial of Site

Recommended Motion (and Alternative Motions if expected. The motion is to:

1. 1. Authorize the City Manager to execute a Purchase & Sales Agreement with Summit G. Buffett, Inc. for city-owned parcels (APNs 125-041-34 & 35)
2. Conduct Second reading of Ordinance No. 2011-14 as part of the disposition of the city-owned parcels.

Environmental Assessment Status

CEQA Review: NA

NEPA Review: NA

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to: NA

ORDINANCE NO. 2011-14

DECLARING CERTAIN REAL PROPERTY SURPLUS
AND DECLARING INTENT TO SELL TO
SUMMIT G. BUFFET, INC., or its vestee

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA

Section 1: The City of Visalia owns all the legal and beneficial interest in certain real property located west of Mooney Boulevard and on the north bank of Packwood Creek in the City of Visalia, consisting of a storm water retention basin, APN: 126-041-035 and APN: 126-041-034 ("Subject Property"). The Subject Property is more particularly and legally described in Exhibit "A", attached hereto and made a part hereof, and

Section 2: The City of Visalia has determined that the storm water facilities located on the Subject Property may be relocated or abandoned, but has not yet confirmed the feasibility of such relocation or abandonment. Subject to confirmation of the feasibility of relocation and abandonment of the storm water facilities, the City desires to sell the Subject Property to Summit G. Buffet, Inc., or its vestee, and

Section 3: The City Council of the City of Visalia, having considered evidence submitted in oral and written form, finds the subject real property is not now, nor will it be of public use or necessity, subject to the City's confirmation that the storm water facilities be feasibly relocated and abandoned, and

Section 4: Subject to said condition the City Council finds and determines said real property is surplus and should be sold, and

Section 5: The City of Visalia wishes to sell and Summit G. Buffet, Inc., or its vestee wishes to purchase said real property and the rights and entitlement, all on the terms and conditions set forth in a Purchase and Sale Agreement and Escrow Instructions.

Section 6: Having found the subject property to have no further public use or necessity (subject to the confirmation of the feasibility of relocation and abandonment of the storm water facilities), the Council declares said property to be surplus and hereby authorizes the transfer of ownership in and to said real property to Summit G. Buffet, Inc., or its vestee as per the terms and conditions of the above mentioned agreement.

Section 7: This ordinance shall become effective thirty days after passage hereof.

Item 10. - Page 4

PASSED AND ADOPTED:

AMY SHUKLIAN, MAYOR

ATTEST:

APPROVED BY CITY ATTORNEY:

STEVEN M. SALOMON, CITY CLERK

ALEX M. PELTZER

EXHIBIT "A"

Legal Description of the Property

That portion of the Northeast quarter of the Northeast quarter of Section 12, Township 19 South, Range 24 East, Mount Diablo Base and Meridian, in the City of Visalia, County of Tulare, State of California, described as follows:

Beginning at the Southwest corner of Tract No. 206, as per Map recorded September 17, 1954 in Book 21 of Maps, at Page 37, Tulare County Records;

Thence along the Westerly prolongation of the Southerly line of said Tract 306, South 89° 28' 35" West, 150.00 feet to the true point of beginning, said point also being the Northwest corner of the land conveyed to the City of Visalia, in Deed recorded October 20, 1964 in Book 2544, Page 237 of Official Records.

Thence continuing along said Westerly prolongation South 89° 28' 35" West, 92.40 feet, thence South 0° 30' 00" East, 348.31 feet, more or less, to a point in the North line of the South 2 rods of the Northeast quarter of the Northeast quarter of said Section;

Thence Easterly along said Northerly line 92.41 feet to a point which bears South 0° 30' 00" East, 348.31 feet from the point of beginning; thence North 0° 30' 00" West, a distance of 348.31 feet to the point of beginning.

(Excepting therefrom that area south of a line that is 15 feet north of the outside toe of the north bank of Packwood Creek, which area is to be retained in fee by the City of Visalia)

(Also excepting therefrom a subsurface storm drain easement on the north 30 feet and the west 30 feet of said parcel.)

(Legal description of said exceptions are subject to confirmation through escrow.)



CAMERON AVE

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 11

Agenda Item Wording: Authorization to solicit bids for replacement of the 600 acre walnut orchard at the Water Conservation Plant, located west of highway 99 north of Caldwell Ave..

Deadline for Action:

Submitting Department: Public Works

Contact Name and Phone Number: Jim Ross, Public Works Manager, 713-4466

Department Recommendation:

Staff recommends that Council authorize staff to solicit bids for replacement of the walnut orchard at the Water Conservation Plant and begin a multi-year process to establish a pecan orchard.

Summary/background:

The 600 acre city-owned walnut orchard near the Water Conservation Plant was planted in the mid-1960s. This 45 year old orchard is nearing the end of its productive life. With the help of the farm manager, plans for its replacement have been developed.

The soil and growing conditions of this property are suitable for most any crop imaginable. Crops on adjacent properties include alfalfa, corn, wheat, cotton, tomatoes, milo, barley, and the like. This property would, likewise, support these crops. It is also suitable for several permanent (tree) crops that will only grow in limited areas of the State.

In general, permanent crops are generally more profitable than vines and row crops. As a comparison, the City receives a lease rate of about \$200 per acre for row crop acreage while the walnut orchard has realized a net profit for the city of about \$1000 per acre over the past five years. Given that the property will remain in agriculture for the foreseeable future, it is prudent to replace the walnut trees with a high value tree crop.

Several nut crops would do well on this property, including walnuts, almonds, pistachios and pecans. The market for these edible tree nuts has grown significantly in the last five years, with most of that demand coming from exports to Asia and the Middle East. Nuts are a good source of protein, easy to store for long periods of time, and have significant health benefits that are long recognized in these regions.

For action by:
 City Council
 Redev. Agency Bd.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
 City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 11. - Page 2

Walnuts: Replanting the orchard in walnuts is not recommended. Planting walnut crops where there were previously walnut trees tends to result in poor stands and weak trees. This is likely due to soil organisms and diseases that stunt the trees' vigor. Soil fumigation can mitigate these problems but is not allowed in California. In addition, walnut trees adjacent to ponding basins do poorly because of the continuously wet soils. Walnuts require about 7-9 years to reach full production and will remain productive for 40 to 50 years.

Almonds are not recommended because of the need for soil fumigation. Although almonds come into production faster than any other nut crop, they only produce for about 20 years. In addition, almonds require bees for pollination, and the cost and availability of bees is becoming a serious concern for almond growers. Almonds are the least profitable of the nut trees.

Pecans are not bothered by the soil borne diseases and organisms that are harmful to walnuts and almonds and, therefore, would not require soil fumigation prior to planting. The only pest or disease affecting pecans in California is aphids. Pecans have a high tolerance for overwatering that would kill other trees being that their native habitat is in the river bottoms and flood plains of the Southern U.S. Fully 95% of the world's supply of pecans is grown in the U.S. and Mexico, and the limited number of new plantings has not kept up with the loss of production from development and severe weather damage, particularly in the southern and southeastern states. Pecans are the only nut crop that has not increased in supply over the last 10 years. Pecans are currently the most profitable of all the nuts grown in California. Pecans require about 7-9 years to reach full production and will remain productive for more than 100 years.

Pistachios are more tolerant of salt build-up than are other tree crops, making them a good choice for areas with poorer soils or lower quality water. There has been a significant increase in pistachio acreage over the past decade and as those trees begin producing over the next few years, supply will increase dramatically. It is considerably more expensive to establish a pistachio orchard than any of the other varieties discussed because of the extra years to get the trees in full production (10-12 years). Pistachios remain productive for more than 100 years.

Considering all of the above, staff is recommending that pecans be planted to replace the aging walnut trees. There are dozens of pecan growers in Tulare County who could provide management services, as well as the infrastructure needed to support this acreage.

Economics

Pecans are currently one of the most profitable of all crops grown in California. However, like all permanent crops, there are substantial costs to establish the orchard and get it into full production. The City can expect to pay approximately \$1500 per acre to establish the pecans. Table 1, below, summarizes the cash flow projection to develop a pecan orchard over a five year period (i.e, replacing approximately 25% of the orchard each of the next 4 years.)

**Table 1
Projected Cash flow**

year	Acres removed	Acres planted	Annual Cash flow (\$)	Net Accumulated cash (\$)	Walnut income (\$)
2012	100		104,400	104,400	500,000
2013	156	100	(464,136)	(359,736)	350,000
2014	181	156	(941,856)	(1,301,592)	150,000
2015	163	181	(1,184,458)	(2,486,050)	0
2016		163	(640,667)	(3,126,717)	0
2017			(412,929)	(3,539,646)	0
2018			(301,905)	(3,841,551)	0
2019			16,890	(3,824,661)	0
2020			614,070	(3,210,591)	0
2021			1,423,580	(1,787,011)	0
2022			2,268,095	481,084	0
2023			2,907,960	3,389,044	0
2024			3,237,520	6,626,564	0
2025			3,328,800	9,955,364	0
2026			3,328,800	13,284,164	0

As shown in the table, there will be a negative cash flow for six years, with a maximum annual deficit of \$1.18 million. The cumulative deficit will reach a maximum of \$3.8 million in 2018. Net positive cash flow will begin in 2022, reaching an annual net profit of \$3.3 million beginning in 2025 and continuing thereafter. The expected per-acre pecan profit of \$5548 compares quite favorably to the current profit of \$1000 per acre for walnuts.

There are several steps involved in establishing the pecan orchard and each step will be repeated as sections are replaced over the next five years.

- The existing walnut trees are removed. This process must occur during the winter months when there are no leaves on the trees. The trees will be chipped and used to fuel power generating facilities; leaves are considered a contaminant.
- Underground root removal
- Leveling
- Irrigation system installation
- Planting
- Farm management

Staff is seeking Council authority to solicit bids to begin the multi-year process of replacing the walnut trees with pecan trees.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Item 11. - Page 4

Attachments:

Recommended Motion (and Alternative Motions if expected):
Move to authorize staff to solicit bids for replacement of the walnut orchard at the Water Conservation Plant and begin a multi-year process to establish a pecan orchard.

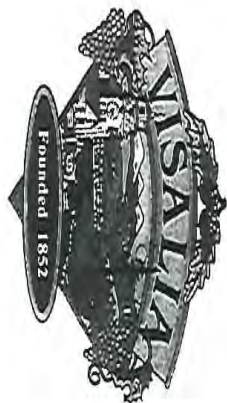
Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:



ATTACHMENT # 1.

CITY OF VISALIA
Summary for RFB-10-11-72

PROJECT: CONCRETE REPAIR, ANNUAL CONTRACT

Subject: OPENING
Location: CHW-Main

Meeting Date: 12/2/11
Meeting Time: 2:00 PM

Contractor:	Location	Lump Sum
<i>Stevie Rangelos</i>	<i>Visalia CA</i>	<i>84,935.44</i>
Contractor:	Location	Lump Sum
<i>Concrete by MDC</i>	<i>Visalia, CA</i>	<i>43,099.55</i>
Contractor:	Location	Lump Sum
<i>Meyers Construction</i>	<i>Troy CA</i>	<i>39,168.55</i>
Contractor:	Location	Lump Sum
<i>West Valley Const</i>	<i>Sandy Lake CA</i>	<i>61,660.00</i>
Contractor:	Location	Lump Sum
<i>Holopoff & Sons</i>	<i>Porterville CA</i>	<i>31,864.55</i>
Contractor:	Location	Lump Sum
<i>Hobbs Const</i>	<i>Fresno, CA</i>	<i>44,778.55</i>

Witness: *[Signature]* Witness: *[Signature]*

Witness: *[Signature]* Witness: *[Signature]*

Witness: *[Signature]* Witness: *[Signature]*

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Witness: *[Signature]* Witness: *[Signature]*

2010x1

The following amounts to be shown in both words and figures. In case of discrepancy between words and figures, the words shall prevail.

Item	Description: Per specifications of RFB-10-11-72	-A- Unit Bid Price	-B- Estimated Quantity	-C- Estimated Total Bid Amount (A x B)
1	20' Radius Curb Return with Sidewalk Connection Engineering Improvement Standard Plan C-8 C-11/12/13	\$ 6.56 per Sq. Ft.	325 Sq. Ft.	\$ 2132. ⁰⁰
2	Sidewalk - Residential with Parkway Engineering Improvement Standard Plan C-8	\$ 8.36 per Sq. Ft.	200 Sq. Ft.	\$ 1672. ⁰⁰
3	Barrier Curb and Gutter Type A2-6 Engineering Improvement Standard Plan C-3	\$ 29.12 per Ln. Ft.	60 Linear Ft.	\$ 1747.20
4	Roll Type Curb and Gutter Engineering Improvement Standard C-5	\$ 31.75 per Ln. Ft.	60 Linear Ft.	\$ 1905. ⁰⁰
5	Residential P.C.C. Drive Approach Engineering Improvement Standard C-17	\$ 4.51 per Sq. Ft.	1,500 Sq. Ft.	\$ 6,765. ⁰⁰
6	Bus Pad Engineering Improvement Standard TR-4	\$ 6.87 per Sq. Ft.	1,560 Sq. Ft.	\$ 10,717. ²⁰
Lump Sum Bid (Total Items 1-6)				\$ 24,938.⁷⁰

RFB: 10-11-72; Annual Contract for Concrete Repair and Replacement

LUMP SUM TOTAL: twenty four thousand nine hundred thirty eight dollars and forty cents

- (1) Bidding Firm Sierra Range Construction
- (2) Corporation, Partner, Joint Venture CORPORATION
- (3) 711 N. Court St., #11, Visalia, CA 93291 or P.O. BOX 427, Visalia, CA 93279
Business Address City State Zip Code
- 559-635-0504 559-635-0499
Telephone Number Fax Number
- (4) Richard A. Jones, Jr. 12/2/11
Signature of Authorized Person (Date)

Richard A. Jones, Jr. - President
Type or Print Authorized Person's Name

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 12

Agenda Item Wording: Authorization to award annual Concrete Repair and Replacement Contract, with four (4) one year options to Sierra Range Construction Inc. of Visalia.

Deadline for Action: Dec. 19, 2011

Submitting Department: Public Works

Contact Name and Phone Number:
 Norm Goldstrom, Public Works Manager 713-4186
 Tim Fosberg, Financial Analyst 713-4565

Department Recommendation:
 Staff recommends awarding the annual concrete repair and replacement contract to Sierra Range Construction Inc. located in Visalia, CA for the "Lump Sum" bid price of \$24,938.40. The contract will be for one year, and will be eligible for annual renewal for an additional four (4) years thereafter.

Summary:
 Staff solicited bid proposals (RFB 10-11-72) seeking a contractor to provide concrete repairs and replacement services for the City. The services are for items such as sidewalks, curb and gutters, driveway approaches, and bus pads. The concrete repairs and replacement bid is for one year, and will be eligible for annual renewal for an additional four (4) years thereafter.

A "Lump Sum" bid was utilized to establish a **per unit price** that will be the basis for future project costs. The bid was comprised of six (6) standard projects commonly used by the City. The total amount of the bid is used only for comparative purposes between the bidders. The actual cost will be determined by the number and size of the concrete projects done by the City.

The RFB was advertised on Oct. 28, 2011 and on Nov. 4, 2011, with the bids publically opened on Dec. 12, 2012. Six (6) bids were received and summarized below (see Attachment 1) and are listed in order of lowest to highest bid.

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
 (Initials & date required)

Finance NA
City Atty NA
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 12. - Page 4

1. Sierra Range Construction, Inc. (Visalia)	\$24,938.40
2. Playscapes Construction, Inc. (Tracy)	\$30,168.75
3. Halopoff & Sons, Inc. (Porterville)	\$31,264.95
4. Concrete by SMC (Visalia)	\$43,099.85
5. Hobbs Construction, Inc. (Fresno)	\$44,772.50
6. West Valley Construction Co., Inc. (San Jose)	\$61,660.00

Staff evaluated the bids and Sierra Range's bid had the lowest total of the **per unit prices**. Sierra Range's bid was submitted on time and met all the RFB requirements and their "Lump Sum" bid page is presented on Attachment 2

Background:

The contract is for on-call services to provide concrete work on City-owned or right of way, for curb and gutter repairs, sidewalks, ramps, drive approaches and bus pads. Additionally, the City of Visalia is periodically contacted by property owners seeking concrete work in the right-of-way adjacent to their property frontage, for curb returns, sidewalks, ramps and drive approaches. The Contractor will provide the property owner with an estimate of the work using the contracted Per Unit Bid Price, and if agreeable to property owner, perform the work in a timely and professional manner. The property owner can pay the contractor directly or agree to have the repairs assessed to their property tax bill for the next six years.

The various concrete work done last fiscal year paid to the Sierra Range was paid out of a number funds with the majority being paid by the Gas Tax fund paying \$42,623 (currently \$90,000 is budgeted for this fiscal year), the General Fund paying \$32,554 and Transit paying \$20,298. Other smaller amounts were paid for by special revenue funds and enterprise funds.

Sierra Range was awarded the contract the last time a RFB for concrete repair was issued, and Staff's experience with Sierra Range is that they are a very capable, dependable and a professional vendor with an excellent performance history with the City.

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: N/A

Alternatives:

Attachments: #1 City of Visalia Bid Summary for RFB 10-11-72
#2 Lowest Bid - Sierra Range Construction, Inc.

Recommended Motion (and Alternative Motions if expected): I move to award the annual contract for concrete repair and replacement, to Sierra Range Construction Inc. of Visalia, with four (4) one year options.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Approval of the appointment of City Council Representatives to various boards and committees for the 2011-2013 Council term.

Deadline for Action: N/A

Submitting Department: Mayor's Office

Contact Name and Phone Number: Mayor Amy Shuklian, Donjia Huffmon 713-4512, Leslie Caviglia 713-4317

Department Recommendation: Approval of the appointment of City Council representatives to the various board and committees as recommended by Mayor Amy Shuklian.

Summary/background: I have compiled a list of recommendations for Council representatives to applicable boards, committees and task forces. I have taken into consideration several factors including consideration of which groups would benefit from continuity or the particular experience of a Council member, each Council Member's particular interests in certain issues, and an effort to balance the number of committees each Council Member attends.

I am recommending several changes to the Committee list.

As discussed at the December 5, 2011 meeting, there is a need to appoint two members of the Council to the Public Safety Communications (9-1-1 Center) Committee. I am recommending that Councilmember Nelsen and myself serve in that capacity.

The task of the Visalia Unified School District Trustee Area Election Boundary Committee has been completed and a representative is no longer needed and I am recommending deleting that committee from the list.

I am also recommending that the Natural Resources Committee be removed from the list. Since that Committee was first formed, we have added the Natural Resource Division, and we have several committees that work on issues associated with Natural Resources including water, air quality and recycling.

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head LC 12/13/11
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

I recommend that staff members City Manager Steve Salomon and Assistant City Manager Michael Olmos serve on the Tulare County Economic Development Corporation (TCEDC) as the primary and alternate members (respectively). A change in the bylaws of the TCEDC earlier this year removed the requirement that the representative be an elected official. Economic Development is very important to our community, and often requires close coordination at a staff level. For at least this Council cycle, I am recommending that we have our senior staff members represent us on this Board.

I also recommend that former City Council Member Evan Long continue to serve as the City's representative to the Lake Kaweah Expansion Project. He has served admirably in this capacity throughout the tenure of this project, which while substantially completed, still has review responsibilities.

Prior Council/Board Actions: These positions were last filled in December 2009 and subsequently amended in July 2011 after the appointment of Councilmember Sharp. The list was given to the Council at their November 30, 2011 meeting for consideration for the 2011-2013 Council term.

Committee/Commission Review and Actions: N/A

Alternatives: The Council may choose different assignments.

Attachments:

Mayor Shuklian's recommended list of Council representation on Boards/Committees

Recommended Motion (and Alternative Motions if expected): I move to approve the Mayor's recommendations to various boards and committees for the 2011-2013 Council term.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Item 13. - Page 3

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

**CITY COUNCIL REPRESENTATION ON BOARDS/COMMITTEES
2011-2013**

Board/Committee	Meeting Frequency	2011-2013
Air Service Sub-Committee	On Call	Link Gubler
Community Based Planning Committee (Kaweah Delta Health Care District)	On Call	Link Gubler
Consolidated Waste Management Authority	Meetings are held monthly on the 3 rd Thursday at noon at CHE Conf Room 1	Pri: Shuklian Alt: Nelsen
COS/Cities Coordination/ Education Subcommittee (4-year University Project)	On Call	Collins (1 only)
Council of Cities	On Call	Pri: Shuklian Alt: Link
Cross Valley Rail Corridor Joint Powers Authority	Annually	Pri: Gubler Alt: Link
Elections Process Subcommittee & Task Force	Monthly	Shuklian Gubler
General Plan Update Review Committee	Generally meet on the 3 rd Thursday of month from 4:30-6pm at CHE Conf. Room 1	Link Collins
Lake Kaweah Expansion Project	On Call	Pri: E. Long Alt: Collins
Natural Resources	On Call	Shuklian Nelsen
Public Safety Communications (9-1-1) Center	Weekly	Nelsen Shuklian
Property Based Improvement District (PBID)	Meet monthly on the 4 th Tuesday 4:00-5:30 p.m @ 103 N. Court St.	Pri: Nelsen Alt: Salomon
San Joaquin Valley Air Pollution Control Districts Special City Selection Committee	As needed to fill vacancies on the District Board. Meetings are in Fresno at SJVAPCD	Pri: Shuklian Alt: Nelsen
SPCA Task Force	On Call	Nelsen Shuklian

Item 13. - Page 5

Board/Committee	Meeting Frequency	2011-2013
Tulare Co. Association of Governments (TCAG)/Tulare Co. Transportation Authority	Monthly on the 3 rd Monday at 1 p.m. - Meetings are held in Tulare	Pri: Link Alt: Nelsen
Tulare Co. Economic Development Corp	Meet bi-monthly, on the 4 th Wednesday, 7:30-8:30 a.m. in Tulare	Pri: Salomon Alt: Olmos
TCAG Rail Committee	Meet as needed.	Gubler Link
Visalia Water Management Committee	Meets quarterly at Kaweah Delta Water Conservation District in Farmersville. Meetings are usually from 1:30-3:00 p.m.	Pri: Nelsen Alt: Collins
Visalia Civic Facilities Authority	1/yr	Collins Gubler Frost (staff)
Visalia Convention & Visitors Bureau Bd.	Meet monthly @ Marriott on 2 nd Wednesday of month 9:00 am - 10:30 am	Shuklian Collins
Visalia Economic Development Corporation	Monthly on the 3 rd Wednesday at 7:00 a.m. at 500 N. Santa Fe	Pri: Gubler Alt: Link
Visalia Unified School District Trustee Area Election Boundary Committee	Meet at least monthly on Tuesdays at 6 p.m. in the VUSD District Office Board Room.	Gubler (council) Caviglia (staff)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 14

Agenda Item Wording: Adopt Resolution No. 2011-80 approving the filing of an Urban Greening Grant application and appointing the City Manager to execute all documents and agreements. The Grant will improve Mill Creek between Johnson and Stevenson and develop the vacant property designated as "Miki City Park".

Deadline for Action: Resolution Submission Deadline – January 9, 2012.

Submitting Department: Public Works

Contact Name and Phone Number:
Andrew Benelli, Public Works Director, 713-4340
Brian Kempf, Urban Tree Foundation, 786-9677

Department Recommendation:

Staff recommends that the City Council adopt Resolution No. 2011-80 approving the filing of an Urban Greening Grant application and appointing the City Manager to execute all documents and agreements.

Summary/background:

Staff is requesting approval to apply for grant funds to develop a small park along Mill Creek between Johnson and Stevenson on the north side of Mineral King. The improvements will include trails on both sides of the Creek and landscaping between the creek and Mineral King. The Urban Tree Foundation has prepared and submitted the grant application on the City's behalf. A Council Resolution is needed to complete the application. The funding request is \$499,265 from the Urban Green Grant Program. This grant program pays for 100% of the projects and does not require matching funds from the City.

In December 2006, the City Council directed for this site to be named Miki City Park to honor Visalia's Sister City in Japan. The Council also authorized hiring a landscape architect to prepare concept plans for a Japanese themed garden. The Urban Green grant application will request funds to install trees, shrubs and irrigation in the park, but the more traditional Japanese elements that are planned for the park are not eligible. The work that will be performed with the grant funds will not prevent further development of the Japanese theme.

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 5

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 14. - Page 2

Elements that could be installed later would be statues or other art work, fencing, a pagoda, benches, water features, and hardscape.

The work that is scheduled to be completed with the Urban Green Grant includes new trails on both sides of the creek. Some of the existing asphalt on the north side of the creek will be removed to allow room to construct a trail and landscape the bank of the creek. The existing foot-bridge will remain. The work does not include modification or demolition of the Fire Department Training Room. The application also requests some funds to grade and stabilize the creek bank. The City has also requested funds from FEMA to stabilize the bank. All of the vegetation that is planned will be drought tolerant native plants but will be selected to be compatible with a Japanese theme. A Concept Plan showing the park design is attached.

The Urban Green Grant program was established when Proposition 84 was approved by California voters in November, 2006. To be a competitive application the project needs to have benefits that meet some or all of the following requirements;

- decrease air or water pollution,
- reduce the consumption of nature resources and energy,
- increase the reliability of local water supplies,
- increase adaptability to climate change.

The Mill Creek Riparian Renewal Project has been designed to satisfy as many of these goals as possible. The trails will allow people to walk or bike instead of driving a car which decreases air pollution and reduces consumption of energy and natural resources. The trees will also improve air quality. The storm water in the park is going to be directed to bio-swales so that it is filtered before it enters the creek. The irrigation system will have a "smart" controller that bases water use on local climatic conditions. The trees and plants will all be drought tolerant. Water use will be significantly less than a conventional park property.

This is the second time that the City has submitted an Urban Greening grant application for this site. The first application was not successful because it did not satisfy all of the objectives of the grant. The project was modified for this application to be more competitive. The State required all of the applicants to submit proposals describing their projects before they would review complete applications. After reviewing the proposals, they invited the best projects to submit applications. Visalia's proposal was considered competitive so the State invited the City to submit a detailed application. The State is scheduled to award the grants in April 2012.

The grant application requests \$499,265 to construct the trails, plant the trees and make the other improvements. The Urban Green Grant program does not require that the recipients contribute matching funds.

Prior Council/Board Actions: Designation of site by City Council for future Miki City Park, December 18, 2006.

Committee/Commission Review and Actions:

Alternatives: Take no action or deny the recommendation. If said request is denied, staff will not apply for grant funding.

Attachments:

Recommended Motion (and Alternative Motions if expected):

Move to adopt Resolution No. 2011-80 approving the filing an Urban Greening Grant application to improve Mill Creek between Johnson and Stevenson and develop the vacant property designated as "Miki City Park".

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Resolution No: 2011-80

**RESOLUTION OF THE CITY OF VISALIA
APPROVING THE APPLICATION FOR GRANT FUNDS FOR URBAN
GREENING GRANT PROGRAM UNDER THE SAFE DRINKING WATER,
WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL
PROTECTION BOND ACT OF 2006
(Proposition 84)**

WHEREAS, the Legislature and Governor of the State of California have provided funds for the program shown above; and

WHEREAS, the Strategic Growth Council has been delegated the responsibility for the administration of this grant program, establishing necessary procedures; and

WHEREAS, said procedures established by the Strategic Growth Council require a resolution certifying the approval of application(s) by the Applicants governing board before submission of said application(s) to the State; and

WHEREAS, the Applicant, if selected, will enter into an agreement with the State of California to carry out the project

NOW, THEREFORE, BE IT RESOLVED that the Visalia City Council;

1. Approves the filing of an application for the Mill Creek Urban Riparian Renewal Project; and
2. Certifies that Applicant understands the assurances and certification in the application; and,
3. Certifies that Applicant or title holder will have sufficient funds to operate and maintain the project(s) consistent with the land tenure requirements; or will secure the resources to do so; and
4. Certifies that it will comply with all provisions of Section 1771.8 of the State Labor Code regarding payment of prevailing wages on Projects awarded Proposition 84 Funds, and
5. If applicable, certifies that the project will comply with any laws and regulations including, but not limited to, the *California Environmental Quality Act* (CEQA), legal requirements for building codes, health and safety codes, disabled access laws, and, that prior to commencement of construction, all applicable permits will have been obtained; and
6. Certifies that applicant will work towards the Governor's State Planning Priorities intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety as included in Government Code Section 65041.1, and

Item 14. - Page 6

7. Appoints the City Manager, or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned project(s).

Approved and adopted the 19th day of December, 2011.

PASSED AND ADOPTED 12/19/2011 STEVEN M. SALOMON, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF VISALIA)



SGC 2011/2012 Urban Green Grant Program: Mill Creek Riparian Urban Renewal Project
 Site Plan



Date: 11.17.11
 Scale: 1"=60'
 Project: SGC

Mill Creek Riparian Plan

C-1

Concept Plan



Urban Tree Foundation
 700 E. Murray St.
 Visalia, Ca 93292
 559-713-0631
www.urbantree.org

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 18, 2006

Agenda Item Number (Assigned by City Clerk): 7c

Agenda Item Wording: Approve the recommendation by the Parks and Recreation Commission to establish the name of "Miki City Park" for the City owned parcel located at Mineral King and Stevenson and authorize the City Manager to execute the agreement between the City and Saito Associates Landscape Architects for an amount not-to-exceed \$28,000 for design serves related to the project.

Deadline for Action: N/A

Submitting Department: Parks & Recreation Department

Contact Name and Phone Number: Vincent Elizondo, 713-4367

Staff Recommendation:

City staff recommends that the City Council:

1. Approve the recommendation by the Parks & Recreation Commission to establish the name of "Miki City Park" for the vacant parcel of property owned by the City of Visalia (south of Mill Creek) located at Mineral King and Stevenson.
2. Authorize the City Manager to execute the contract agreement between the City of Visalia and Saito Associates Landscape Architects for an amount not-to-exceed \$28,000 for design services related to the future "Miki City Park" site.

Background:

For several years now, the City of Visalia has been exploring a number of options related to recognizing our sister City in Japan --- Miki City. This issue was visited by City staff and the Parks and Recreation Commission during meetings held over a four month period between June 2005 and September 2005. By ordinance the Park and Recreation Commission has the responsibility to recommend park names for consideration by the City Council. These discussions concluded with a formal recommendation by the Commission that the vacant parcel (south of Mill Creek) located at Mineral King and Stevenson would be the ideal location for a

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Resolution 2011-79 accepting a portion of a 10.5-acre City owned property into the public street system for McAuliff Street, Tulare Avenue and Vista Street. (APN 101-280-019 and 101-250-076)

Deadline for Action: N/A

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:
Doug Damko, Senior Civil Engineer, 713-4268
Adam Ennis, Assist. Director of Engineering, 713-4323
Chris Young, Community Development Director, 713-4392

Department Recommendation: Staff recommends that Council adopt Resolution 2011-79 accepting a portion of a 10.5-acre City owned property into the public street system for McAuliff Street, Tulare Avenue and Vista Street. (APN 101-280-019 and 101-250-076)

Summary: The City acquired this 10.5-acre parcel for the construction of a drainage basin as identified in the Storm Water Master Plan. This 10.5-acre parcel is owned in fee and 2.15 acres of this parcel is planned to contain constructed road improvements for McAuliff Street, Tulare Avenue and Vista Street. The street improvements on McAuliff Street are completed. A portion of the street improvements on Tulare Avenue and Vista Street are currently under construction as part of the City's Creekside Park and Storm Basin Improvement Project that was awarded to Construction Development Systems, Inc. at the Council meeting on August 15, 2011. This 2.15 acre portion needs to be established as public street right of way and accepted by resolution of Council into the City's public street system. This will allow public utilities to utilize this public right of way for their facilities under their franchise agreements with the City. This acceptance does not change the City's ownership of this 10.5-acre parcel.

Background: On January 21, 1991 Council adopted Resolution 91-08 authorizing the acquisition of this 10.5-acre parcel from the Dooley family for use as a riparian drainage basin to serve surrounding properties including the 296-acre Dooley Annexation (88-01). The drainage basin is located adjacent to Packwood Creek and has been used for the dual use of retaining storm water runoff and receiving creek flows for groundwater recharge. The addition of the park component was made by the Parks & Recreation Department during the development of the surrounding subdivisions. Upon completion of the City's Creekside Park and Storm Basin Improvement Project this 10.5-acre parcel will be a complete, tri-use park and drainage basin with groundwater recharge capability.

For action by:
 City Council
 Redev. Agency Bd.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Authority for this action is based on California Streets & Highways Code Section 1806. This section states that no city shall be held liable for failure to maintain any road until it has been accepted into the city street system and that no public or private street or road shall become a city street or road until the governing body, by resolution, has caused the street or road to be accepted into the city street system.

Prior Council/Board Actions: None.

Committee/Commission Review and Actions: None

Alternatives: None

Attachments: Location Map, Resolution with Exhibit "A" and Exhibit "B"

Recommended Motion (and Alternative Motions if expected):
"I move to adopt Resolution 2011-79 accepting a portion of a 10.5-acre City owned property into the public street system for McAuliff Street, Tulare Avenue and Vista Street. (APN 101-280-019 and 101-250-076)"

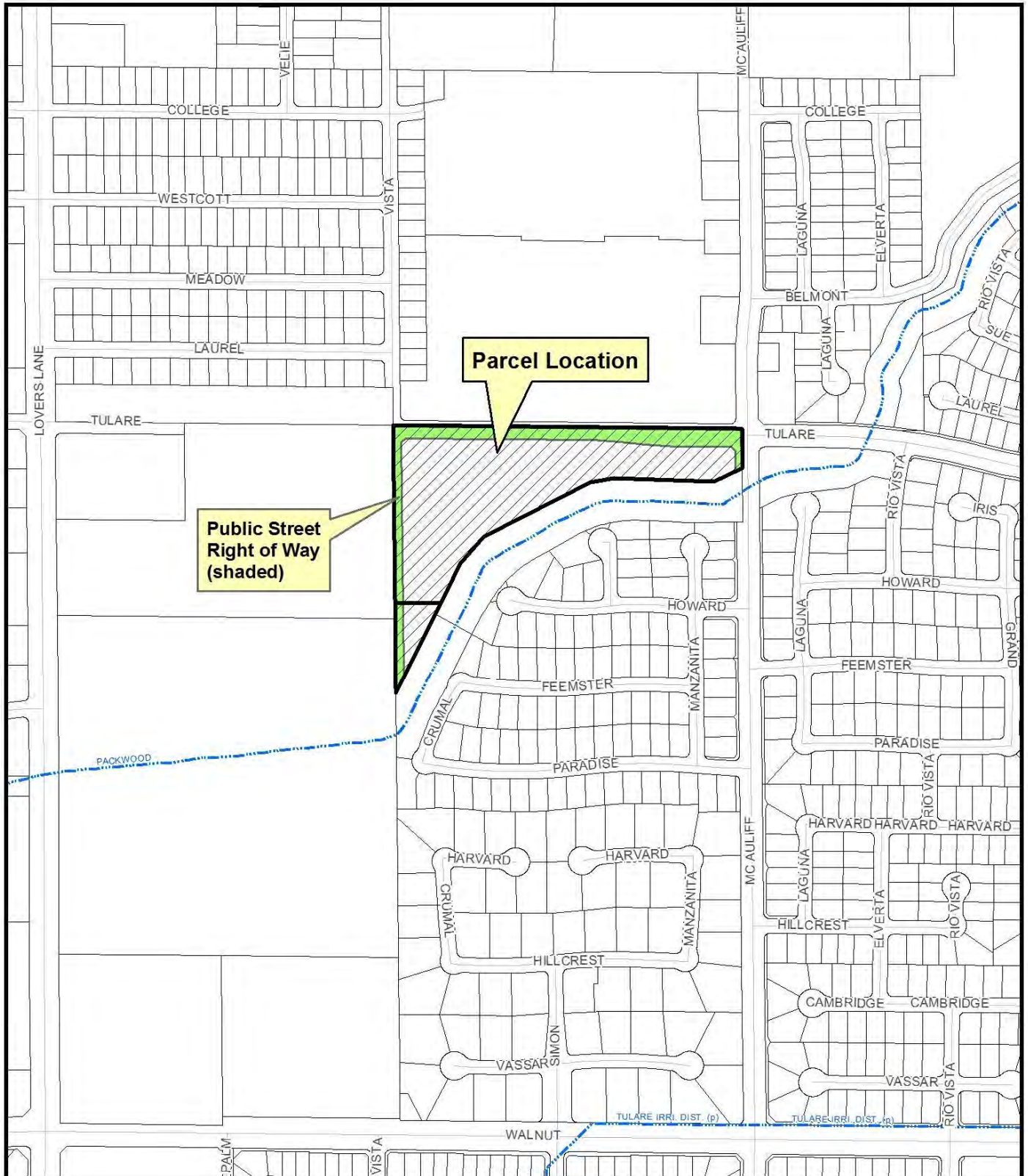
Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:



10.5-acre City Owned Parcel Location Map



1 inch = 500 feet

RESOLUTION NO. 2011-79

**ACCEPTANCE OF CITY OWNED
PROPERTY INTO PUBLIC STREET SYSTEM**

WHEREAS, the City of Visalia owns a 10.5-acre parcel of real property described in Grant Deed Document 10002 recorded February 20, 1991 as a portion of the Northeast Quarter of the Southwest Quarter of Section 34, Township 18 South, Range 25 East, Mount Diablo Base and Meridian, in the City of Visalia, County of Tulare, State of California; and,

WHEREAS, the City of Visalia desires to accept a 2.15-acre portion of said real property into the public street system; and,

WHEREAS, said portion is more particularly described as follows:

See Exhibit "A" (legal description) and Exhibit "B" (plat of the area described) attached and made a part thereof;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Visalia does hereby accept into the public street system the above-described portion of said real property.

Item 15. - Page 5

EXHIBIT A

A portion of that parcel of land conveyed to the City of Visalia, per that Grant Deed recorded February 20, 1991, as Inst. No. 10002, located in the Northeast Quarter of the Southwest Quarter of Section 34, Township 18 South, Range 25 East, Mount Diablo Base and Meridian, in the City of Visalia, County of Tulare, State of California, described as follows;

Beginning at the Center of said Section 34, and the Northeast corner of said parcel of land;

Thence, South 00°37'46" East along the East line of said parcel and Northeast quarter, 146.91 feet;

Thence, South 89°22'14" West, 20.00 feet;

Thence, South 64°58'02" West, 24.16 feet, to the West right of way line of McAuliff Street;

Thence, North 00°37'46" West along said West right of way line, 65.86 feet;

Thence, North 45°01'26" West, 37.02 feet, to a line parallel with and 66.00 feet South of the North line of said Northeast quarter and parcel;

Thence, North 89°24'58" West along said parallel line, 82.98 feet;

Thence, westerly 188.94 feet, along a curve concave to the North, having a radius of 1442.00 feet, and central angle of 07°30'26";

Thence, continuing westerly 177.93 feet, along a reverse curve concave to the South, having a radius of 1358.00 feet, and central angle of 07°30'26", to a line parallel with and 42.00 feet South of the North line of said Northeast quarter and parcel;

Thence, North 89°24'58" West along said parallel line, 754.07 feet;

Thence, South 45°00'31" West, 28.57 feet, to a line parallel with and 28.00 feet East of the West line of said Northeast quarter and parcel;

Thence, South 00°34'00" East along said parallel line, 879.89 feet, to the South line of said parcel;

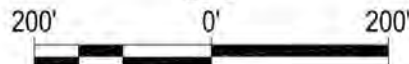
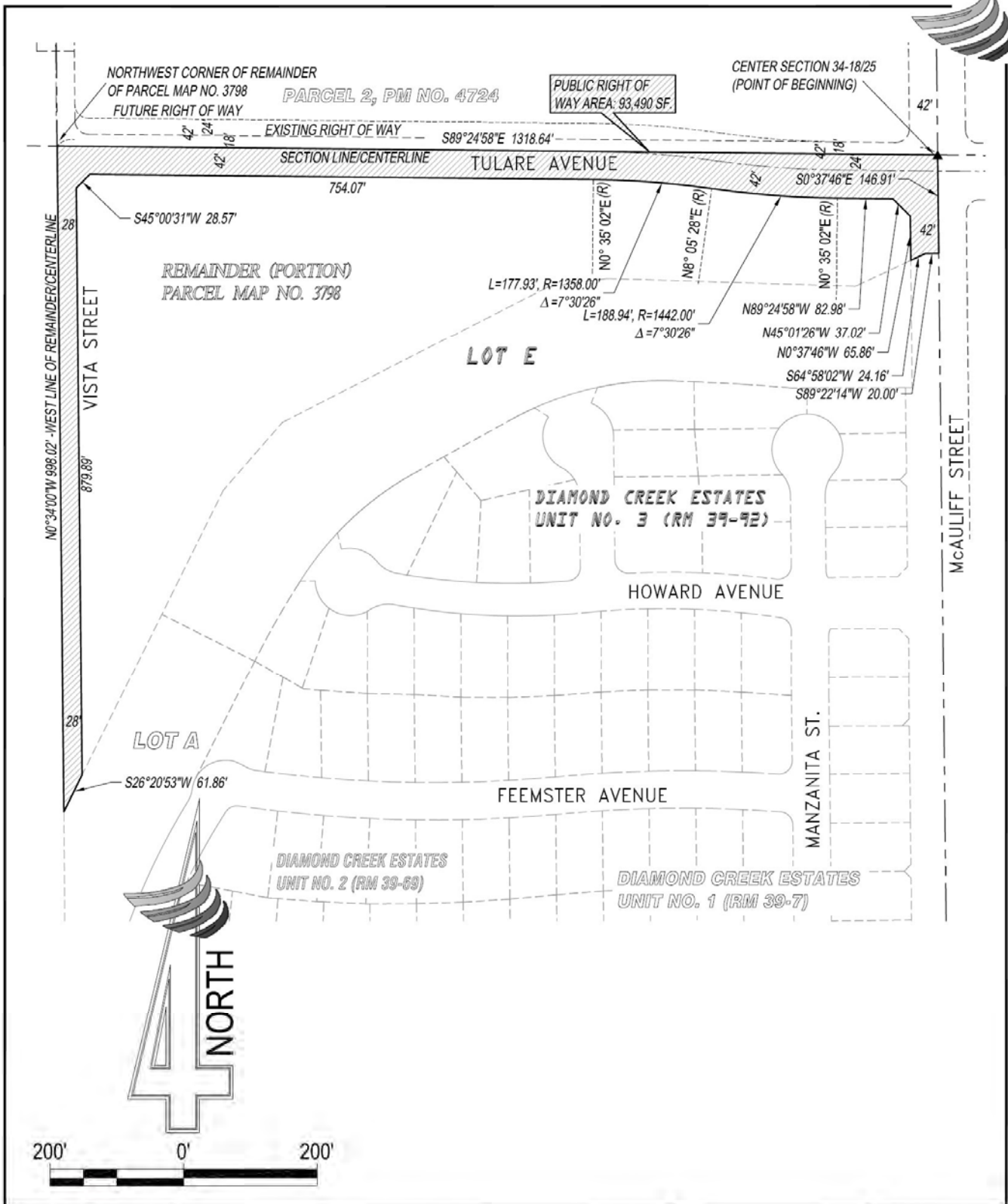
Thence, South 26°20'53" West along said South line, 61.86 feet, to the Southwest corner of said parcel and West line of said Northeast quarter;


Thence, North 00°34'00" West along said West line, 998.02 feet, to the Northwest corner of said parcel of land and North line of said Northeast quarter;

Thence, South 89°24'58" East along said North line, 1318.64 feet, to the TRUE POINT OF BEGINNING;

(Right of Way containing approximately 93,490 sf. more or less)





 <p>2929 W. Main St., Ste. A Visalia, CA 93291 (559) 802-3052</p>	<p>EXHIBIT B Tulare Ave. and Vista St. Right of Way Visalia, Ca</p>	09164
		09164-RW LEGAL
		11/29/11
		1"=200'
		1 OF 1

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 16

Agenda Item Wording: Authorization to enter into a renewal agreement for the spring 2012 semester with TCAG for student transit services at the College of Sequoias (COS).

Deadline for Action: December 19, 2011.

Submitting Department: Administration – Transit Division

Contact Name and Phone Number:
Monty Cox 713-4591; Leslie Caviglia 713-4317

Department Recommendation: Authorization to enter into a renewal agreement for the spring 2012 semester with TCAG for student transit services at the College of Sequoias (COS).

Summary/Background: Various requests for a discounted student transit pass were received during the 2010 Unmet Needs process which were found to be an unmet transit need not reasonable to meet by TCAG Board. However, an innovative program suggested by a COS Profession resulted in the COS Student Bus Pass program. The COS Student Bus Pass program was approved by a COS student vote in fall of 2010 and began implementation in January of 2011. COS students pay a \$5 fee as part of their tuition which entitles them to use their student IDs for unlimited rides on the fixed routes in Tulare and Kings Counties (Dinuba Area Regional Transit (DART), Kings Area Rural Transit (KART), Porterville Transit, Tulare County Area Transit (TCAT), Tulare InterModal Express (TIME), and Visalia Transit (VT). COS has helped supplement the fee for students by contributing 40 cents for each student enrolled. Transit ridership across Tulare & Kings County has seen ridership increases directly attributable to this program.

Participation in the COS pass encourages students to take advantage of available transit, increases transit ridership, and develops a larger “choice” transit rider market. The availability of transit services for COS students will continue to provide the opportunity for student with limited means of transportation to get to and from school. COS will continue to collect the fees from students enrolled at the college for the spring 2012 semester. The COS student bus pass program was proven to be successful with over 115,000 student riders during the spring 2011 semester and over 97,000 riders during the fall 2011 semester for the college.

TCAG conducted a 2011 Tulare-Visalia Community College Connection Transit Study to determine what it would take for this student pass program to be successful long-term. The

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:
 Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

draft report provided recommended modifications to this agreement for long term. A draft of the study has been completed and identifies future needs and a long term sustainability strategy for the COS student bus pass program for the three COS campuses. The study provides recommendations to supplement funding for the student transit pass program. It indicated that an additional source of funds will be required long term to sustain the program in light of the significant ridership experience thus far. For example, in Visalia, the Mooney Blvd route has had to add a bus during peak hours to accommodate the current ridership. The study indicated this increase is at least 40% due to the COS student pass program.

This extension is only for one more semester so that additional details can be addressed regarding this additional cost. The cost of operating the extra bus during peak hours will be included in the final long term agreement, as well as any other agency increased costs that are identified during the current semester. Without an adjustment to cover these increased operating costs it will be more difficult for us and other agencies to meet our state and/or federal farebox recovery requirements. Staff is confident this approach will result in the sustainable long-term student pass program all agencies will be satisfied with.

The attached amendment will amend the original Spring 2011 agreement between City of Visalia & TCAG to provide transit services for COS students on similar terms for the spring 2012 semester. TCAG has an agreement with COS to participate in the student bus pass program as long as transit providers are willing.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives: None

Attachments: Agreement

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I move that the City Council authorize the City Manager to enter in a renewal agreement with Tulare County Association of Governments (TCAG) for the spring 2012 semester for student transit services at the College of Sequoias (COS).

Financial Impact

Funding Source:

Account Number:

Budget Recap:

Total Estimated cost:	\$ 0	New Revenue:	\$ 0
Amount Budgeted:	\$ 0	Lost Revenue:	\$
New funding required:	\$ 0	New Personnel:	\$
Council Policy Change: Yes _____ No <u>X</u>			

Environmental Assessment Status

CEQA Review:

Required? No
Review and Action: Prior:
Require:

NEPA Review:

Required? No
Review and Action: Prior:
Require:

Tracking Information: *Record a Notice of Completion with the County Recorder*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 17

Agenda Item Wording: Authorize the City Manager to:

- Enter into professional service agreement with Quad Knopf for Construction Staking and Survey Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$170,300.00.
- Enter into professional service agreement with Kleinfelder for Materials Testing Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$429,335.00.
- Extend the contract with TRC as the engineer of record to include construction support, environmental permit compliance and aesthetic design in an amount not to exceed \$597,910.00.
- Accept an update regarding the architectural features for the Plaza Drive Interchange, authorize public review and comment process, and return on January 17, 2012 with a final architectural concept.
Project Number 3011-00000-720000-0-9438.

Deadline for Action: December 19, 2011

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:
Fred Lampe, Senior Civil Engineer 713-4270
Adam Ennis, Assistant Director - Engineering 713-4323,
Chris Young, Community Development Director 713-4392

For action by:
 City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Department Recommendation: Authorize the City Manager to:

- Enter into professional service agreement with Quad Knopf for Construction Staking and Survey Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$170,300.00.
- Enter into professional service agreement with Kleinfelder for Materials Testing Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$429,335.00.
- Extend the contract with TRC as the engineer of record to include construction support, environmental permit compliance and aesthetic design in an amount not to exceed \$597,910.00.

- Accept an update regarding the architectural features for the Plaza Drive Interchange, authorize public review and comment process, and return on January 17, 2012 with a final architectural concept.

Contract award for the above services is subject to Caltrans and Economic Development Administration (EDA) approval.

The construction of the “architectural features” may be paid for through State funding sources already in place. If State funding cannot be used, then Measure R funds may be used. A budget for this phase of the construction will be developed once the design has been completed. Staff will evaluate funding sources and will bring back a plan when Council is asked to authorize construction of the architectural features.

Summary: The Plaza Drive Interchange Modification and Widening Project will widen Plaza Drive from Airport Drive to Goshen Avenue. Modifications to the interchange at State Route 198 include bridge and ramp widening. Auxiliary lanes will be added to State Route 198 connecting the ramps at Plaza Drive to the ramps at State Route 99.

The construction contract was awarded to Emmett’s Excavation, for \$15,884,953.65, on November 7, 2011. The construction management agreement was awarded to Mendoza & Associates on November 21, 2011. Construction is expected to begin in January/February, 2012 therefor staff is requesting these agreements be approved in order to complete the construction team.

On November 8th, 2011 the City received proposals from seven (7) firms to provide Construction Staking and Surveying services for the Plaza Drive Interchange Modification and Widening Project. Quad Knopf was chosen as the most qualified firm and will perform the services on a time and material basis with a not to exceed limit of \$170,300.00. The amount is 1.1% of the construction contract and is within industry standards.

On November 8th, 2011 the City received proposals from five (5) firms to provide Material Testing services for the Plaza Drive Interchange Modification and Widening Project. Kleinfelder was chosen as the most qualified firm and will perform the services on a time and material basis with a not to exceed limit of \$429,335.00. The amount is 2.7% of the construction contract and is within industry standards.

The City will need the engineer of record, TRC, to provide construction support for the project. TRC will produce “As-Awarded plans and specifications, review shop drawings and submittals for conformance to plans and specifications, answer questions related to the design, produce “As-Built” drawings per Caltrans standards, and provide environmental support for permit compliance. In addition to the construction support tasks the city has asked TRC to include design costs for architectural features on the interchange. TRC’s fees for construction support are \$442,912.00 or 2.8% of the construction contract. Fees for endangered species surveys, endangered species training, and storm water monitoring are \$52,060.00 or 0.3% of the construction contract. Fees for structural design of proposed architectural features are \$102,938.00. The cost of constructing the architectural features will be determined as the design is completed. The total fees for the three tasks above are not to exceed \$597,910.00.

Architectural Features:

August 15, 2011 City Council approved a review process to explore and recommend architectural features for the Plaza Drive Interchange Modification. A committee was formed including members of the Visalia Arts Consortium, the Visalia Citizen’s Advisory Committee, Caltrans, the engineer of record (TRC), architectural consultant (Taylor-Teter), and City staff.

Item 17. - Page 3

Through several meetings a concept was formed and is attached for your consideration. Staff proposes to publish the rendering on the City's web site, display it at City Hall and invite comment for two weeks. Staff will compile the comments and return on January 17th with a summary. At that time Staff will ask to proceed with formal Caltrans approval and design. The final architectural treatments will be added to the construction contract as a change order. Staff requests Council authorization to undertake the public review and comment period and return to Council on January 17, 2012 with a final design for Council consideration.

Background: The City of Visalia entered into a cooperative agreement with the State Department of Transportation (Caltrans) for the construction of the Plaza Drive Interchange Modification and Widening Project. The City agreed to complete the interchange modifications, bridge widening, and auxiliary lanes according to Caltrans specifications and with Caltrans oversight. The cooperative agreement requires the City to furnish qualified support staff, subject to approval of the State, to assist in but not limited to construction surveys, soils and foundation tests, measurement and computation of quantities, testing of construction materials, checking shop drawings, preparation of estimates and reports, preparation of "As-Built" drawings, and other inspection and staff services necessary to assure the construction is being performed in accordance with the plans and specifications.

Construction Staking and Surveying Services: On October 11, 2011 the City Purchasing Department issued a Request for Proposals (RFP) for Construction Staking and Surveying Services for the Plaza Drive Interchange Modification and Widening Project. Seven (7) firms submitted proposals.

The proposals were rated by a committee of City and Caltrans staff. The committee was made up of a City Senior Civil Engineer, City Civil Engineer, and a Caltrans Structural Representative. The City's rating scale uses five criteria to evaluate each proposal: 1) Merit of Proposal/Presentation, 2) Knowledge and Experience, 3) Understanding of the Project, 4) Past Performance, 5) Knowledge of Local Conditions (Work in Caltrans District 6). Quad Knopf was chosen as the most qualified firm based on their proposal.

The seven firms responding to the RFP were:

- 4 Creeks (Visalia)
- California Construction Surveying (El Nido)
- Central Valley Engineering and Surveying (Selma)
- Espinosa Surveying (Fresno)
- MNS Engineering (Bakersfield)
- Provost & Pritchard (Visalia)
- Quad Knopf (Visalia)

Quad Knopf successfully completed construction staking and surveying for two Highway 198 overcrossing projects for the City of Visalia, the Santa Fe Overcrossing and the Ben Maddox Widening. The construction contracts were \$5.5 million for the Santa Fe Overcrossing and \$4.8 million for the Ben Maddox project. Both projects included bridge structures with Caltrans oversight.

Quad Knopf staff are licensed professional surveyors with construction experience. They are familiar with Caltrans methods of surveying.

Material Testing Services: On October 11, 2011 the City Purchasing Department issued a Request for Proposals (RFP) for Material Testing Services for the Plaza Drive Interchange Modification and Widening Project. Five (5) firms submitted proposals.

The proposals were rated by a committee of City and Caltrans staff. The committee was made up of a City Senior Civil Engineer, City Civil Engineer, and a Caltrans Structural Representative. The City's rating scale uses five criteria to evaluate each proposal: 1) Merit of Proposal/Presentation, 2) Knowledge and Experience, 3) Understanding of the Project, 4) Past Performance, 5) Knowledge of Local Conditions (Work in Caltrans District 6). Kleinfelder was chosen as the most qualified firm based on their proposal.

The five firms responding to the RFP were:

- Alta Vista (Sacramento)
- Kleinfelder (Fresno)
- Krazan (Clovis)
- Moore Twining (Fresno)
- Technicon (Fresno)

Kleinfelder is qualified to provide material testing services for the Plaza Drive Interchange Modification and Widening Project. Their staff consists of licensed professional engineers and Caltrans certified technicians. Two Caltrans certified laboratories are available in Fresno and Bakersfield. Kleinfelder has experience with numerous Caltrans bridge projects.

Construction Support (Engineer of Record): In order to provide the construction support required by cooperative agreement with Caltrans, staff is requesting that TRC's contract be extended into the construction phase of the project. TRC is presently the engineer-of-record and along with its sub-consultants has designed and signed all of the plans and specifications. TRC's tasks will include producing "As-Awarded plans and specifications, reviewing shop drawings and submittals for conformance to plans and specifications, answering questions related to the design, and producing "As-Built" drawings per Caltrans standards. TRC will also provide biological surveys and training in endangered species to meet permit requirements from Army Corps of Engineers, Federal Fish and Wildlife, State Water Quality Board, and State Department of Fish and Game. . In addition to the construction support tasks the city has asked TRC to include design costs for architectural features on the interchange.

TRC fees are as follows:

Construction Support	\$442,912.00
Permit Compliance	\$52,060.00
<u>Architectural Design</u>	<u>\$102,938.00</u>
Total	\$597,910.00

Item 17. - Page 5

Prior Council/Board Actions:

1999 – Approve PSR
February 2006 – Approve time extension
August, 2006 – Approve Mitigated Negative Declaration
August, 2007 – Approve Contract with TRC
May, 2011 – Approve TRC Scope Amendment
August, 2011 – Approve Developing Architectural Themes
October, 2011 – Approve TRC Scope Amendment
November, 2011 – Award Construction Contract to Emmett's Excavation, Inc.
November, 2011 – Award Resident Engineer/Construction Management Agreement to Mendoza & Associates

Committee/Commission Review and Actions:

Alternatives: None

Attachments: Project Site Map – Exhibit #1
Architectural Rendering – Exhibit #2

Recommended Motion (and Alternative Motions if expected): I move to authorize the City Manager to:

- Enter into professional service agreement with Quad Knopf for Construction Staking and Survey Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$170,300.00.
- Enter into professional service agreement with Kleinfelder for Materials Testing Services for the Plaza Drive Interchange Modification and Widening Project. The fee will be an amount not to exceed \$429,335.00.
- Extend the contract with TRC as the engineer of record to include construction support, environmental permit compliance and aesthetic design in an amount not to exceed \$597,910.00.
- Accept the present plan to add architectural features to the Plaza Drive Interchange, authorize public review and comment process, and return on January 17, 2012 with a final architectural concept.

Project Number 3011-00000-720000-0-9438.

Environmental Assessment Status

CEQA Review: Mitigated Negative Declaration – approved by council August 2006

NEPA Review: Finding of No Significant Impact – August 2006

Recertification: February 2011

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Exhibit 1
Project Site Map



Exhibit 2

Architectural Rendering



PLAZA DRIVE BRIDGE
VISALIA, CA

City of Visalia Agenda Item Transmittal	For action by: <input checked="" type="checkbox"/> City Council <input type="checkbox"/> Redev. Agency Bd. <input type="checkbox"/> Cap. Impr. Corp. <input type="checkbox"/> VPFA
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Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 18

Agenda Item Wording: Request authorization to submit a joint application with the Tulare County Association of Governments for a Station Planning Grant in the amount of \$600,000 from the California High Speed Rail Authority for planning activities associated with the Kings-Tulare Regional High Speed Train Station generally located at the juncture of State Highways 198, State Highway 43, and the Cross Valley Railroad.

Resolution 2011-81 required.

Deadline for Action: NA

Submitting Department: Administration

Contact Name and Phone Number: Mike Olmos 713-4332

Department Recommendation: That Council authorize submittal of a joint application with the Tulare Council Association of Governments (TCAG) for a Station Planning Grant in the amount of \$600,000 for the Kings-Tulare High Regional Speed Train Station. The grant application will facilitate preparation of necessary studies, strategies and recommendations for station site planning and regional transit connectivity, including comprehensive public outreach activities and supporting economic analysis and a financing plan and implementation plan for a station site to be located near the juncture of State Highway 198 and State Highway 43, east of Hanford.

If approved, the grant would primarily be funded by the High Speed Rail Authority (\$500,000). The planning grant application is proposed to also include a local match comprised of \$60,000 in financial participation and \$40,000 in in-kind staff services (total \$100,000). On December 5, 2011, the TCAG Board took action to approve TCAG's participation in the planning grant an allocated funding for the local financial match. There are no City of Visalia funds proposed to be allocated for this funding match.

Summary: The California High Speed Rail Authority is continuing efforts to initiate construction of the first segments of the High Speed Train (HST) system in 2012. For a variety of reasons, the HST project is currently receiving both significant criticism and support throughout the State. Opponents of the project are seeking to delay or stop the project. Given the significant

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):15

Review:

Dept. Head _____
 (Initials & date required)

Finance _____
City Atty _____
 (Initials & date required or N/A)

City Mgr _____
 (Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

controversy surrounding the project, it is uncertain whether construction will commence as planned.

If the California High Speed Rail project is built, the initial segments of the rail system are designated to be in the Central Valley, between Merced and Bakersfield. Other segments of the rail system would be built as funding becomes available. In addition, the High Speed Rail Authority and Federal Rail Administration have prioritized initial station area planning for the following jurisdictions: Merced, Fresno, Bakersfield, **Kings-Tulare**, Palmdale, San Jose, and Gilroy. Grant funding is being made available to local governments for station planning efforts. Station planning grant applications are now under review by the High Speed Rail Authority for Merced, Fresno, and Gilroy.

The High Speed Rail project has generated significant statewide and local controversy on several issues, including cost projections for project buildout, choice of initial segments, land use and property conflicts in several areas of the alignment, and other concerns. These issues need to be addressed by the High Speed Rail Authority in collaboration with affected localities and residents. Funding issues will be decided by federal and state governments, and the voters.

It is unknown at this point whether the issues related to the high speed train system will be resolved sufficiently for construction to commence in 2012 as currently scheduled. Nonetheless, if the project moves to construction, it is very advantageous to the Kings County and Tulare County region to have a high speed train station nearby. Due to significant public controversy about the rail alignment in Kings County, no local governments in Kings County have stepped forward to date to request the planning grant and undertake the study. Significant opposition to the high speed train alignment and declarations of opposition from Kings County cities and the county government has made it apparent that no local government entity in Kings County will take responsibility for station planning. Because the Kings-Tulare Station will be a regional station, the High Speed Rail Authority has stated that it is permissible for another entity in the region, such as Visalia and TCAG, to file an application for station planning. Staff recommends filing the joint planning grant application with TCAG so the potential for a future station is not lost.

The High Speed Rail Authority has made it clear that station planning efforts must be the responsibility of jurisdictions in the service area of the individual stations. The Authority has allocated funds for station planning efforts to be distributed as grants to qualifying jurisdictions. The cost for the Kings-Tulare station planning effort, including public outreach, transit interconnectivity study, downtown transit oriented development studies (for outlying cities with downtown transit centers that will provide transit connections to the station), and financial and implementation studies is estimated at \$600,000. Funding for Kings-Tulare Regional Station planning is proposed according to the following formula:

Federal ARRA Allocations	\$300,000
Prop 1A High Speed Rail Bond Funds	\$200,000
Local Financial Match	\$60,000
Local In-kind Services	\$40,000

TOTAL GRANT REQUEST

\$600,000

The Project Environmental Impact Report for the Fresno to Bakersfield segment of the High Speed Train system shows the preliminary location for the Potential Kings-Tulare Regional Station near the juncture of State Highway 198, State Highway 43, and the Cross Valley Railroad Line. This site is located about 3 miles east of Downtown Hanford, and near Hanford's eastern city limits. The EIR includes a basic station site layout for this preliminary location. The joint station planning application will focus on establishing a basic station site only as shown in the EIR. Any future development that may be considered for properties around the basic station would be planned by the City of Hanford, if and when it expands easterly to encompass the station site, or by the County of Kings.

Most of the work to be performed under the grant, if awarded, will be done by consultants with expertise in the tasks covered in the work plan. In-kind staff services will include Visalia/TCAG management of the consultant work, participating in outreach efforts, and interaction with affected jurisdictions in both Kings County and Tulare County.

Station Site Alternatives

In 2010, the High Speed Rail Authority selected a preferred, approximate high speed train route that generally follows the BNSF Railroad through Kings County. The route includes an "East Hanford Bypass", a loop that moves the line away from the BNSF to the east around the City of Hanford, then reconnects to the BNSF. The preferred high speed train route also designates a "Potential Kings-Tulare Regional Station" site located near the juncture of Highways 198 and 43, near the Cross Valley Railroad line. This station site has been supported by the City Council as suitably accessible for the region.

Recently, the High Speed Rail Authority announced that it will now reconsider an alternate high speed rail route creating a loop to the west of Hanford (West Hanford Bypass). HSRA staff has stated that the reconsideration of the West Hanford Bypass is in response to directives from the U.S. Environmental Protection Agency and Army Corps of Engineers that an alternate route for the high speed train be analyzed. The West Hanford Bypass would place a station site on the west side of Hanford, increasing the distance from Visalia to the future station by several miles. The increased distance to a west of Hanford station from Visalia and other cities in the East Valley will decrease accessibility and convenience for our residents and may potentially reduce ridership. For these reasons, staff recommends that the Station Planning Grant be specifically designated only for the station site east of Hanford at Highways 198 and 43.

Prior Council/Board Actions: On August 2, 2010, the City Council adopted Resolution No. 2010-45 supporting a high speed train alignment and station site for the Kings-Tulare Regional Station near the juncture of State Highway 198 and State Highway 43.

Committee/Commission Review and Actions: N/A

Alternatives: The City Council could decide to not participate in the joint application for a station planning grant. If this happens, planning the Kings-Tulare Regional Station will not be

done unless other jurisdictions in the region step forward to request a planning grant. If no other jurisdiction steps forward to do this work, the station will not be developed.

Attachments:

1. Conceptual East Hanford Station Site Plan (from HSRA's Draft Environmental Impact Report)
2. Preliminary High Speed Rail alignment and station site (from HSRA's Draft EIR)
3. Resolution No. 2011-___

Recommended Motion (and Alternative Motions if expected): Move to adopt Resolution No. 2011-___ authorizing a joint application with TCAG for a Station Planning Grant in the amount of \$600,000 for the Kings-Tulare Regional Station Site near the juncture of State Highway 198 and State Highway 43, east of Hanford.

Environmental Assessment Status

CEQA Review: NA

NEPA Review: NA

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to: NA

RESOLUTION NO. 2011-81

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF VISALIA, CALIFORNIA, APPROVING
THE FILING OF A JOINT APPLICATION WITH THE
TULARE COUNTY ASSOCIATION OF GOVERNMENTS
FOR HIGH SPEED RAIL STATION LAND USE
AND IMPLEMENTATION PLANNING**

WHEREAS, The California High Speed Rail Authority (“Authority”) has been delegated the responsibility by the Legislature of the State of California for the planning and construction of the Statewide High Speed Rail Project; and,

WHEREAS, The Authority has invited the City of Visalia (“City”) and the Tulare County Association of Governments (TCAG) to apply for up to \$300,000 of American Recovery and Reinvestment Act of 2009 funds, and up to \$200,000 of State Proposition 1A funds for the development of station site improvements, implementation and funding plans for regional connectivity to the Kings-Tulare High Speed Train Station (the “Project”); and,

WHEREAS, The City and TCAG will jointly enter into a contract with the California High Speed Rail Authority to complete the grant scope project.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VISALIA DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. The City Council approves the filing of a joint Application for the Project.

SECTION 2. The City Council certifies that the Applicant has or will have available, prior to commencement of any work on the Project including this application, sufficient funds to complete the Project.

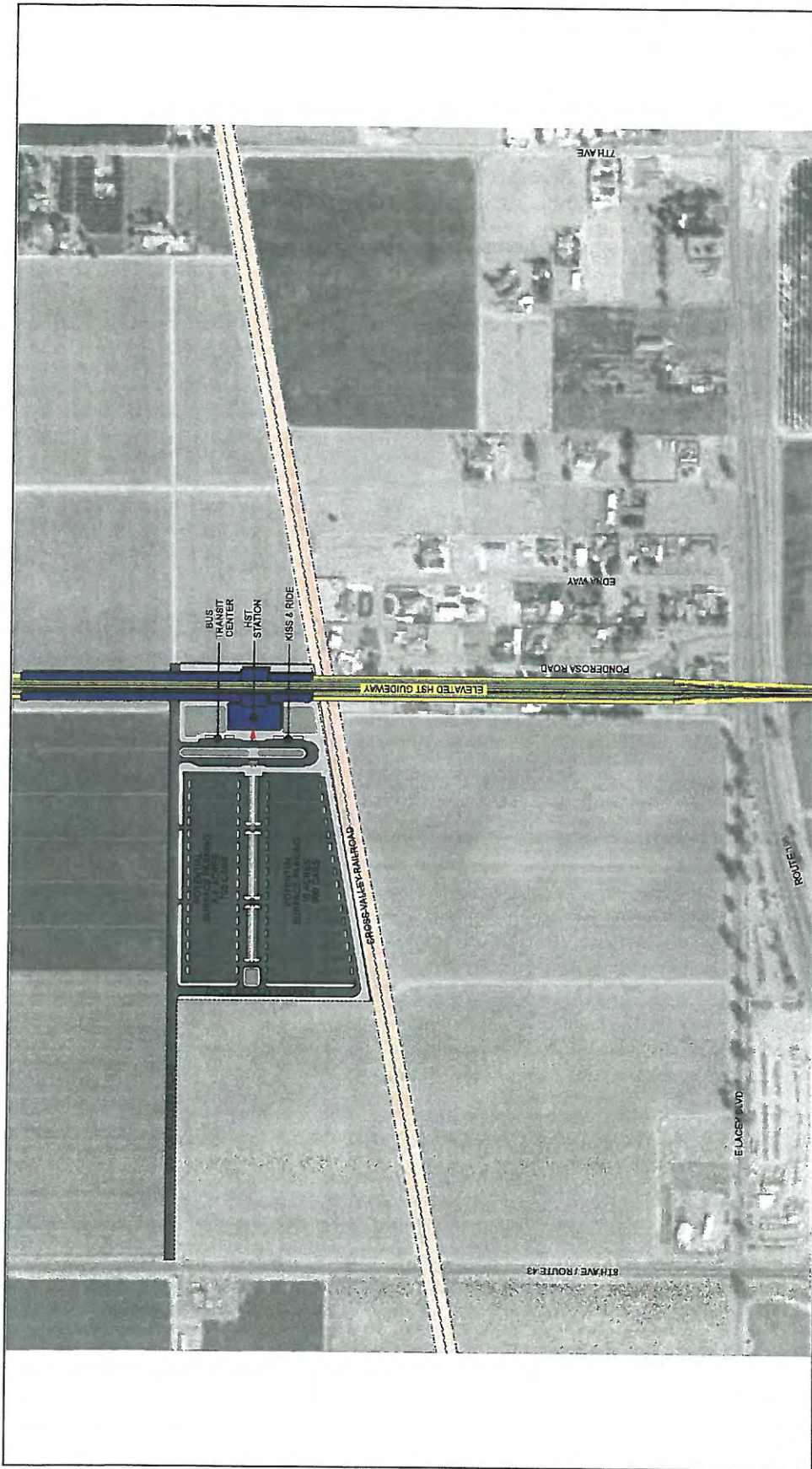
SECTION 3. The City Council has reviewed, understands and agrees to the general provisions contained in the contract shown in the Grant Administration Guide.

SECTION 4. The City Council delegates the authority to the City Manager of the City to conduct all negotiations, sign and submit all documents, including, but not limited to, applications, agreements, amendments and payment requests, which may be necessary for the completion of the grant scope.

SECTION 5. The City Council agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

PASSED AND ADOPTED by the City Council of the City of Visalia at a regular meeting held on the 19th day of December 2011, by the following:

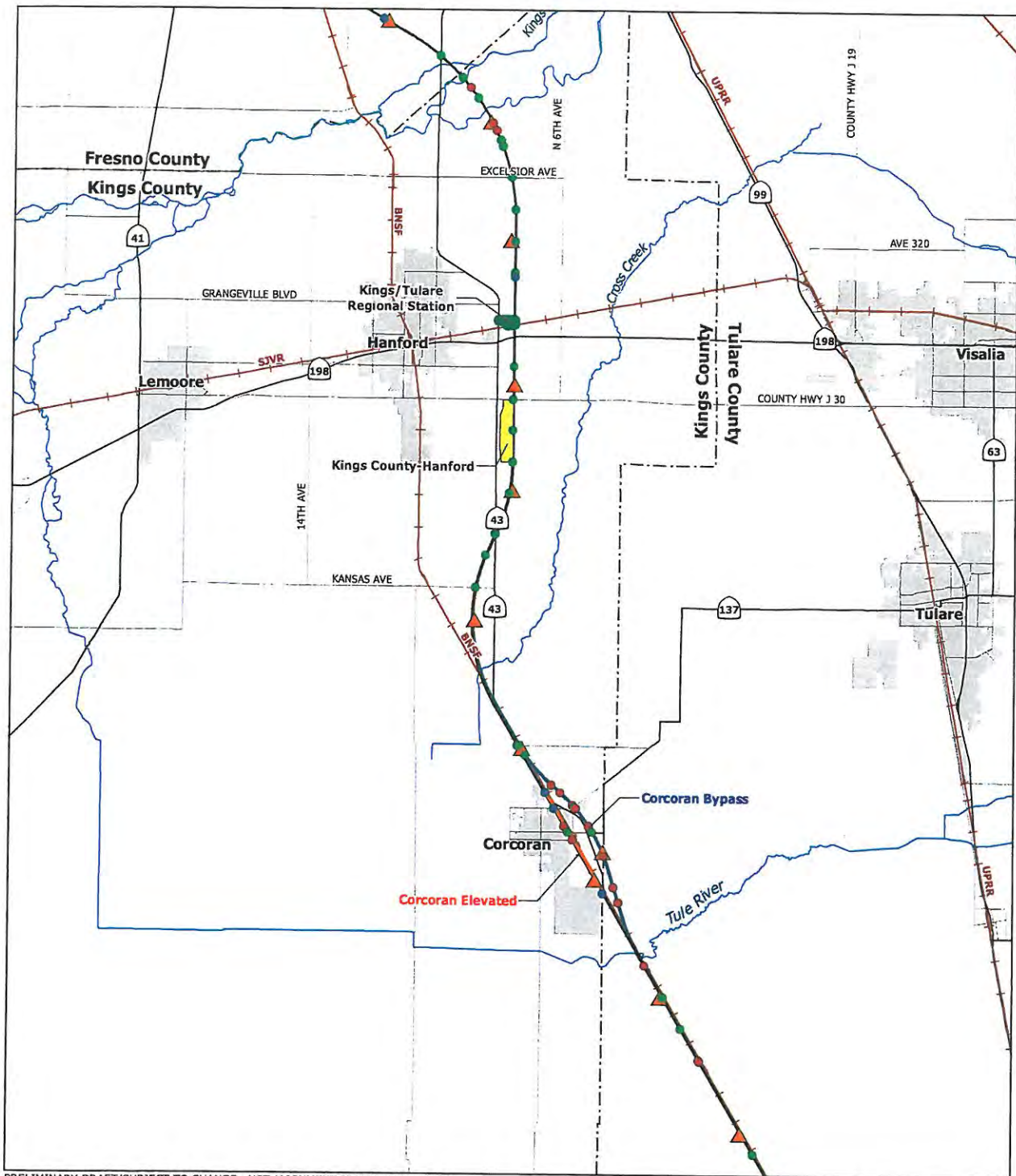
APPROVED:



PRELIMINARY DRAFT/SUBJECT TO CHANGE - HST ALIGNMENT IS NOT DETERMINED

June 23, 2011

Figure 2-38
Kings/Tulare Regional Station (potential)



PRELIMINARY DRAFT/SUBJECT TO CHANGE - HST ALIGNMENT IS NOT DETERMINED
 Source: URS, 2011

July 7, 2011

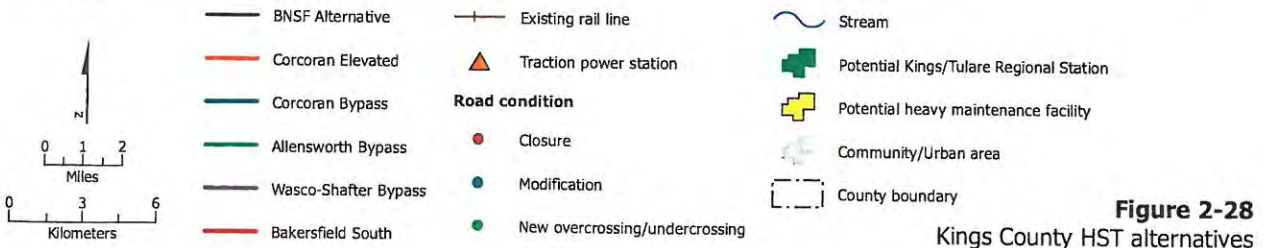


Figure 2-28
 Kings County HST alternatives

**City of Visalia
Agenda Item Transmittal**

Meeting Date: December 19, 2011

Agenda Item Number (Assigned by City Clerk): 19

Agenda Item Wording: Authorize the initiation of the appropriate Zoning, General Plan, and Parking District Amendments to establish an Overlay District in the East Downtown area to add certain permitted and conditionally allowed uses in the C-DT (Central Business District Retail) Zone to the existing C-S (Service Commercial) zoning, and to consider potential Parking District expansion in Downtown Visalia.

Deadline for Action: None.

Submitting Department: Community Development Dept./
Planning Division

Contact Name and Phone Number:
Josh McDonnell, City Planner, 713-4364
Paul Scheibel, Planning Services Manager, 713-4369
Chris Young, Community Development Director, 713-4392

Recommendation: Staff recommends that the City Council authorize the initiation of the appropriate Zoning, General Plan, and Parking District Amendments to establish an Overlay District in the East Downtown area to add certain permitted and conditionally allowed uses in the C-DT (Central Business District Retail) Zone to the existing C-S (Service Commercial) zoning. In addition, staff requests that the City Council authorize staff to analyze the feasibility of expanding or creating a parking district for other areas of Downtown, including the P-PA (Professional/Administrative Office) zoned area south of Hwy 198, between Willis and Santa Fe.

The portion of the East Downtown Area that would be affected by the proposed Overlay District is generally bounded by Tipton St. on the west, Murray/Goshen Ave. on the north, Burke St. on the east, and Mineral King on the south (Please see map below, and Attachment 1 to this report).

Summary: This proposed Overlay District would facilitate the revitalization of the East Downtown Area by expanding the range of allowed uses to include the uses that are allowed in the C-DT zone. The Overlay would introduce greater flexibility of uses to the area because it would continue to allow all the uses of the current CS (Service Commercial) Zoning (such as auto sales, parts and repair, home furnishings and bulky materials merchandising, and a full range of trades shops and services) for those sites

For action by:
 City Council
 Redev Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:
 Work Session
 Closed Session

Regular Session:
 Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 10

Review:

Dept. Head CY 12/14/11
(Initials & date required)

Finance City Atty
(Initials & date required or N/A)

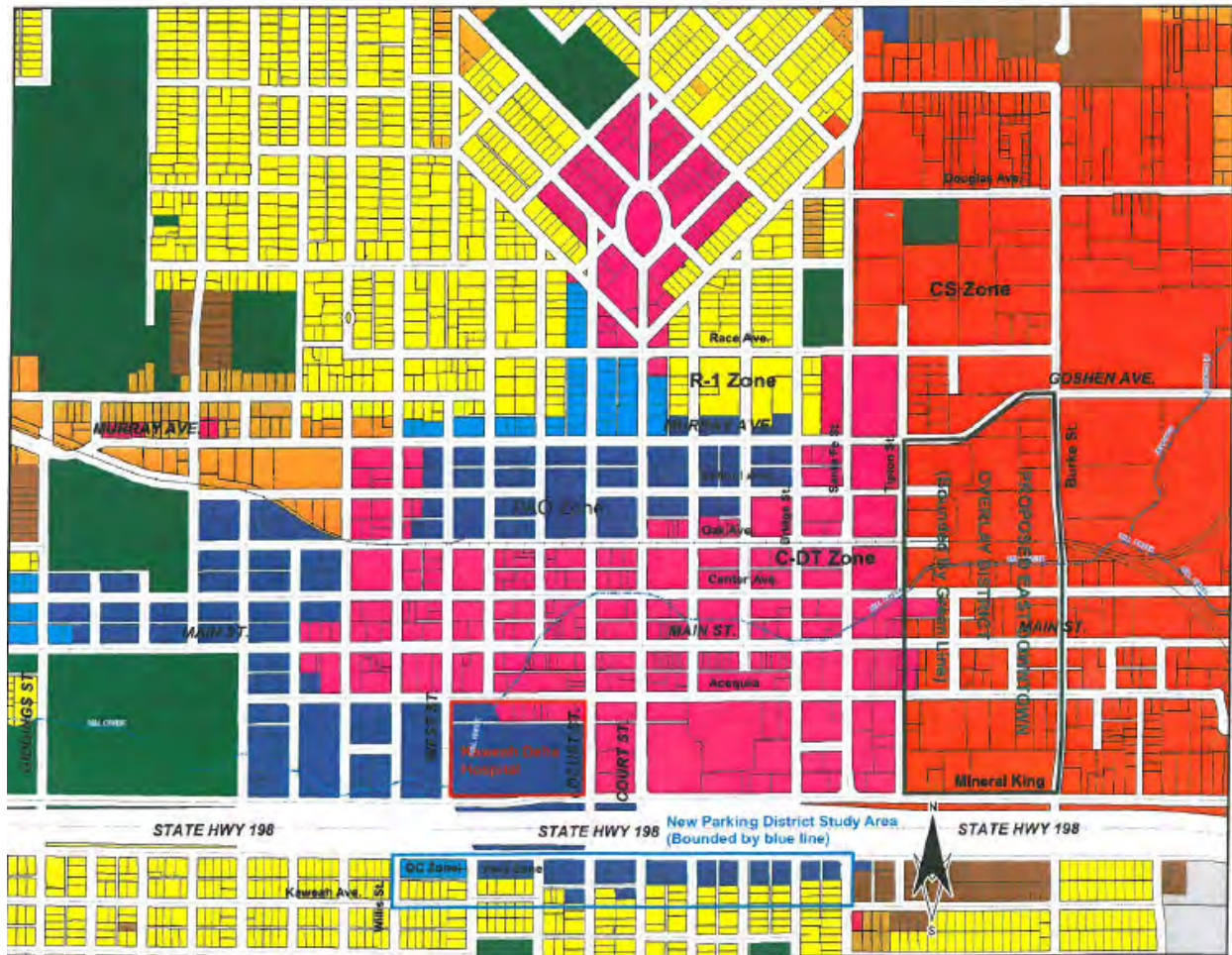
City Mgr MO 12/15/11
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Item 19. - Page 2

who desire to continue or expand their existing service commercial operations, as well as establish new service commercial operations, should they choose. It will also provide opportunities for underutilized sites to revitalize their properties and buildings for the higher ordered commercial and office uses that are typical of the C-DT Zone.

General Plan Land Use Policy 3.5.9 would be amended to reflect the addition of C-DT uses in the East Downtown area. Finally, Parking District A which currently covers most of the existing area zoned C-DT would be expanded to include the East Downtown area, as shown on the map below:



In addition, staff proposes to study the feasibility of establishing a parking district south of Hwy 198 to provide a parking alternative for the many medical and professional offices that have been established or could be located to that transitioning residential area. The area enjoys good proximity to Kaweah Delta Hospital. That proximity, particularly in light of the Hospital's recent expansion, has made it increasingly attractive for new offices. However, the individual lots that have converted residences are frequently not suited to also meet individual on-site parking requirements. A parking district could help solve this situation by funding the acquisition of vacant lots to provide shared parking, such as is already provided in the Downtown area.

Background: The East Downtown area has been the subject of interest on the part of the City in recent years, signified by several large planning efforts, including the East Downtown Strategic Plan. The Plan was intended to be a revitalization strategy for approximately 150 acres adjacent to the east of the Downtown Central Business District- Generally from Bridge Street east to Ben Maddox Way, Murray/Goshen Ave. south to Mineral King. The area is zoned predominately CS (Service Commercial) with a mix of retail, shop and light industrial uses. Area characterized by incomplete streets and outdated infrastructure, and the area is included in the East Downtown RDA project area. Key features of the Plan are: Highly urbanized mix of uses: office/retail/housing/civic

- Future site of Civic Center and Public Safety facility (Oak at Burke)
- Multi-modal transportation corridors (Santa Fe, Burke, Oak)
- Focus on walkability including linear urban parks/open space (Mill Creek, Jennings Ditch, and active public gathering spaces)
- Potential for up to 1,400 new residential units

The Strategic Plan was accepted by the City Council upon its completion, but it was not formally adopted as a policy document at that time. Two companion efforts were also undertaken in conjunction with the Strategic Plan: 1- A companion effort to prepare an infrastructure and landscape design plan for the EDT area, and a Civic Center Master Plan for the future Civic Center/Public Safety facility at the northwest corner of Oak Ave. and Burke St.

Discussion:

The area has long been identified as a potential expansion area for Downtown-style uses. As such, the area may undergo a transition from a service commercial district to a mix of retail/dining/entertainment/office uses as is typical in the existing downtown area. It is the purpose of this article to allow certain additional uses in the areas of East Downtown zoned CS (Service Commercial) that will help facilitate this transition. The Overlay District will allow flexibility for existing CS uses that may wish to expand their operations or to propose new ones.

This proposal would differ from the previous Urgency Ordinance (Amended Interim Ordinance 2006-03) the City instituted between March 2006 and March 2007. The previous Urgency Ordinance instituted a unique form-based code and design standards that were made mandatory in the EDT Zone 1 area (Bridge St. to Ben Maddox Way, Mineral King to Murray Ave.). The Urgency Ordinance was instituted in anticipation of the adoption of the East Downtown Strategic Plan. The East Downtown Strategic Plan has not yet been adopted. However, the EDT area is being analyzed through the General Plan Update process for more highly urban mixed-use commercial, office, civic center, and residential land uses that are reflective of the land use vision in the East Downtown Strategic Plan.

The interim zoning proved to not be popular or successful with EDT area property owners or businesses because it was generally perceived that it limited land use and design choices and created non-conforming structures and uses in the EDT area which would limit their options for continuing successful businesses. As noted above, the proposed Overlay District would be significantly different from the previous Urgency

Item 19. - Page 4

Ordinance in that it does not introduce a form-based code to the area, nor would it create any non-conforming status conditions. Property owners and businesses would still be free to use the current CS zoning for their respective interests.

A side-by-side comparison of the CS Zone uses that are presently allowed in the EDT area with those allowed in the C-DT Zone are provided in Attachment 2.

With regard to the potential of establishing a parking district south of Hwy 198, staff proposes to study the feasibility of establishing a district to determine where potential parking lots could be acquired, balancing estimated costs with potential fee revenues, and determining property owner's and neighborhood residents interest in pursuing this option.

Prior Council/Board Actions:

In October 2005, the East Downtown Strategic Plan was accepted by the City Council.

On March 20, 2006, the City Council adopted by 4/5ths majority, Interim Ordinance 2006-03, establishing prohibited and permitted uses and development standards for a portion of the East Downtown Strategic Plan Area. The Urgency Ordinance took effect immediately and remained in effect for 45 days in accordance with Section 65858 of the California Government Code.

On May 1, 2006, the City Council adopted by 4/5ths majority, Amended Interim Ordinance 2006-03, extending the previous prohibitions and allowances for an additional ten months and fifteen days to March 20, 2007.

Attachments:

1. Proposed Overlay Boundary Map
2. Zoning Matrix Extract

Recommended Motion: I move to authorize initiation of Zoning Code, General Plan text, and Parking District Amendments to facilitate an Overlay District for the East Downtown Area, and to authorize staff to analyze the feasibility of establishing a parking district south of Hwy 198, generally between Willis and Santa Fe, and south to Kaweah Ave.

Environmental Assessment Status

CEQA Review: N/A

NEPA Review: N/A

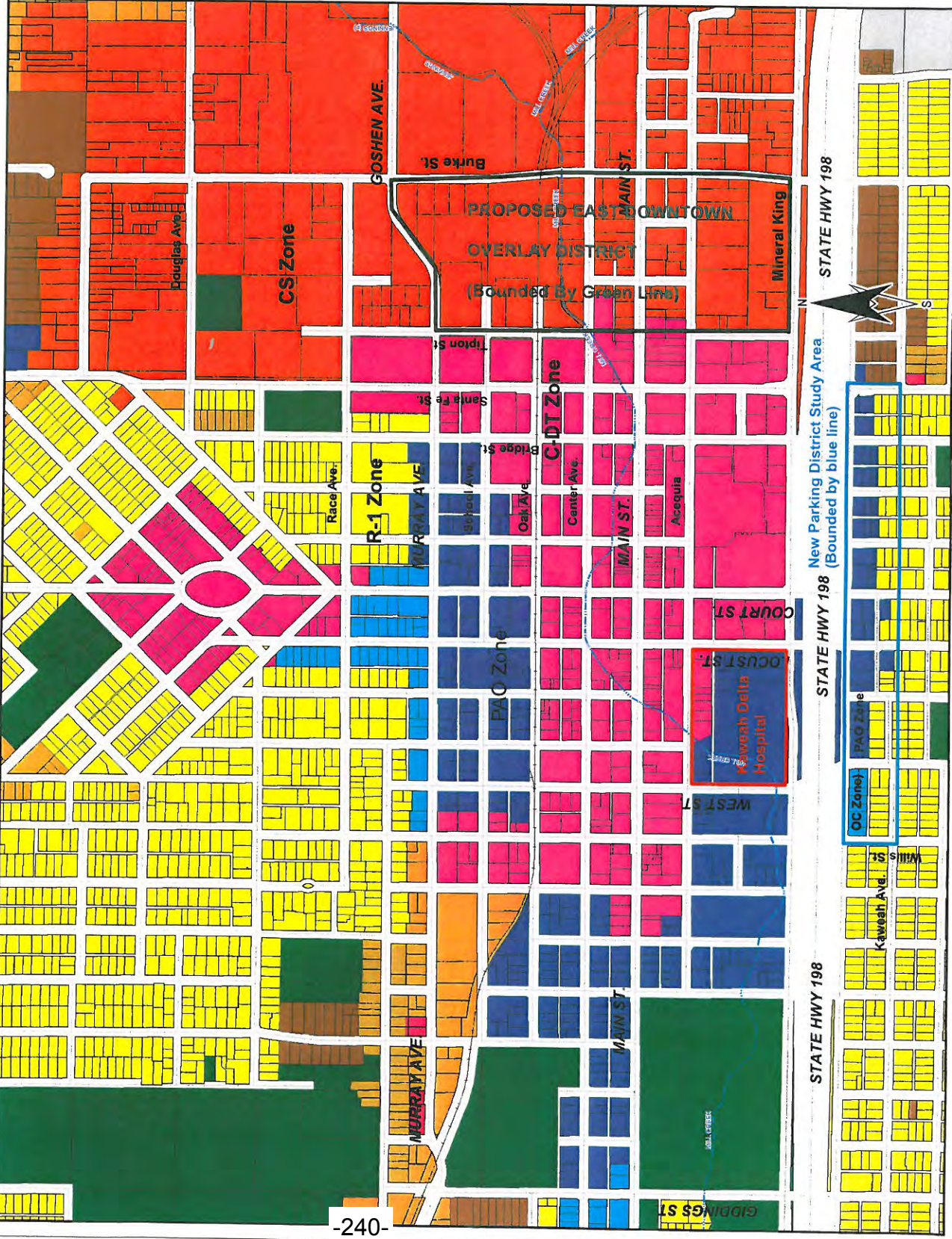
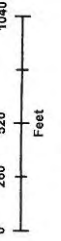
Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

- Planning Commission
- Chamber of Commerce
- Downtown Merchants Association
- Visalia Community Forum



- STEEL IS
- RAILROAD
- WATERWAYS
- LAFCD - Sphere of Influence
- PARCELS
- ZONING
- Agriculture
- Airport
- Business Research Park
- Convenience Commercial
- Community Commercial
- Central Business District
- Highway Commercial
- Neighborhood Commercial
- Regional Retail Commercial
- Service Commercial
- Shopping / Office Commercial
- East Downtown Visalia Zone 1
- East Downtown Visalia Zone 2
- Heavy Industry
- Light Industry
- Office Conversion
- Office Garden
- Professional / Admin. Office
- Quasi-Public
- 12500 SF Min. Site Area
- 20000 SF Min. Site Area
- 4500 SF Min. Site Area
- 6000 SF Min. Site Area
- Rural Residential
- 3000 SF Min. Site Area
- 1500 SF Min. Site Area
- County Areas



		COMMERCIAL	
		C-DT	C-S
1	A		
2	AGRICULTURAL-FARMING (see also Agricultural and Rural Residential Zones)		
3	Beekeeping		
4	Farmers' Market	T	
5	Grain Elevators/Silos		
6	Greenhouses (commercial growers)		
7	Horse stables/Ranch (3 or more horses)		
8	Limited Raising of Small Animals, Livestock, and fowl on a Domestic Noncommercial Scale (2 cows, 4 sheep, goats, no pigs)* *not permitted 1/2 acre and less		
9	Raising of Livestock and Fowl, except Stockyards (commercial)		
10	Raising of Field, Truck or Orchard Crop & Horticultural Specialties		
11	Riding Academies/Stables		
12	Roadside Stands Selling Produce Grown on Site		
13	ANIMAL SHELTERS/HUMANE SOCIETIES		
14	AUDITORIUMS (see THEATERS)		
15	AUTOMOTIVE (for gas stations see SERVICE STATIONS)		
16	Auto Leasing/Renting	C	P
17	Auto Dismantling/Wrecking		
18	Auto Machine Shops		P
19	Auto Oil/Lube Shops	C	P
20	Auto Repairs, Major-Overhauling, Rebuilding, Painting	C	P
21	Automotive Supplies, Parts & Accessories	P	P
22	Automotive Upholsterers		P
23	Boat Sales/Service		P
24	Car Washing		
25	- self service	C	P
26	- automated	C	P
27	Car Sales - New & Used		
28	- excluding major service/repairs	C	P
29	- including major service/repairs	C	P
30	Motorcycles, Sales and Service		P
31	RV/Boat Storage Yards		P
32	Recreational Vehicles Sales and Service		P

Item 19. - Page 8

		COMMERCIAL	
		C-DT	C-S
33	Tire Sales & Service (excluding major repairs)		
34	- stand alone		P
35	- located within the primary permitted use on the site		P
36	Towing/Road Service		P
37	Truck/Trailer Sales and/or Service		P
38	Truck Rental/Leasing		P
39	B		
40	BANKS & FINANCIAL INSTITUTIONS		
41	Stand-Alone Automatic Teller (ATM)	P	P
42	Branch Office		
43	- without drive-up	P	
44	- with drive-up	C	
45	Main Office	P	
46	BARBERS, HAIRSTYLISTS, TANNING CENTERS, COSMETICIANS, MASSAGE THERAPISTS & DAY SPAS		
47	Stand Alone	P	P
48	Located with the Primary Permitted Use on the Site	P	
49	Tattooist Located within above Use	P	
50	BED & BREAKFAST ACCOMMODATIONS (see Chapter 17.32, Section 17.32.150)		
51	Traditional	C	
52	Inns	C	
53	BOARDING/ROOMING HOUSES	C	
54	BUS DEPOTS		
55	Station (passenger services)	C	C
56	Repair Yard & Shops		P
57	Public & Private Transfer Point	C	C
58	C		
59	CATERING SERVICES	P	P
60	CEMETERIES & MAUSOLEUMS (see Quasi-Public Zone)		
61	CHRISTMAS TREE SALES LOTS/OTHER SEASONAL COMMERCIAL USES/SPECIAL EVENTS	T	T
62	CHURCHES & OTHER RELIGIOUS INSTITUTIONS		
63	Up to 200 Seats	C	C
64	More than 200 Seats	C	
65	CLOTHING/COSTUME RENTAL	P	

		COMMERCIAL	
		C-DT	C-S
66	COMMUNICATIONS		
67	Communication Equipment Building	C	P
68	Radio and TV Broadcasting Studios		
69	- with antenna off-site	P	P
70	- with antenna on-site		C
71	D		
72	DAYCARE, LICENSED		
73	Adult		
74	- six or few adults	P	P
75	- 7 to 12 adults	P	P
76	- 13 or more adults	C	C
77	Children		
78	- eight or fewer children	P	P
79	- 9 to 14 children	P	P
80	- 15 or more children	C	C
81	In Conjunction with Primary Use	P	P
82	E		
83	EATING & DRINKING ESTABLISHMENTS		
84	Bars/Taverns		
85	- within 300 feet of any residence/public use		
86	- not within 300 feet of any residence/public use		
87	- microbreweries/restaurant: brewing, limited bottling or packaging. Consumption on premises or distribution locally in kegs (not for resale)	C	C
88	Cafeterias	P	P
89	Pizza/Sandwich Shops		
90	- serving wine/beer	P	
91	- no alcohol	P	P
92	Fast Food without Drive-Thru	P	P
93	Fast Food without Drive-Thru Subject to Section 17.32.161		
94	Fast Food with Drive-Thru		C
95	Fast Food with Drive-Thru Subject to Section 17.32.161		
96	Ice Cream Shop	P	
97	Night Clubs/Discotheques	C	
98	Sit-Down Restaurant/Cafe		
99	- with or without full bar using less than 25% of public area	P	P
100	- full bar using greater than 25% of public area	C	
101	Speciality food store		
102	ENCLOSED SOLID WASTE TRANSFER STATIONS		C
103	F		
104	FLORIST	P	
105	FORTUNETELLING/ PALM READER (see Municipal Code)		
106	FUEL STORAGE		

Item 19. - Page 10

		COMMERCIAL	
		C-DT	C-S
107	Propane/Butane		
108	Propane/Butane (maximum 2000 gallons)		P
109	Propane/Butane within 50 feet of Residential		
110	Propane/Butane within 50 feet of Residential (maximum 2000 gallons)		C
111	Above Ground Tanks - Installation of above ground tanks within 100 feet of a residential use or residential zoned property to dispense Class I, II, and III-A	C	C
112	Above Ground Tanks - installation of above ground tanks more than 100 feet from a residential use or residential zoned property to dispense Class I, II, and III-A	P	P
113	Pump & Underground Storage Tank		
114	- 500 gallons or less		
115	- more than 500 gallons		
116	Petroleum & Petroleum Products Storage		
117	Public Fuel Dispensing (see SERVICE STATIONS)		
118	FUNERAL HOME/MORTUARY	C	C
119	G		
120	GALLERIES-ART/PHOTOGRAPHY/CRAFTS	P	P
121	H		
122	HOME BUSINESSES (see Chapter 17.32, Section 17.32.030)	P	P
123	HOTELS AND MOTELS	C	
124	I		
125	J		
126	K		
127	KENNELS (located 500 feet or more from a residential zone)		C
128	L		
129	LAUNDRY/DRY CLEANERS		
130	Dry Cleaners (cleaning plant)	P	P
131	Dry Cleaners (cleaning plant including carpet/rug cleaning and dyeing)		P
132	Pick-up Point	P	P
133	Diaper Supply Service		P
134	Linen & Uniform Supply		P
135	Self service	P	P

		COMMERCIAL	
		C-DT	C-S
136	M		
137	MANUFACTURING/ ASSEMBLING		
138	Building & Construction Trade		
139	- building materials yards (storage & distribution)		P
140	- cabinetmaker/carpenter shops		P
141	- concrete & readymix manufacture & distribution		
142	- contractors equipment storage yards		P
143	- drilling/dredging/ditching service		P
144	- lumberyard (see also RETAIL)		P
145	- sheet metal shop		P
146	Chemical Products (manufacturing, compounding, packaging, bottling)		
147	- agricultural chemicals (insecticides, fertilizer, herbicides)		
148	- blending/compounding perfumes, cosmetics, etc.		
149	- industrial chemicals (acids, alkalis, chlorine)		
150	- ink manufacture		
151	- laboratories (i.e., organic/inorganic)		
152	- paint, dye & glue manufacturers		
153	- pharmaceuticals		
154	- manufacture of raw plastic materials, colorants, liquids, powders, resins		
155	- soap detergent & other cleaning preparations		
156	Food & Beverage - Preparation & Bottling/Packing & Distribution		
157	- animal & marine fats & oils (refining & rendering)		
158	- beer & ale distributors		P
159	- breweries and wineries		
160	- commercial bakeries		C
161	- dairy products processing & packaging		
162	- fruit & vegetable brokers & shippers		
163	- grain, feed & flour mills		
164	- ice manufacturers & storage		P
165	- meat & poultry product processing including slaughtering		
166	- meat and food locker, butchering, packaging		P
167	- nut processing (dehydrating, hulling & drying)		

Item 19. - Page 12

		COMMERCIAL	
		C-DT	C-S
168	- packaging of previously prepared food items		
169	- packaging/processing of food items, less than 5,000 square feet of gross floor area	P	P
170	- processing, canning & packing fruit & vegetables		
171	- processing, canning & packing nonfruit/vegetable food products		
172	- refinery for food products, i.e. sugar		
173	- snack food preparation, packaging		
174	- soft drink bottling & distribution		
175	- vegetable oil mills		
176	- water processing & bottling		
177	Flammable/Combustible Liquids (must be approved by Fire Chief & comply with regulations of Uniform Fire Code)		
178	Installation of above ground tanks to dispense Class I, II, and III-A liquids (see FUEL STORAGE)		
179	Heavy Equipment/Machine Manufacture/Assembly (welding & fabrication, i.e., agricultural equipment, aircraft equipment parts & supplies, large appliances, auto/truck manufacturing, industrial machinery)		
180	Light Manufacturing/Assembly (i.e., computer hardware & parts, electric supplies - coils, wire, cable, etc.)		
181	Printing & Publishing Industry		
182	- desktop, blueprint & photocopy	P	P
183	- publishing, printing &/or binding (newspapers, magazines, brochures, books, etc.)		P
184	Products Manufactured/Assembled from Previously Prepared Materials		
185	- manufacture of paper & plastic packaging & cartons		
186	- clothing assembly/imprinting		P
187	- mattress factories & repair		P
188	- metal fabrication & diecutting		P
189	- rubber & plastic product manufacturing		
190	- textile mills (dyeing, weaving, knitting, cutting)		
191	- packaging/distribution of prepared materials (non-food items)		

		COMMERCIAL	
		C-DT	C-S
192	Raw Materials Manufacture		
193	- asphalt paving & roofing materials		
194	- concrete, gypsum & plaster products manufacture		
195	- cotton processing/cotton gins		
196	- glass manufacturers (crushing, melting, pressing, blowing, shaping)		
197	- graphite refractories		
198	- kiln works for clay products		
199	- pottery products		
200	- tile & brick manufacturers		
201	- metal reduction, smelting, refining (steel mills, blast furnaces)		
202	-mineral product manufacture (crushing, grinding, pulverizing)		
203	- paper mills		
204	- plastic & rubber compounds		
205	- sawmills & planing mills		
206	- stone mills/monument yards		
207	- stone product manufacturing & process, including abrasives, asbestos, sand		
208	- wood product manufacture		
209	- petroleum product refining & related product manufacturing		
210	Storage Tanks, Non-Fuel		
211	- above or below ground less than 500 gallons		
212	- above or below ground greater than 500 gallons		
213	Trucking & Warehousing		
214	- combined office/warehouse-type buildings		P
215	- general warehousing & storage		P
216	- local bus charter		P
217	- moving companies/trucking/storage		P
218	- refrigerated warehouses/storage		P
219	- school bus yards		P
220	- trucking & freight forwarding terminal		C
221	- wrecking/salvage yards within an allowed use		

Item 19. - Page 14

		COMMERCIAL	
		C-DT	C-S
222	MEDICAL FACILITIES/SERVICES (for medical/dental offices see OFFICE)		
223	Hospitals, Acute Care (general medical/surgical)	C	
224	Ambulance Services/Medical Transport	C	C
225	Convalescent Hospitals/Nursing Homes	C	
226	Clinics (medical group, urgent care/walk-ins, dental, counseling, rehabilitation)	C	
227	Dialysis Centers	C	C
228	Hospices		
229	Laboratories (medical testing & diagnostic)	C	
230	Medical Equipment/supplies (oxygen, prosthetics, walkers, etc.)	P	P
231	Opticians - Dispensing	P	
232	Psychiatric Hospitals including		
233	Treatment of Substance Abuse		
234	Residential Alcohol/Substance		
235	Abuse Treatment Facility		
236	Rehabilitation Hospitals	C	
237	MUSEUMS (special interest/historical-public/private)	C	
238	N		
239	O		
240	OFFICES		
241	General Business and Professional (i.e., data processing services, employment agencies, insurance agencies, etc.)		
242	- less than 2,000 sq. ft.	P	P
243	- more than 2,000 sq. ft.	P	C
244	- less than 6,000 sq. ft.		
245	- more than 6,000 sq. ft.		
246	- up to 25% of total leased area for center		
247	- more than 25% of total leased area for center		
248	Medical (i.e., Physical therapists, physicians/surgeons, psychologists, dentists/orthodontists, optometrists, etc.)	P	
249	Chiropractors	P	
250	Offices on the same site with a commercial/service establishment	P	P
251	Counseling/psychologist		
252	- individuals	P	
253	- groups	C	

		COMMERCIAL	
		C-DT	C-S
254	Office Associated with Industrial Uses		P
255	Temporary Trailers (construction)	T	T
256	P		
257	PARCEL DELIVERY SERVICES/PARCEL DISTRIBUTION (UPS, Federal Express, etc.)		P
258	PARKING FACILITIES - FOR OFF-SITE USES	C	P
259	PARK & RIDE	C	
260	PHOTOCOPY SERVICES/DESKTOP PUBLISHING		
261	With Printing Press	C	
262	Without Printing Press	P	
263	PHOTOGRAPHY/PHOTO SERVICES		
264	Photography Studio	P	C
265	Photography Labs/Blue Printing/Microfilming (developing, printing - no retail on site)	C	P
266	Photography labs (developing, printing - no retail on site)	C	P
267	Photography Labs with Retail on Site	P	P
268	Retail - Drop-off/Pick-up	P	
269	PLANNED CONVENIENCE CENTERS		
270	PLANNED UNIT DEVELOPMENTS (Subject to Chapter 17.26)	C	C
271	PRIVATE CLUBS AND LODGES	C	
272	PRIVATE POSTAL SERVICE (Mail Boxes, Mailing Service) (see also PARCEL DELIVERY SERVICES)	P	
273	PUBLIC COMMUNITY SERVICES		
274	Community & Recreation Centers	C	
275	Fire Stations	C	C
276	Police Stations & Substations	P	P
277	Post Offices	C	
278	Public Buildings, Offices & Grounds	P	
279	Public Golf Courses/Driving Ranges		
280	Public Libraries	P	
281	Public Parks/Playgrounds	P	
282	Post Office Substations	P	

Item 19. - Page 16

		COMMERCIAL	
		C-DT	C-S
283	Q		
284	R		
285	RAILROADS		
286	Freight Stations, Repair & Yards		
287	Passenger Stations	C	
288	RECREATION FACILITIES		
289	Athletic and Health Clubs (gymnasiums, fitness centers, reacquet clubs)	C	
290	Swimming Pools		
291	Private Libraries	P	
292	Athletic/Playing Fields		
293	Bowling Alleys	C	
294	Circus, Carnivals, Fairs & Festivals, Revivals/Assemblies	T	T
295	Dance & Music Studios	P	C
296	Martial Arts	P	C
297	Golf Courses & Driving Ranges		
298	Miniature Golf Courses		
299	Ice & Roller Skating Rinks		
300	Pool Halls/Billiard Parlors	C	
301	Video Machines/Coin-Operated Games		
302	- 1 to 4 machines	P	
303	- 5 or more machines	C	
304	Other Recreational Facilities	C	C
305	RECYCLING FACILITIES (see Chapter 17.32, Section 17.32.160)		
306	Heavy Processing		C
307	Light Processing		P
308	Large Collection		P
309	Small Collection		P
310	Reverse Vending Machines	P	P
311	Temporary Facilities, i.e. recycling of Christmas trees, tree trimmings, etc.		T
312	Household Hazardous Waste Collection Center		P
313	RESIDENTIAL (see also Residential Zones)		
314	Residential Units New or Expansions, which may or may not be associated with a commercial activity	C	C
315	Group/Foster Homes, Licensed		
316	- 1 - 6 individuals in addition to residing family		
317	- more than 6 individuals		
318	Emergency/Temporary Housing	C	
319	Household Pets	P	P

		COMMERCIAL	
		C-DT	C-S
320	RETAIL		
321	General Merchandise		
322	- less/equal to 4,000 sq. ft.		
323	- greater than 4,000 sq. ft.		
324	- less/equal to 6,000 sq. ft.		
325	- greater than 6,000 sq. ft.		
326	- less/equal to 40,000 sq. ft.	P	
327	- greater than 40,000 sq. ft.	C	
328	- less/equal to 60,000 sq. ft.		
329	- greater than 60,000 sq. ft.		
330	Building/Landscape Materials		
331	- lumberyards (see MANUFACTURING/ ASSEMBLING)		
332	- fencing stores/yards		P
333	- floor & wall coverings	P	P
334	Garden Centers/Nurseries		
335	- located within primary use		P
336	- stand alone		P
337	Glass Stores (windows, etc. for auto, residential, commercial)		P
338	Hardware Stores including lumberyards		P
339	Hardware Stores		
340	Hardware Stores less than 10,000 square feet	P	P
341	Paint Stores		P
342	Home Improvement		P
343	Department Stores/Discount Stores (greater than 40,000 sq. ft.)	C	
344	Drugstore/Pharmacy		
345	- including general retail merchandise	P	
346	- not including general retail merchandise	P	
347	- not including general retail merchandise, up to 1,500 sq. ft.		
348	- with general retail merchandise, with restrictions: *parcel must be corner property at arterial/arterial or arterial/collector intersections. Parcel size not to exceed 60,000 sq. ft. Building size not to exceed 14,000 sq. ft.		
349	Farm Equipment Sales		P
350	Feed Stores		P

Item 19. - Page 18

		COMMERCIAL	
		C-DT	C-S
351	Food Stores		
352	- convenience store - 7000 sq. ft. or less	C	C
353	- liquor store within 300 feet of residential/public use	C	
354	- liquor store not within 300 feet of residential/public use	C	
355	- specialty food stores, i.e. bakery, delicatessen, butcher shop, meat market, health food, gourmet/imported food, etc.	P	
356	- supermarkets/grocery stores	P	
357	Wine Tasting	C	
358	Appliances		
359	- small	P	
360	- large	C	
361	Furniture & Furnishings		
362	- new	P	P
363	- secondhand *up to 10,000 square feet	P	P
364	Gun Shops		
365	- within primary use	P	
366	- stand alone	P	
367	Magazine/Newspaper Sales (Freestanding Booth/Stand/Kiosk)		
368	- indoor	P	P
369	- outdoor	C	C
370	Outlet Stores		
371	- bakery		
372	- apparel		
373	- furnishings		
374	Pawnshops	C	
375	Pet Stores	P	
376	Pool/Spa Supplies/Equipment	P	P
377	Secondhand Store/Thrift Shops		
378	- up to 2,000 square feet	P	
379	- greater than 2,000 square feet	C	
380	S		
381	SCHOOLS, PUBLIC AND PRIVATE (see also Quasi-Public and Residential Zones)		
382	Preschool/After-School Care	C	
383	Elementary Schools, K-6 or K-8		
384	Middle Schools		
385	High Schools		
386	Colleges/Universities (academic)		
387	Business, Trade, Vocational, or other Specialized Schools	C	C
388	After Hours Academic Education Facilities (After 6:00 p.m.)	C	

		COMMERCIAL	
		C-DT	C-S
389	SERVICE, COMMERCIAL		
390	Air Conditioning Shops		P
391	Appliance, Electrical Equipment, Tools (disassemble & repair)		
392	- small	P	P
393	- large	C	P
394	Check-Cashing Service	C	
395	Chemical Stripping/Powder Coating		P
396	Chrome & Anodizing Shops		P
397	Courier Services	P	P
398	Equipment Rental		
399	- construction		P
400	- domestic	P	P
401	Exterminators/Fumigators		P
402	Gunsmith Shops, including incidental retail	C	P
403	Heavy Machinery and Equipment (welding, cutting, grinding, casting, etc.)		P
404	Janitorial Service		P
405	Lawn Maintenance & Tree Trimming		P
406	Locksmiths	P	P
407	Other Household & Maintenance Services		P
408	Pet Grooming	P	P
409	Printing Service (see also PHOTOCOPY SERVICES)	C	
410	Repair Shops		P
411	Sharpening Service		
412	- tools, knives, saw blades, lawn mowers, etc.		P
413	- small tools not including	P	P
414	Sheltered Workshops		P
415	Shoe Repair Shops	P	P
416	Sign Painting & Fabrication		P
417	Taxidermists	C	P
418	Tailor, Dressmaking, & Alterations	P	P
419	Upholstering Shops (furniture only)		P
420	- Showroom with minimum 35% of gross receipts to be retail sales	C	
421	SERVICE STATIONS		
422	Gasoline Service Stations		
423	Fuel dispensing only - not including major auto repair services of any kind (Ord. 2382)	C	P
424	Also including major auto repair services		P
425	fuel dispensing	C	P
426	Also including dispensing of diesel fuel and/or light servicing of trucks		P

Item 19. - Page 20

		COMMERCIAL	
		C-DT	C-S
427	STORAGE, SORTING, COLLECTION, OR BAILING OF IRON, JUNK, PAPER, RAGS, OR SCRAP (not including auto dismantling)		
428	SWAP MEETS		
429	T		
430	TAXI/LIMOUSINE SERVICE	P	P
431	TELEGRAPH OFFICES	P	P
432	THEATERS		
433	Auditoriums	C	
434	Drive-in		
435	Movie	P	
436	Live Performance	P	
437	U		
438	UNENCLOSED SOLID WASTE TRANSFER STATIONS		
439	UTILITIES		
440	Business Offices	P	P
441	Electric Distribution Substations		C
442	Elevated Pressure Tanks		P
443	Gas Regulator Stations		P
444	Public Service Pumping Stations		P
445	Payment Centers	P	
446	Public Utility Service Yards		P
447	V		
448	VETERINARY SERVICES		
449	Animal Care Clinic (no boarding)		P
450	Hospitals/Clinics (located 500 ft. from a residential zone including short term boarding of animals)		C
451	W		
452	WHOLESALE COMMERCIAL ESTABLISHMENT		P
453	WAREHOUSING/ STORAGE		
454	- primary use		
455	- not to exceed 20% of gross floor area of permitted use	P	P
456	- in excess of 20% of gross floor area of permitted use	C	
457	Mini Storage Facilities		P
458	X		
459	Y		
460	Z		
461	OTHER		
462	Other Uses Similar in Nature and Intensity as Determined by the City Planner	P	P
463	Other Uses Similar in Nature and Intensity as Determined by the City Planner Subject to the Granting of a Conditional Use Permit	C	C
464	Businesses which Initially Employ more than 750 Employees	C	