



Planning Commission Staff Report

DATE: June 11, 2024

ITEM INITIATED BY: Raffi Boloyan, Community Development Director

ITEM AUTHORIZED BY: Raffi Boloyan, Community Development Director

PREPARED BY: Raffi Boloyan, Community Development Director
Josh Varinsky, City Attorney Office

SUBJECT: TERMINATION OF DEVELOPMENT AGREEMENT FROM 2008 IN CONNECTION WITH APN 0111-080-290, APPROXIMATELY 32 ACRES NEAR THE CORNER OF VAUGHN ROAD AND NORTH FIRST STREET

RECOMMENDATION/REQUESTED ACTION

The Community Development Department recommends the Planning Commission adopt the attached Resolution (Attachment 1) recommending to the City Council adoption of an ordinance to terminate the Development Agreement between the City of Dixon and DHIR Capital LLC in connection with APN 0111-080-290, approximately thirty-two (32) acres near the corner of Vaughn Road and North First Street.

The City Council will consider final adoption at a future, separately-noticed public hearing.

BACKGROUND

In November 2023, staff received a request from the owner of APN 0111-080-290 ("Property") to terminate a Development Agreement that applies to the Property.

The Property is located in the Northeast Quadrant Specific Plan and is approximately thirty-two (32) acres located north of Vaughn Road, east of North First Street, and southeast of East Dorset Drive. The site is shown in the graphic below.



The Development Agreement was adopted in 2008 with a prior developer who had plans to develop a commercial project on the Property. The project contemplated in the Development Agreement was never constructed and the site is currently vacant. In 2021, the General Plan land use designation for this site was changed from Employment to Industrial. In 2024, the Zoning designation for this site was recently changed from Highway Commercial to Industrial to match the updated General Plan designation.

The Development Agreement originally applied to a parcel of forty-seven (47) acres. The previous property owner sold ten (10) acres to the developer that constructed the General Electric Distribution Center located just north of the Property at 250 E. Dorset Dr. The current property owner acquired this 37-acre site on November 18, 2021, which is still subject to the Development Agreement. For properties that have a DA on record, the seller and buyer must file an Assignment and Assumption Agreement, in accordance with Section 8.1 of the DA, to allow the City to consider a new owner assuming the obligations of the DA. This never occurred when the current owner acquired the property.

In March 2024, a Parcel Map was recorded which divided the thirty-seven (37) acres into two parcels, with one parcel of approximately five (5) acres and the other parcel of approximately thirty-two (32) acres. The eastern 5-acre parcel created by the Parcel Map has been sold to an adjacent property owner to the west, while the applicant retains the remaining 32-acre site. Termination of the Development Agreement only applies to the 32-acre parcel shown above.

The original Development Agreement has a term of twenty (20) years and remains effective through December 2028. Under the Development Agreement, the original property owner acquired rights to develop the Property consistent with the commercial zoning applied to the Property. The Development Agreement also contains certain improvement obligations and conditions of approval that were formulated in 2008.

The current property owner requested that staff commence the procedures to terminate the Development Agreement, for the purpose of removing the Development Agreement as an encumbrance on title and to allow future development of the Property consistent with the City's current General Plan and Zoning.

Amendments and terminations of Development Agreements are subject to statutory procedures, which require review by the Planning Commission and City Council.

DISCUSSION/ANALYSIS

Staff is amenable to the property owner's request to terminate the Development Agreement. The Development Agreement is from 2008 and was formulated to apply to development of a commercial project. Staff has limited knowledge of the original plans for the Property since they were first proposed in 2008. The Property is located in the Northeast Quadrant Specific Plan ("Specific Plan") and has General Plan and Zoning designations of Industrial, which are different than the designations at the time the original Development Agreement was approved. Termination of the Development Agreement would ensure that future development of the Property proceeds under the City's current land use rules that apply to the Property.

Future development of the Property would be subject to all applicable General Plan, Specific Plan, and Zoning rules and polices. All required improvements and mitigation for development of the Property would be reviewed by staff upon receipt of a future development application.

Staff has no objections to terminating the Development Agreement, as it was formulated for a prior project proposal that was never developed. Ownership of the Property has been transferred to a new owner who seeks to remove all restrictions and obligations of the Development Agreement from the Property.

The City Attorney has prepared a Termination and Release of the Development Agreement that will be recorded upon adoption of the ordinance by City Council.

PUBLIC NOTICING/COMMENTS

Notice of this meeting was mailed to property owners within 300 feet of the site, as well as published in the Independent Voice newspaper, 10 days before this meeting, in accordance with the City's noticing procedures

As of the date of publication of this staff report, staff has received one letter (Attachment 4). The letter is from the commercial real estate broker of the property and supports the termination of the DA.

ENVIRONMENTAL REVIEW

Termination of the Development Agreement is not a "project" under the California Environmental Quality Act. No physical changes to the environment are proposed at this time. This action only involves termination of a Development Agreement from 2008 that remains recorded on the Property. Any changes to the site will be evaluated upon receipt of a future development application.

CONCLUSION

Staff recommends granting the request to terminate the Development Agreement, as it would allow for future development of the Property in accordance with the City's current land use rules.

ATTACHMENTS

1. A Resolution of the Dixon Planning Commission recommending to the City Council adoption of an ordinance to terminate the Development Agreement between the City of Dixon and DHIR Capital LLC in connection with APN 0111-080-290, approximately thirty-two (32) acres near the corner of Vaughn Road and North First Street.
2. Draft Ordinance of the City Council of the City of Dixon terminating a Development Agreement between the City of Dixon and DHIR Capital LLC in connection with APN 0111-080-290, approximately thirty-two (32) acres near the corner of Vaughn Road and North First Street.

Exhibit A - Termination and Release of Development Agreement

3. Development Agreement between TVOB and City of Dixon (Agreement No. 08-045), adopted by City Council Ordinance No. 08-020.
4. Public Comments Received

DIXON PLANNING COMMISSION

RESOLUTION NO. _____

**A RESOLUTION OF THE DIXON PLANNING COMMISSION
RECOMMENDING TO THE CITY COUNCIL ADOPTION OF AN ORDINANCE TO
TERMINATE THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF DIXON
AND DHIR CAPITAL LLC IN CONNECTION WITH APN 0111-080-290,
APPROXIMATELY 32 ACRES NEAR THE CORNER OF VAUGHN ROAD AND
NORTH FIRST STREET**

WHEREAS, on December 25, 2008, the City of Dixon ("City") and the T.V.O.B. general partnership ("TVOB") entered into a Development Agreement for a term of twenty (20) years, pursuant to Ordinance No. 08-020 adopted on November 25, 2008 (the "Development Agreement"); and

WHEREAS, the Development Agreement (also identified as City Agreement No. 08-045) originally applied to approximately forty-seven (47) acres located north of Vaughn Road, west of North First St., and southeast of East Dorset Drive, at the time identified as APN 0111-080-200; and

WHEREAS, since this time, approximately ten (10) acres of the property were sold to a landowner north of the property, as part of a development to build the General Electric Dixon Distribution Center located at 250 E. Dorset Drive; and

WHEREAS, on November 18, 2021, by Instrument No. 0111-080-290 recorded in the official records of Solano County, DHIR Capital LLC ("Property Owner") acquired the remaining approximately thirty-seven (37) acres from TVOB; and

WHEREAS, on March 19, 2024, "Parcel Map Dixon Parcel 5" was recorded in the official records of Solano County, further dividing the 37-acre parcel into two parcels, one parcel of approximately five (5) acres and another parcel of approximately thirty-two (32) acres; and

WHEREAS, the Development Agreement has a duration of twenty (20) years and remains effective; and

WHEREAS, Property Owner, as the successor to TVOB, is subject to the benefits and obligations of the Development Agreement; and

WHEREAS, Property Owner has requested that the City agree to terminate the Development Agreement as it relates to approximately thirty-two (32) acres of real property, further described as a portion of APN 0111-080-290 (the "Property"), for the purpose of removing the Development Agreement as an encumbrance on title and to

allow future development of the Property consistent with the City's current ordinances, rules, and regulations; and

WHEREAS, the project contemplated by the Development Agreement was never developed. The Property is currently undeveloped, and City staff is amenable to Property Owner's request to terminate the Development Agreement. Termination of the Development Agreement would ensure that future development of the Property be subject to the City's current ordinances, rules, and regulations; and

WHEREAS, as part of the General Plan 2040 update, the General Plan land use designation for the subject site was changed from Employment to Industrial; and

WHEREAS, on May 7, 2024, as part of City's comprehensive update to its Zoning Ordinance, the zoning district for the subject site was changed from Highway Commercial to Industrial, consistent with the General Plan 2040; and

WHEREAS, City staff recommends the following findings in connection with termination of the Development Agreement:

1. Termination of the Development Agreement is consistent with the objectives, policies, general land uses, and programs specified in the City's current General Plan. Termination of the Development Agreement would allow for development of the Property consistent with the existing General Plan designation and policies; and
2. Termination of the Development Agreement is consistent with the current zoning for the Property. Termination of the Development Agreement would allow for development of the Property consistent with current zoning district applied to the Property (General Industrial (IG)); and
3. Termination of the Development Agreement will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area nor detrimental to the general welfare of the residents of the City as a whole; and
4. Termination of the Development Agreement will not adversely affect the orderly development of Property or the preservation of property values; and
5. Is consistent with the provisions of Government Code sections 65864 through 65869.5 (the California Development Agreement Statute).

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Dixon hereby recommends that the City Council adopt an ordinance terminating the Development Agreement between the City of Dixon and DHIR Capital LLC, as the owner of the Property.

ADOPTED at a regular meeting of the Planning Commission of the City of Dixon, State of California, on the 11th day of June 2024.

AYES:
NOES:
ABSENT:
ABSTAIN:

JACK CALDWELL, CHAIR
DIXON PLANNING COMMISSION

ATTEST:

BRANDI ALEXANDER,
SENIOR ADMINISTRATIVE CLERK/SECRETARY

DRAFT

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DIXON
TERMINATING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF DIXON
AND DHIR CAPITAL LLC IN CONNECTION WITH APN 0111-080-290,
APPROXIMATELY 32 ACRES NEAR THE CORNER OF VAUGHN ROAD AND
NORTH FIRST STREET**

WHEREAS, on December 25, 2008, the City of Dixon (“City”) and the T.V.O.B. general partnership (“TVOB”) entered into a Development Agreement for a term of twenty (20) years, pursuant to Ordinance No. 08-020 adopted on November 25, 2008 (the “Development Agreement”); and

WHEREAS, the Development Agreement (also identified as City Agreement No. 08-045) originally applied to approximately forty-seven (47) acres located north of Vaughn Road, west of North First St., and southeast of East Dorset Drive, at the time identified as APN 0111-080-200; and

WHEREAS, since this time, approximately ten (10) acres of the property were sold to a landowner north of the property, as part of a development to build the General Electric Dixon Distribution Center located at 250 E. Dorset Drive; and

WHEREAS, on November 18, 2021, by Instrument No. 0111-080-290 recorded in the official records of Solano County, DHIR Capital LLC (“Property Owner”) acquired the remaining approximately thirty-seven (37) acres from TVOB; and

WHEREAS, on March 19, 2024, “Parcel Map Dixon Parcel 5” was recorded in the official records of Solano County, further dividing the 37-acre parcel into two parcels, one parcel of approximately five (5) acres and another parcel of approximately thirty-two (32) acres; and

WHEREAS, the Development Agreement has a duration of twenty (20) years and remains effective; and

WHEREAS, Property Owner, as the successor to TVOB, is subject to the benefits and obligations of the Development Agreement; and

WHEREAS, Property Owner has requested that the City agree to terminate the Development Agreement as it relates to approximately thirty-two (32) acres of real property, further described as a portion of APN 0111-080-290 (the “Property”), for the purpose of removing the Development Agreement as an encumbrance on title and to allow future development of the Property consistent with the City’s current ordinances, rules, and regulations; and

WHEREAS, the project contemplated by the Development Agreement was never developed. The Property is currently undeveloped, and City staff is amenable to Property

Owner's request to terminate the Development Agreement. Termination of the Development Agreement would ensure that future development of the Property be subject to the City's current ordinances, rules, and regulations; and

WHEREAS, as part of the General Plan 2040 update, the General Plan land use designation for the subject site was changed from Employment to Industrial; and

WHEREAS, on May 7, 2024, as part of the comprehensive update to City's Zoning Ordinance, the zoning district for the subject site was changed from Highway Commercial to Industrial, consistent with the General Plan 2040; and

WHEREAS, on _____, _____ the City Planning Commission held a duly noticed public hearing to consider termination of the Development Agreement and provided its recommendation to the City Council; and

WHEREAS, the City Council, based on its independent review and analysis of City staff's recommendations, oral and written testimony, and the record as a whole, finds after due study, deliberation, and public hearing, and based on its independent judgment, that the following circumstances exist:

1. Termination of the Development Agreement is consistent with the objectives, policies, general land uses, and programs specified in the City's General Plan. Termination of the Development Agreement would allow for development of the Property consistent with the existing General Plan designation and policies; and
2. Termination of the Development Agreement is consistent with the zoning for the Property. Termination of the Development Agreement would allow for development of the Property consistent with current zoning district applied to the Property (General Industrial (IG)); and
3. Termination of the Development Agreement will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area nor detrimental to the general welfare of the residents of the City as a whole; and
4. Termination of the Development Agreement will not adversely affect the orderly development of Property or the preservation of property values; and
5. Is consistent with the provisions of Government Code sections 65864 through 65869.5 (the California Development Agreement Statute).

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

SECTION 1. Recitals. The City Council hereby finds and determines that the foregoing recitals, which are incorporated herein by reference and made part of this Ordinance, are true and correct.

SECTION 2. Termination of Development Agreement. The City Council hereby approves and authorizes the City Manager to execute the *TERMINATION AND RELEASE OF DEVELOPMENT AGREEMENT* attached and incorporated hereto as **Exhibit A**. Upon execution, the City Clerk shall cause it to be recorded in the Official Records of Solano County within ten (10) days after this Ordinance is legally effective (thirty (30) days after the second reading of this Ordinance).

SECTION 3. Effective Date. This Ordinance shall take effect thirty (30) days after its passage by the City Council and following the affirmative vote of a majority of the members of the City Council. Within fifteen (15) days of its adoption, a summary of the Ordinance shall be published in a newspaper of general circulation in the City of Dixon, State of California, which summary shall include the names of those Councilmembers voting for and against the Ordinance. A certified copy of the full text of such adopted Ordinance or amendment shall be on file in the office of the City Clerk.

This Ordinance was introduced at a regular meeting of the City Council of the City of Dixon, held on the _____ day of _____, 2024, and given its first reading at said meeting.

Said Ordinance was given a second reading at a regular meeting of the City Council held on the _____ day of _____, 2024, and after such reading, Councilmember _____, who moved its adoption, seconded by Councilmember _____, said Ordinance was thereupon adopted by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

APPROVED:

Steve Bird
Mayor of the City of Dixon

ATTEST:

Kristin M. Janisch
Elected City Clerk

EXHIBIT A

TERMINATION AND RELEASE OF DEVELOPMENT AGREEMENT

[*Document begins on next page*]

DRAFT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL
TO:

City of Dixon
Dixon City Hall
600 East A Street
Dixon, California 95620-3697
Attn: City Clerk

Exempt from Recording Fees
(Gov. Code, §§ 6103, 27383)

(Space above this line reserved for recorder's use)

Document Number: 200900047050

Assessor Parcel Number: Portion of APN 0111-080-290

TERMINATION AND RELEASE OF DEVELOPMENT AGREEMENT

PARTIES:

CITY OF DIXON
City Hall
600 East A Street
Dixon, CA 95620

DHIR CAPITAL LLC
3511 Del Paso Road, Suite 160-348
Sacramento, CA 95835

SUBJECT PROPERTY: The property subject to this Termination and Release of Development Agreement is located in the City of Dixon and consists of the parcels described in **Exhibit A** attached and incorporated hereto (the "Property").

THIS TERMINATION AND RELEASE ("Release"), effective as of _____, 2024, is made by and between the City of Dixon, a California municipal corporation ("City") and DHIR Capital LLC, a California limited liability company ("Property Owner"). City and Property Owner may be referred to herein individually as "Party" or collectively as the "Parties."

RECITALS

A. By Document No. 200900047050, which was recorded in the Official Records of Solano County on June 5, 2009, City recorded a development agreement between City and T.V.O.B., a general partnership ("TVOB"), approved on November 25, 2008, pursuant to Ordinance No. 08-020 (the "Development Agreement"), relating to development of the Property.

B. The Property is approximately thirty-two (32) acres located north of Vaughn Road and east of N. First Street in the City of Dixon, as further described in **Exhibit A** attached and incorporated hereto.

C. TVOB never constructed the project contemplated in the Development Agreement, and as of the date of this Release the Property is undeveloped.

D. On November 18, 2021, Property Owner acquired the Property from TVOB, pursuant to that instrument recorded as Document No. 202100121665 in the Official Records of Solano County.

E. Pursuant to Section 4.1 of the Development Agreement, the Property is subject to the benefits and obligations of the Development Agreement, effective for a duration of twenty (20) years from the date that the ordinance approving the Development Agreement became effective.

F. Property Owner has requested that City agree to terminate the Development Agreement prior to expiration of the term, in order to remove the Development Agreement as an encumbrance to the title of the Property.

G. After duly noticed public hearings before the Planning Commission and the City Council in accordance with Government Code section 65868, on _____, 2024, the City Council adopted Ordinance No. _____ approving termination of the Development Agreement.

AGREEMENT

1. The Recitals above are true and correct and are hereby incorporated into and made part of this Release. In the event of any inconsistency between the Recitals and the provisions of this Release, the provisions shall prevail.

2. Pursuant to Section 8.1 of the Development Agreement, this Release shall be considered City's approval of the assignment of the Development Agreement to Property Owner as it relates to the Property. By execution of this Release, all requirements described in Section 8.1 in order to assign the Development Agreement to Property Owner shall be deemed satisfied.

3. The Parties hereby agree to terminate, cancel, and otherwise release the Property and Property Owner and its heirs, successors, and assigns from the obligations contained in the Development Agreement, and to relinquish any and all rights they may have to enforce any of the terms and provisions set forth in the Development Agreement.

4. Property Owner acknowledges that future development of the Property is subject to all ordinances, rules, and regulations of the City of Dixon, as may be applicable. City makes no representations concerning obligations that may still be applicable to the Property related to

infrastructure or improvements providing benefit to the Property, whether or not such obligations are contained in the Development Agreement being terminated by this Release.

5. Property Owner agrees to hold harmless, indemnify, and defend City and City's elected and appointed councils, boards, commissions, officials, employees, agents, and authorized representatives (collectively, "City's Agents") from any and all liabilities, costs, claims, or demands arising from termination of the Development Agreement.

6. This Release shall be deemed effective as of the date that the ordinance approving this Release becomes effective. City shall cause this Release to be recorded in the official records of Solano County.

7. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8. Each person executing this Release certifies in their individual or corporate capacity that they are authorized to execute this Agreement on behalf of the Parties and bind the Parties to all terms and conditions contained herein.

IN WITNESS WHEREOF, this Release has been executed by and between City and Property Owner as of the dates set forth below.

CITY:

CITY OF DIXON,
a California municipal corporation

By: _____
Jim Lindley, City Manager

Date: _____

PROPERTY OWNER:

DHIR CAPITAL LLC
a California Limited Liability Corporation

By: _____
Rakeesh Dhir, Member

Date: _____

APPROVED AS TO FORM:

By: _____
Douglas L. White, City Attorney

Date: _____

STATE OF CALIFORNIA
COUNTY OF SOLANO

On _____ before me, _____, a notary public,
personally appeared _____, who proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ Seal

STATE OF CALIFORNIA
COUNTY OF SOLANO

On _____ before me, _____, a notary public,
personally appeared _____, who proved to me on the basis of satisfactory evidence
to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ Seal

EXHIBIT A

Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF DIXON, IN THE COUNTY OF SOLANO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel 1, as shown on the Parcel Map entitled "Dixon Parcel Five", filed for record on March 19, 2024, in Book 54 of Parcel Maps, Page 3, Solano County Records.

APN: Portion of 01111-080-290

DRAFT

Marc C. Tonnesen
Assessor/Recorder

6/05/2009
3:04 PM
AR82
03

P City of Dixon

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City Clerk
City of Dixon
600 East A Street
Dixon, CA 95620

Doc#: 200900047050

Titles: 1 Pages: 59



Fees	0.00
Taxes	0.00
Other	0.00
PAID	\$0.00

EXEMPT FROM RECORDING FEES PER

GOVERNMENT CODE §§6103, 27383

Space above this line for Recorder's use.

DEVELOPMENT AGREEMENT

by and between the

CITY OF DIXON

and

T.V.O.B.

AGREEMENT NO. 08 - 045

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THIS DEVELOPMENT AGREEMENT (this “**Development Agreement**”) is entered into and effective as of December 26, 2008, by and between the City of Dixon, a municipal corporation (“**City**”), and T.V.O.B., a general partnership (“**Developer**”).

RECITALS

A. Capitalized Terms.

These Recitals use certain terms with initial capital letters that are defined in Article 1 of this Development Agreement. City and Developer intend to refer to those definitions when the capitalized terms are used in these Recitals.

B. Nature and Purpose of Development Agreements.

The Legislature enacted Government Code Sections 65864 *et seq.* (“**Development Agreement Statute**”) in response to the lack of certainty in the approval of development projects, which can result in a waste of resources, escalate the cost of development, and discourage investment in and commitment to planning that would maximize the efficient utilization of resources. The Development Agreement Statute is designed to strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development. It authorizes a city to enter into a binding agreement with any person having a legal or equitable interest in real property regarding the development of that property.

C. City’s Development Agreement Procedures

Pursuant to Government Code Section 65865, City adopted Resolution No. 88-128, a Resolution Establishing Procedures for Consideration of Development Agreements, which sets forth procedures and requirements for the consideration of development agreements (“**City Development Agreement Procedures**”). This Development Agreement has been processed, considered and executed in accordance with the City Development Agreement Procedures.

D. Developer’s Interest in Real Property.

Developer has a legal or equitable interest in certain real property located in the northeast quadrant of the City limits as more particularly described in attached **Exhibit A** (“**Project Site**”). Developer represents that all persons holding legal or equitable interests in the Project Site shall be bound by this Development Agreement.

E. Project.

This Development Agreement relates to the development of the Project Site in the Northeast Quadrant Specific Plan Area of the City of Dixon, as more particularly described in attached **Exhibit B** (“**Project**”).

F. Environmental Review.

The Project Site is located in the northeast area of City and is subject to the terms of the Northeast Quadrant Specific Plan adopted by Resolution No. 95-63 and as amended by Resolution Nos. 03-007, 07-150, 08-020, 08-190 and 08-196.

Prior to the adoption of the Northeast Quadrant Specific Plan, City adopted Resolution No. 95-62, in which the Council: (1) certified the Final Environmental Impact Report for the Northeast Quadrant Specific Plan ("**Northeast Quadrant Specific Plan EIR**"); (2) adopted findings relating to significant impacts; (3) adopted a Statement of Overriding Considerations; and (4) adopted a mitigation monitoring plan which contained certain mitigation measures. Prior to the amendment of the Northeast Quadrant Specific Plan, on October 28, 2008, the City adopted Resolution No. 06-194, on October 23, 2006, certifying the Dixon Downs Horse Racetrack and Entertainment Center Project EIR ("**Dixon Downs EIR**"), which contained certain mitigation measures. The mitigation measures applicable to the Project pursuant to the Northeast Quadrant Specific Plan EIR the Dixon Downs EIR are specified in **Exhibit E**.

G. Project Approvals.

The Project Approvals provided in **Exhibit C** have been granted for the Project in accordance with the Existing Rules or are required in order to construct the Project.

H. Planning Commission Hearing and Recommendations.

On September 16, 2008, the Planning Commission, designated by City as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, held a duly noticed public hearing and recommended approval of this Development Agreement.

I. City Council Hearing and Findings.

In support of the various entitlements and approvals for the Project to be constructed on the Project Site, and in accordance with CEQA, CEQA Guidelines and the City Environmental Guidelines, the City Council held a duly noticed hearing on October 28, 2008, which was continued to November 10, 2008, and upon recommendation by the Planning Commission, in which the Council adopted the Mitigated Negative Declaration and Mitigation Monitoring Program for the Project affecting the Project Site (the "**Mitigated Negative Declaration**"). Mitigation measures are required by the Mitigated Negative Declaration and are incorporated into the Project and into the terms and conditions of this Development Agreement.

Also on November 10, 2008, the City Council adopted the following in connection with the Project: (1) Resolution No. 08-196, which amended the Northeast Quadrant Specific Plan and (2) Ordinance No. 08-19, which amended the zoning classification of the Project Site.

The City Council held a duly noticed hearing on October 28, 2008, which was continued to November 10, 2008, and, upon recommendation of the Planning Commission, adopted Ordinance No. 08-20, which approved this Development Agreement ("**Adopting Ordinance**").

In the Adopting Ordinance, the City Council found that this Development Agreement is consistent with the Dixon General Plan, the Northeast Quadrant Specific Plan, as amended, the mitigation measures of the Northeast Quadrant Specific Plan EIR and Dixon Downs EIR applicable to the Project and the mitigation measures of the Negative Declaration, and the Project Approvals, as well as all other applicable Rules, Regulations and Official Policies. The City Council further found that this Development Agreement is fair, just, reasonable, and best serves the public health, safety and welfare of its citizens.

J. Intent of Parties.

City and Developer have, in good faith, negotiated the terms and conditions of this Development Agreement, and have determined that use of a development agreement is appropriate for development of the Project in accordance with the Project Approvals provided in attached **Exhibit C**. City desires to enter into this Development Agreement because it will eliminate uncertainty in planning and provide for the orderly development of the Project, ensure the maximum efficient utilization of resources within City and the surrounding community, and otherwise achieve the goals and purposes of the Development Agreement Statute. In exchange for these benefits to City, together with the other public benefits derived from development of the Project, Developer desires to enter into this Development Agreement to receive the assurance that it may proceed with development of the Project in accordance with the Project Approvals, as set forth more fully below.

Development of the Project Site pursuant to the terms and conditions of the Project Approvals described in **Exhibit C**, the provisions of the City of Dixon General Plan and the Northeast Quadrant Specific Plan and the mitigation measures provided for in the Mitigated Negative Declaration, the Northeast Quadrant Specific Plan EIR and the Dixon Downs EIR will provide for orderly growth and development consistent with the Dixon General Plan, and the Rules, Regulations and Official Policies of City.

K. Consistency with State Laws and City Ordinances, Resolutions, Policies, Procedures and Plans.

The terms of this Development Agreement are consistent with the legislative purposes set forth above and will assure City, Developer and the residents of City that the Project Site will be developed in a manner consistent with the laws of the State of California and the Rules, Regulations and Official Policies of City. Having duly considered this Development Agreement and having held the noticed public hearings, City finds and declares that the provisions of this Development Agreement are consistent with the City's General Plan, the Northeast Quadrant Specific Plan, the mitigation measures of the Northeast Quadrant Specific Plan EIR and Dixon Downs EIR applicable to the Project and the mitigation measures of the Mitigated Negative Declaration.

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

AGREEMENT

ARTICLE 1

DEFINITION OF TERMS

Section 1.1 Definitions. As used in this Development Agreement, the following terms, phrases and words shall have the meanings and be interpreted as set forth in this Section, unless the context otherwise requires:

(a) **“AB 1600 Fees”** means all rates, fees or charges adopted and imposed by City that are of the nature described in and defined by Government Code Section 66000(b). In addition, said term includes all fees, capacity charges and connection fees adopted and imposed by City as described in Government Code Section 66013 for water service or sewer service.

(b) **“Adopting Ordinance”** has the meaning set forth in Recital I.

(c) **“Assumption Agreement”** has the meaning set forth Section 9.1 and an agreement substantially conforming to the model assumption agreement set forth in **Exhibit D** or other agreement in a form approved by the City Attorney.

(d) **“Benefited Property”** or **“Benefited Properties”** are those properties within the Northeast Quadrant Specific Plan area that are served or provided a benefit, as set forth in **Exhibit G-1** and **Exhibit G-2**, by Public Improvements constructed by Developer pursuant to Section E-11 of this Development Agreement.

(e) **“CEQA”** means the California Environmental Quality Act, Public Resources Code Sections 21000 *et seq.*

(f) **“City”** means the City of Dixon, a municipal corporation having general police powers, or its designee.

(g) **“City Council”** means the City Council of City or its designee.

(h) **“City Development Agreement Procedures”** has the meaning set forth in Recital C.

(i) **“Complaining Party”** means any Party claiming another Party is in default under this Development Agreement.

(j) **“Cure Period”** has the meaning set forth in Section 5.2.

(k) **“Days”** means calendar days. If the last day to perform an act under this Development Agreement is a Saturday, Sunday or legal holiday of the State of California, said act may be performed on the next succeeding calendar day that is not a Saturday, Sunday or legal

holiday of the State of California and in which the offices of City are open to the public for business.

(l) **"Defaulting Party"** means any Party alleged to be in default under this Development Agreement.

(m) **"Developer"** means T.V.O.B., a general partnership, the owner of the Project Site. The term shall also include any person or entity which has acquired all or any portion of the interests of Developer in the Project Site who, in accordance with the requirements of Article 9 of this Development Agreement, has agreed to assume liability of Developer to City under this Development Agreement.

(n) **"Development Agreement Statute"** has the meaning set forth in Recital B.

(o) **"Director"** means the Community Development Director of City.

(p) **"Dispute"** means a dispute related to the interpretation or enforcement of, or compliance with, the terms and provisions of this Development Agreement.

(q) **"Dixon Downs EIR"** has the meaning set forth in Recital F.

(r) **"Dixon General Plan"** means the 1993 General Plan of City, as amended.

(s) **"Dixon Zoning Ordinance"** means the Zoning Ordinance of City, currently found in Chapter 12 of Article II of the Dixon City Code, as amended.

(t) **"Effective Date"** means the date upon which the Adopting Ordinance takes effect.

(u) **"Enforced Delay"** has the meaning set forth in Section 5.2.

(v) **"Exactions"** has the meaning set forth in Section 2.4.

(w) **"Existing Rules"** means the Rules, Regulations and Official Policies in effect on the Effective Date.

(x) **"Mitigated Negative Declaration"** has the meaning set forth in Recital I.

(y) **"Mortgage"** means any mortgage, deed of trust, security agreement, assignment and other like security instrument encumbering all or any portion of the Project Site or Developer's rights under this Development Agreement.

(z) **"Mortgage Lender"** means the holder of the beneficial interest under a Mortgage encumbering all or any portion of the Project Site or Developer's rights under this Development Agreement, and any successor, assignee, or transferee of any such Mortgage holder.

(aa) **"New Rules"** has the meaning set forth in Section 2.3.

(bb) “**Northeast Quadrant Specific Plan**” means that certain specific plan adopted by the City Council by Resolution No. 95-63 and as amended by Resolution Nos. 03-007, 07-150, 08-020, 08-190 and 08-196.

(cc) “**Northeast Quadrant Specific Plan EIR**” has the meaning set forth in Recital F.

(dd) “**Notice of Default**” has the meaning set forth in Section 5.2.

(ee) “**Notice of Intent to Terminate**” has the meaning set forth in Section 6.2.

(ff) “**Other Project Approvals**” has the meaning set forth in Section 3.1.

(gg) “**Party**” or “**Parties**” means and includes City and Developer.

(hh) “**Periodic Review**” has the meaning set forth in Section 5.1.

(ii) “**Planning Commission**” means Planning Commission of City.

(jj) “**Project**” has the meaning set forth in Recital E.

(kk) “**Project Approvals**” means any and all land use, environmental and building approvals, permits and entitlements required for the development of the Project on the Project Site, as set forth in **Exhibit C**, and processed in accordance with the Existing Rules.

(ll) “**Project Site**” has the meaning set forth in Recital D.

(mm) “**Public Improvements**” means the improvements related to sewer, water, storm drain, irrigation, roadways, traffic controls and other improvements set forth in **Exhibit E**.

(nn) “**Regulatory Processing Fees**” means rates, fees or charges adopted and imposed by City for the purpose of defraying City’s reasonable costs incurred or to be incurred in the processing and administration of any form of regulatory permit, license, land use entitlement, or imposed by City to defray the costs of periodically updating its plans, policies and procedures, including, without limitation, the fees and charges referred to in California Government Code Section 66014.

(oo) “**Rules, Regulations and Official Policies**” means the City rules, regulations, ordinances, resolutions, laws, general or specific plans, zoning, and official policies governing development, design, density and intensity of use, permitted uses, growth management, environmental review, construction and building standards, and design criteria, as well as rates, fees, or charges adopted and imposed by City, relating to development or use of real property and applicable to the Project Site.

(pp) “**Subsequent Landowner**” is a Party who has acquired all or any portion of the Project Site from Developer other than a Mortgage Lender. The term also includes any Party other than a Mortgage Lender who has acquired all or any portion of the Project Site from another Subsequent Landowner. Finally, the term also includes any Mortgage Lender which has

assumed the obligations of Developer or a Subsequent Landowner under the provisions of Article 9.

(qq) **“Term”** has the meaning set forth in Section 4.1.

(rr) **“Utility Fees”** means rates, fees or charges adopted and imposed by City for water, sewer, storm drainage, solid waste removal, electrical services, and other utilities and services.

(ss) **“Vested Rights”** has the meaning set forth in Section 2.1.

ARTICLE 2

DEVELOPER’S VESTED RIGHTS AND OBLIGATIONS

Section 2.1 Vested Rights to Develop the Project.

During the Term of this Development Agreement, Developer shall have the right to develop the Project on the Project Site in accordance with the Project Approvals and the provisions of this Development Agreement pursuant to the Existing Rules (collectively **“Vested Rights”**). Notwithstanding the foregoing, City may apply to the Project, at any time during the Term, then-current International Building Code and other uniform construction codes, and City’s then-current design and construction standards for road and storm drainage facilities, provided that any such uniform code or standard shall apply to the Project only to the extent that such code or standards has been adopted by City and is in effect on a City-wide basis. In the event of any conflict or inconsistency between this Development Agreement and the Existing Rules or between this Development Agreement and the Other Project Approvals, this Development Agreement shall prevail and control.

Section 2.2 Permitted Uses, Density and Intensity, Maximum Height and Size of Structures, and Reservation or Dedication of Land; Timing of Development.

Except as otherwise provided in this Development Agreement, the Existing Rules and Project Approvals shall govern the permitted uses of the Project Site, the density and intensity of such uses, the maximum height and size of proposed buildings, the provisions for the reservation or dedication of land for public purposes or payment of fees in lieu thereof, the construction, installation and extension of Public Improvements, and the development guidelines and development standards, other conditions of development for the Project Site and future approvals relating to the Project.

Except as otherwise specified in this Development Agreement, the Parties agree that Developer is not obligated to begin or complete development on the Project Site or any portion thereof, or to follow any timetable or order for development of the Project.

Section 2.3 Application of New Rules.

City may adopt new or modified Rules, Regulations and Official Policies after the Effective Date (“**New Rules**”); provided, however, such New Rules shall be applicable to the Project or Project Site only to the extent that such application will not modify, prevent or impede development of the Project on the Project Site or conflict with any of the Vested Rights granted to Developer under this Development Agreement. Any New Rules shall be deemed to conflict with Developer’s Vested Rights if they seek to accomplish or have the effect of accomplishing any one or more of the following results, either with specific reference to the Project Site or as a part of a general enactment that applies to the Project Site:

- (a) Limiting or reducing the density or intensity of development on the Project Site, including the adoption of any subsequent growth control measures;
- (b) Limiting the timing of the development of the Project;
- (c) Requiring any additional on-site or off-site Public Improvements to be constructed or paid for by Developer; or
- (d) Restricting the permitted uses of the Project Site in any manner that is inconsistent with the Existing Rules, Project Approvals, or this Development Agreement.

Notwithstanding the foregoing, City shall not be precluded from applying any New Rules to the Project or Project Site under the following limited circumstances, where the New Rules are: (a) specifically mandated by changes in state or federal laws or regulations adopted after the Effective Date as provided in Government Code Section 65869.5; (b) specifically mandated by a court of competent jurisdiction; (c) changes to the International Building Code and similar safety regulations that may change from time to time; or (d) required as a result of facts, events or circumstances presently unknown or unforeseeable that would otherwise have an immediate adverse risk on the health or safety of the surrounding community.

Section 2.4 Exactions.

Notwithstanding Section 2.3, City shall apply any New Rules relating to AB 1600 fees, Regulatory Processing Fees, Utility Fees and mitigation fees adopted and imposed by City (“**Exactions**”), as applicable, to the Project or Project Site as long as such Exactions are: (a) required on a City-wide basis, (b) apply uniformly to all properties within City that are zoned consistent with the Project Approvals, or (c) apply uniformly to all properties that are similarly situated, whether by geographic location or other distinguishing circumstances. All other rates, fees, or charges not included in the Exactions, shall be governed by the Existing Rules. Wherever this Development Agreement obligates Developer to design, construct, or install any improvements, the reasonable cost thereof may be provided by Developer or other such financing mechanism acceptable to City, subject to and in accordance with the provisions thereof.

Section 2.5 Developer’s Conditional Obligations.

The rights vested in Developer and the Project Site under this Article are subject to and conditioned upon Developer’s compliance with the obligations set forth in Exhibit E and Exhibit F. Such obligations shall not be binding on Developer, unless Developer develops the Project Site in accordance with this Development Agreement.

ARTICLE 3

COOPERATION

Section 3.1 Developer's Application for Project Approvals.

In connection with development of the Project on the Project Site, Developer shall be obligated to obtain any and all Project Approvals required under the Existing Rules, as well as any approvals that may be required by other governmental or quasi-governmental agencies having jurisdiction over the implementation of any aspect of the Project, including, without limitation, CalTrans, districts and special districts providing flood control, sewer, water and/or fire protection and agencies having jurisdiction over air quality, solid wastes and hazardous wastes and materials ("**Other Project Approvals**").

Section 3.2 City's Processing of Developer's Applications.

City shall cooperate and diligently work to promptly process and consider all applications for the Project Approvals relating to the Project. In the event that City and Developer mutually determine that additional personnel or outside consultants must be hired or retained to expeditiously process the future approvals relating to the Project, the reasonable cost of any such personnel or consultants shall be paid by Developer. To the extent allowed under the Existing Rules, City shall retain its discretionary authority in its consideration of Project Approvals relating to the Project; provided, however, such consideration shall be regulated solely by the Existing Rules except to the extent that application of any New Rules is permitted under Sections 2.3 and 2.4.

Section 3.3 Eminent Domain.

In the event that condemnation of property is necessary for Developer to satisfy its obligations with respect to the Public Improvements that are contemplated in this Development Agreement, City shall, in good faith and to the extent necessary, conduct any public hearings required for the adoption of a resolution of necessity pursuant to Eminent Domain Law, California Code of Civil Procedure 1230.010 *et seq.* Developer acknowledges that City cannot represent the outcome of a hearing for a resolution of necessity. In the event a resolution of necessity is adopted, however, City agrees to prosecute in good faith any eminent domain proceedings determined to be necessary by the resolution of necessity. Provided, however, that all costs, including reasonable attorneys' fees and experts' fees, for any such public hearings and any subsequent eminent domain proceedings shall be paid by Developer.

Section 3.4 Cooperation to Obtain Other Governmental or Quasi-Governmental Approvals.

City shall cooperate in good faith with Developer in Developer's efforts to obtain Other Project Approvals required by other governmental and quasi-governmental agencies for the development of the Project, in order to serve the purposes of this Development Agreement and to limit to the extent possible the imposition of additional conditions, fees, dedications or exactions

by or through such agencies; provided, however, in no event shall the obligations herein require City to incur out-of-pocket costs.

Section 3.5 Execution and Delivery of Other Documents.

Each Party shall execute and deliver any and all additional documents and instruments, and perform such further acts, as may be reasonably necessary or proper to achieve the purposes of this Development Agreement.

Section 3.6 Changes in State or Federal Laws.

This Development Agreement shall not preclude the application to development of the Project Site of changes in the Rules, Regulations and Official Policies of City, the terms of which are specifically mandated and required by changes in state and federal laws or regulations. City, without the obligation to incur costs, shall cooperate with Developer in the securing of any permits that may be required as a result of modifications or suspensions made pursuant to this Section.

ARTICLE 4

TERM OF THIS DEVELOPMENT AGREEMENT AND EXTENSIONS

Section 4.1 Duration of Agreement.

The term of this Development Agreement shall commence on the Effective Date and shall continue for a period of twenty (20) full calendar years unless extended or sooner terminated as provided in this Development Agreement (“Term”). Following the expiration of the Term, this Development Agreement shall be deemed terminated and of no further force and effect unless extended pursuant to Section 4.2; provided, however, such termination shall not affect any right or obligation arising from the Project Approvals.

Section 4.2 Extension by Agreement.

The Term may be extended at any time before its termination date by the mutual agreement of the Parties in writing and in accordance with the City Development Agreement Procedures and the Development Agreement Statute.

Section 4.3 Term of Tentative Map.

As provided in California Government Code section 66452.6, the term of any tentative map for any subdivision of the Project Site or an amendment to any such tentative map (including any lot line adjustment or merger of lots within the tentative map) shall automatically be extended for the Term of this Development Agreement. Any tentative map for any subdivision of the Project Site shall comply with the provisions of California Government Code section 66473.7.

ARTICLE 5

PERIODIC REVIEW; DEFAULT

Section 5.1 Periodic Review Required by Development Agreement Statute.

(a) **Periodic Review.** Pursuant to Government Code Section 65865.1, City shall, at least every twelve (12) months during the Term of this Development Agreement, review good faith compliance with the terms of this Development Agreement by Developer or any Subsequent Landowner (“**Periodic Review**”) in accordance with the procedures set forth in the City Development Agreement Procedures. The Periodic Review shall be limited in scope to good faith compliance with the terms of this Development Agreement. City’s failure to timely initiate the Periodic Review is not deemed to be a waiver of the right to do so at a later date; accordingly, Developer is not deemed to be in compliance with this Development Agreement by virtue of such failure to timely initiate the Periodic Review.

(b) **Staff Reports.** City shall deposit in the mail to Developer a copy of all staff reports and, to the extent practical, related exhibits concerning contract performance at least ten (10) days prior to any Periodic Review.

(c) **Costs.** Developer shall pay City for the reasonable costs incurred in conducting the Periodic Review within thirty (30) days of receipt of an invoice from City for such costs. The amount reasonably charged for conducting the Periodic Review shall not exceed Two Thousand Dollars (\$2,000), provided that such cost limit shall be increased each year by the Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco Bay Area published by the U.S. Bureau of Labor Statistics.

(d) **Determination of Compliance or Non-Compliance.** City shall make a determination of compliance or non-compliance with the terms of this Development Agreement by Developer or any Subsequent Landowner pursuant to the City Development Agreement Procedures.

(e) **Appeal of Determination.** The determination of compliance or non-compliance of Developer or any Subsequent Landowner with the terms of this Development Agreement may be appealed pursuant to the City Development Agreement Procedures.

Section 5.2 Default.

(a) **Default.** Failure by any Party to perform any material provision herein shall constitute a default under this Development Agreement.

(b) **Notice of Default.** In the event of a default, the Complaining Party shall give the Defaulting Party a written notice of the default (“**Notice of Default**”). The Notice of Default shall specify the nature of the alleged default and, where appropriate, the manner and period of time in which the alleged default may be satisfactorily cured.

(c) **Cure Period.** The Notice of Default shall provide that the Defaulting Party shall cure the default within thirty (30) days ("**Cure Period**"). The Cure Period shall commence from the date the Notice of Default is received by the Defaulting Party as set forth in Section 10.8. If the nature of the alleged default is such that it cannot reasonably be cured within the Cure Period, the cure shall be deemed to have occurred within the Cure Period if: (1) the Defaulting Party provides written notice to the Complaining Party that the cure cannot reasonably be completed within the Cure Period; (2) the cure is commenced within the Cure Period; and (3) the cure is diligently prosecuted to completion. While any Defaulting Party is diligently curing an alleged default, the Defaulting Party shall not be considered in default for the purposes of terminating this Development Agreement or instituting legal proceedings. If the default is cured, then no default shall exist or be deemed to have existed and the Complaining Party shall take no further action.

(d) **Legal Proceedings.** If a Defaulting Party fails to cure a default in accordance with the foregoing, the Complaining Party, at its option, may institute legal proceedings pursuant to Article 7 or, in the event of a material default, terminate this Development Agreement pursuant to Article 6.

(e) **Enforced Delay; Extension of Time of Performance.** No Party shall be deemed in default of its obligations under this Development Agreement, except of any obligation to pay any sum of money under the applicable provisions hereof, in the event and as long as (on a day-for-day basis) any such obligation is prevented, delayed, retarded or hindered by war, acts of terrorism, invasions, insurrections, riots, strikes, lockouts or other labor disturbances or disputes of any character, breakage or failure of equipment, interruption of services by suppliers thereof, unavailability of materials or labor, rationing or restrictions on the use of utilities or public transportation whether due to energy shortages or other causes, natural disaster, fires, acts of God, governmental restrictions imposed or mandated by governmental entities other than City, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation enacted by the state or federal government, or by any other severe and unforeseeable occurrence that is beyond the control of that Party, excluding third-party litigation (collectively "**Enforced Delay**"). The Term of this Development Agreement shall also be automatically extended for any period of Enforced Delay. If an Enforced Delay materially and adversely affects Developer's rights hereunder, Developer may elect, at its option, to terminate this Development Agreement with respect to the Project Site, or affect portion thereof. The Party claiming the Enforced Delay shall send written notice of the claimed Enforced Delay to any other Party within thirty (30) days from the commencement of the cause of the Enforced Delay.

ARTICLE 6

TERMINATION

Section 6.1 Termination Upon Completion of Project or Expiration of Term.

This Development Agreement shall terminate upon the earlier of the expiration of the Term or when the Project has been fully developed and all of Developer's obligations in connection therewith are satisfied as determined by City. Upon termination of this Development

Agreement, the City Clerk shall cause a notice of such termination to be duly recorded in the official records of Solano County.

Section 6.2 Termination Due to Default.

If, after expiration of the Cure Period, the Defaulting Party has not cured the default or is not diligently curing the default in the manner set forth in Section 5.2, the Complaining Party may, at its option, give notice of its intent to terminate this Development Agreement pursuant to California Government Code section 65868 and the City Development Agreement Procedures (“**Notice of Intent to Terminate**”). Within thirty (30) days of receipt of a Notice of Intent to Terminate, the matter shall be scheduled for consideration and review at a hearing before the City Council in the manner set forth in California Government Code sections 65867 and 65868 and the City Development Agreement Procedures. Following consideration of the evidence presented in said review, the Complaining Party may give written notice of termination of this Development Agreement. If a Party elects to terminate the Development Agreement as provided herein, upon sixty (60) days written notice of termination, this Development Agreement shall thereby be terminated. Notwithstanding the foregoing, a termination of this Development Agreement pursuant to this Section is effective to terminate the obligations of the Complaining Party only if a default has occurred and such default, as a matter of law, authorizes the Complaining Party to terminate its obligations under this Development Agreement. Once the Complaining Party has given a Notice of Intent to Terminate, legal proceedings may be instituted to obtain a declaratory judgment determining the respective termination rights and obligations under this Development Agreement.

Section 6.3 Termination by Mutual Consent.

This Development Agreement may be terminated or modified by mutual consent of the Parties in the manner provided in Government Code Section 65868 and the City Development Agreement Procedures.

Section 6.4 Effect of Termination.

In the event that this Development Agreement is terminated pursuant to this Article, such termination shall have the effect provided in the City Development Agreement Procedures, except as otherwise mutually agreed upon in writing by the Parties.

ARTICLE 7

LEGAL ACTION

Section 7.1 Institution of Legal Proceedings.

If, after expiration of the Cure Period, the Defaulting Party has not cured the default or is not diligently curing the default in the manner set forth in Section 5.2, the Parties shall have all rights and remedies at law or in equity, which are not otherwise provided for or prohibited by

this Development Agreement or the City Development Agreement Procedures, expressly including the remedy of specific performance of this Development Agreement. Except as otherwise expressly provided in this Development Agreement, any failure or delay by any Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies.

Section 7.2 Venue of Legal Proceedings Between the Parties.

All legal or equitable actions or proceedings in which Developer or a Subsequent Landowner, or both, and City are adverse parties shall be filed in and maintained in the Superior Court of Solano County. Such action or proceeding shall not be filed in nor removed to any federal district court by any Party thereto unless said federal district court has exclusive jurisdiction over all or some portion of the action or proceeding and said action or proceeding cannot be filed or maintained in the Superior Court of Solano County. No Party to such action or proceeding may seek a change of venue to another superior court unless such a change in venue is required by law.

Section 7.3 Attorneys' Fees and Litigation Costs.

In any legal or equitable action or proceeding brought by any Party to enforce or interpret the terms of this Development Agreement, or to seek injunctive relief or declaratory relief against any other Party to this Development Agreement, the prevailing Party is entitled to recover reasonable attorneys' fees and any other costs incurred in the action or proceeding in addition to any other relief to which it is entitled.

Section 7.4 No Consequential Damages.

In no event shall either City be liable to Developer or Developer be liable to City for consequential damages resulting from or related to any Dispute. City and Developer hereby waive any right of it or its assigns or successors to obtain consequential damages resulting from or related to any Dispute from the other Party.

ARTICLE 8

**ASSIGNMENTS AND ASSUMPTION;
RIGHTS AND DUTIES OF MORTGAGE LENDERS**

Section 8.1 Assignment of Rights, Interests and Obligations.

Developer may sell, assign, or transfer in whole or in part the Project Site to any person or entity at any time during the Term of this Development Agreement, provided that Developer shall notify City of such sale, assignment, or transfer by providing City with written notice thereof in the manner provided in this Development Agreement not less than ten (10) days following the date when the deed or deeds affecting said sale are recorded in the Official Records Solano County.

Developer shall remain obligated to perform all of the terms and conditions of this Development Agreement following said sale, assignment, or transfer, unless and until either of the following conditions is satisfied:

(a) If the sale, assignment, or transfer involves all of the Project Site then owned by Developer, Developer shall be released if:

(i) The Subsequent Landowner of such remaining interest in the Project Site executes and delivers to the City Clerk an Assumption Agreement, and

(ii) A true copy of the recorded deed under which Developer conveyed its remaining interest in the Project Site to the Subsequent Landowner is delivered to the City Clerk, and

(iii) The City Manager approves, in writing, that in his or her reasonable discretion, the assignee is be financially able to perform the obligations proposed to be assumed by such assignee or verifies that completion of the obligations has been secured to his or her satisfaction. If the City Manager does not grant the approval or provide the verification, Developer may appeal this determination to the City Council. The determination of the City Council shall be final and conclusive.

(b) If the sale, assignment, or transfer involves a portion, but not all, of the Project Site then owned by Developer ("Assigned Parcel(s)"), then Developer shall be released from the obligations related to the Assigned Parcel(s), but not as to the remainder of the Project Site, if:

(i) The Subsequent Landowner of the Assigned Parcel(s) executes and delivers to the City Clerk an Assumption Agreement, and

(ii) A true copy of the recorded deed under which Developer conveyed its remaining interest in the Assigned Parcel(s) to the Subsequent Landowner is delivered to the City Clerk, and

(iii) All obligations required by **Exhibit E** relating to the development of the Assigned Parcel(s), and any and all obligations required by **Exhibit E** to be performed prior to the development of the Assigned Parcel(s), have either been completed or the completion thereof has been secured to the satisfaction of City.

The City Clerk shall cause any assumption agreement received by him or her to be duly recorded in the Official Records of Solano County within ten (10) days of receipt. If Developer or Subsequent Landowner fails to provide City with timely notice of said sale, assignment, or transfer or fails to provide City with an Assumption Agreement, Developer shall remain obligated under this Development Agreement for that portion of the Project Site conveyed to the Subsequent Landowner until such notice is given or until said Assumption Agreement is provided, whichever is applicable. Notwithstanding the foregoing, the execution of an Assumption Agreement shall not relieve Developer of its obligations under this Development

Agreement, if Developer is in default under this Development Agreement at the time of the sale, assignment, or transfer. If Developer is in default under this Development Agreement at the time of said sale, assignment or transfer, Developer shall remain jointly and severally obligated with Subsequent Landowner under the terms of this Development Agreement until said default is fully cured by Developer or the Subsequent Landowner.

Section 8.2 Rights and Duties of Mortgage Lenders in Possession of Project Site. Any Mortgage Lender who comes into possession of the Project Site, or any portion thereof, pursuant to a foreclosure of a Mortgage, or deed in lieu of such foreclosure, shall not be obligated to undertake any of the obligations of the Developer or Subsequent Landowner from whom it acquired title, if said obligations remain undischarged as of the date that the Mortgage Lender comes into possession of the Project Site, or portion thereof, which is subject to this Development Agreement. Such a Mortgage Lender shall not be eligible to apply for, receive, or exercise any rights under this Development Agreement or any of the Project Approvals until the Mortgage Lender contractually assumes all of the obligations of its predecessor in interest under this Development Agreement with respect to the Project Site or any portion thereof, including those obligations that accrued prior to the time that the Mortgage Lender came into possession of the Project Site, or any portion thereof. Nothing in this Development Agreement shall be deemed or construed to permit or authorize any Mortgage Lender, including a Mortgage Lender in possession, to devote the Project Site, or any portion thereof, to any uses or to construct any improvements thereon, other than those uses and Public Improvements provided for or authorized by the Project Approvals or this Development Agreement.

Any assumption by the Mortgage Lender in possession and title shall be to the satisfaction of and in a form acceptable to the City Attorney, and shall be effected when the Mortgage Lender executes and delivers to City an express agreement to contractually assume all of the obligations of its immediate predecessor in interest under this Development Agreement with respect to the Project Site, or all of the portion to which it has come in possession. Any assumption agreement executed by a Mortgage Lender under this Development Agreement shall be deemed to be to the satisfaction of the City Attorney if executed and appropriately acknowledged in the form of the Assumption Agreement provided for in **Exhibit D** of this Development Agreement; provided that any such Mortgage Lender's assumption agreement that deviates from **Exhibit D** must be approved as to form by the City Attorney prior to the recordation thereof by the Mortgage Lender, which approval shall not be unreasonably withheld.

Section 8.3 Notice of Default to Mortgage Lender; Right of Mortgage Lender to Cure.

If City receives notice from a Mortgage Lender requesting a copy of any Notice of Default given Developer hereunder, then City shall deliver the Notice of Default to such Mortgage Lender, concurrently with service thereof to Developer. Each Mortgage Lender shall have the right, but not the obligation, to cure the alleged default(s) identified in the Notice of Default pursuant to the procedure set forth in Section 5.2. If such Mortgage Lender chooses to cure the alleged default(s) identified in the Notice of Default, the Cure Period set forth in Section 5.2 shall be extended by an additional thirty (30) days, if possession of the Project Site or any portion thereof is necessary for such Mortgage Lender to cure the default(s) ("Extended Cure Period"). The Extended Cure Period shall commence from the date the Mortgage Lender obtains possession of the Project Site or portion thereof. In the event that the default(s) cannot be cured during the Extended Cure Period, the cure shall be deemed to have occurred within the Extended

Cure Period if: (1) the Defaulting Party provides written notice to the Complaining Party that the cure cannot reasonably be completed within the Extended Cure Period; (2) the cure is commenced within the Extended Cure Period; and (3) the cure is diligently prosecuted to completion. While the Mortgage Lender is diligently curing an alleged default, the Defaulting Party shall not be considered in default for the purposes of terminating this Development Agreement or instituting legal proceedings. If the default is cured, then no default shall exist or be deemed to have existed and the Complaining Party shall take no further action.

Section 8.4 Estoppel Certificate.

Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party (a) this Development Agreement is in full force and effect and a binding obligation of the Parties, (b) this Development Agreement has not been amended or modified, or if so amended or modified, identifying the amendments or modifications, and (c) the requesting Party is not in default in the performance of its obligations under this Development Agreement, or if in default, to describe therein the nature of such default. The Party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof.

ARTICLE 9

GENERAL PROVISIONS

Section 9.1 Incorporation of Recitals.

Recitals A through K are incorporated herein, including all exhibits referred to in said Recitals.

Section 9.2 Independent Contractors.

Each Party is an independent contractor and shall be solely responsible for the employment, acts, omissions, control and direction of its employees. Except as expressly set forth herein, nothing contained in this Development Agreement shall authorize or empower any Party to assume or create any obligation whatsoever, express or implied, on behalf of any other Party or to bind any other Party or to make any representation, warranty or commitment on behalf of any other Party.

Section 9.3 Invalidity of Development Agreement and Severability of Provisions.

If this Development Agreement in its entirety is determined by a court to be invalid or unenforceable, this Development Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Development Agreement shall be determined by a court to be invalid and unenforceable, the remaining provisions shall continue in full force and effect.

Section 9.4 Modifications.

This Development Agreement may be modified from time to time by mutual consent of the Parties in writing, in accordance with the Development Agreement Statute and the City Development Agreement Procedures; provided, however, that any such modification may be approved by the City Manager without a noticed public hearing before either the Planning Commission or the City Council, if such modification does not substantially affect (a) the Term of this Development Agreement, (b) the permitted uses of the Project Site, (c) the provisions for the reservation or dedication of land, (d) the conditions, terms, restrictions or requirements for the Project Approvals, or (e) the density or intensity of use of the Project Site or the maximum height or size of the proposed buildings. In the event the Parties modify this Development Agreement, the City Clerk shall cause notice of such action to be duly recorded in the official records of Solano County within ten (10) days of such action.

Section 9.5 Project is a Private Undertaking.

The Parties agree that: (a) any development by Developer of the Project Site shall be a private development; (b) City has no interest in or responsibilities for or duty to third parties concerning any improvements constructed in connection with the Project Site until such time and only at such time that City accepts the same pursuant to the Existing Rules or the provisions of this Development Agreement; (c) Developer shall have full power over and exclusive control of the development of the Project Site subject only to the limitations and obligations of Developer under this Development Agreement and the Project Approvals; (d) the contractual relationship between City and Developer is such that Developer is an independent contractor and not an agent of City; and (e) nothing in this Development Agreement is intended or shall be construed to create or reflect any form of partnership or joint venture between the Parties.

Section 9.6 Covenants Running with the Land.

All of the terms and conditions contained in this Development Agreement are binding upon and benefit the Parties and their respective heirs, successors and assigns, representatives, lessees and all other persons acquiring all or any portion of the Project Site, whether by operation of law or in any manner whatsoever, during their ownership of the Project Site, or any portion thereof. All of the terms and conditions of this Development Agreement constitute covenants running with land pursuant to California law, including, without limitation, Civil Code Section 1468.

Section 9.7 Recordation of Development Agreement.

Within ten (10) days of the Effective Date, the City Clerk shall cause this Development Agreement to be duly recorded in the official records of Solano County.

Section 9.8 Notices.

Any notice required under this Development Agreement shall be in writing and personally delivered, or sent by certified mail (return receipt requested and postage prepaid), overnight delivery, or facsimile to the following:

City: City of Dixon
City Hall
600 East A Street
Dixon, California 95620
Attn: City Manager
Community Development Director
Facsimile: (707) 678-1489

Copy to: City of Dixon
City Attorney
Meyers Nave Riback Silver & Wilson
555 Capitol Mall, Suite 1200
Sacramento, California 95814
Attn: Michael F. Dean, Esq.
Facsimile: (916) 556-1516

Developer: T.V.O.B.
1470 Maria Lane, Suite 101
Walnut Creek, California 94596
Attn: Jeffrey Kendall
Facsimile: (925) 946-9765

Copy to: Cassidy, Shimko, Dawson & Kawakami
20 California Street, Suite 500
San Francisco, California 94111
Attn: Matthew D. Francois
Facsimile: (415) 788-2039

Notices to Mortgage Lenders by City shall be given as provided above using the address provided by such Mortgage Lenders. Notices to Subsequent Landowners shall be required to be given by City as required above only for those Subsequent Landowners who have given City written notice of their address for the giving of such notices. Any Party may change its mailing address/facsimile at any time by giving written notice of such change to the other Parties in the manner provided herein at least ten (10) days prior to the date of such change is effected. All notices under this Development Agreement shall be deemed given, received, made or communicated on the earlier of the date personal delivery is effected or on the delivery date or attempted delivery date shown on the return receipt, air bill, or facsimile.

Section 9.9 Prevailing Wage.

Developer shall be solely responsible for determining whether construction of the Public Improvements required to be constructed by Developer as set forth in **Exhibit E** and required in connection with the Project trigger the obligation to pay prevailing wages under California or federal law; provided that this responsibility does not apply to any Public Improvements required in connection with the Project not constructed by Developer. In the event and to the extent that the payment of prevailing wages is required, Developer shall use diligent good faith efforts to

ensure full compliance with those requirements. Developer shall defend, indemnify and hold harmless City, its agents, employees, officers and officials from any liability, loss, debts, costs or damages sought by a third party for a failure to pay prevailing wages in connection with the Project. The indemnification obligation set forth in this Section shall survive the termination of this Development Agreement.

Section 9.10 Applicable Law.

This Development Agreement shall be construed and enforced in accordance with the laws of the State of California.

Section 9.11 Cooperation in the Event of Legal Challenge; Indemnification.

In the event of any legal or equitable action or other proceeding instituted by a third party challenging the validity of this Development Agreement or any provision hereof, the Parties shall cooperate in defending said action or proceeding; provided, however, Developer shall be solely responsible for reasonable costs incurred in such defense. Developer shall defend, indemnify and hold harmless City, its agents, employees, officers and officials from any liability, loss, debts, costs or damages sought by a third party challenging any aspect of this Development Agreement or actions seeking to overturn or invalidate any Project Approvals, approvals granted pursuant to this Development Agreement, or this Development Agreement, including any challenges or actions asserted under CEQA. Developer shall not settle any lawsuit on grounds that include non-monetary relief or admissions of liability without the consent of City. City shall act in good faith, and shall not unreasonably withhold such consent. Such obligation to defend, indemnify and hold harmless shall not apply to any liability, loss, debts, costs or damages to the extent such is caused by the active negligence or willful misconduct of City, its agents, employees, officers or officials. The provisions of this Section shall survive the termination of this Development Agreement.

Section 9.12 Third Party Beneficiaries.

This Development Agreement is made and entered into for the sole protection and benefit of Developer and City and their successors and assigns. No other person shall have any right of action based upon any provision in this Development Agreement.

Section 9.13 Effect of Waiver.

No waiver by a Party of any provision of this Development Agreement shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a Party of any right or remedy provided in this Development Agreement or provided by law shall not prevent the exercise by that Party of any other remedy provided in this Development Agreement or under the law.

Section 9.14 Construction.

The provisions of this Development Agreement and the attached exhibits shall be construed as a whole according to their common meaning and not strictly for or against any

Party, and in a manner that shall achieve the purposes of this Development Agreement. Wherever required by the context, the masculine gender shall include the feminine or neuter genders, or vice versa.

Section 9.15 Entire Agreement.

This Development Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations and agreements whether oral or written. Any oral representations or modifications concerning this Development Agreement shall be of no force or effect unless contained in a subsequent written modification signed by both Parties.

Section 9.16 Counterparts.

This Development Agreement and any and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.

Section 9.17 Captions.

The caption headings provided are for convenience only and shall not affect the construction of this Development Agreement.

Section 9.18 Listing and Incorporation of Exhibits.

The exhibits to this Development Agreement, each of which are hereby incorporated herein by reference, are as follows:

- Exhibit A – Legal Description of Project Site
- Exhibit B – Project Description
- Exhibit C – Project Approvals
- Exhibit D – Assumption Agreement
- Exhibit E – Developer’s Obligations
- Exhibit F – Reimbursements
- Exhibit G-1 Northeast Quadrant Property Index
- Exhibit G-2 – Northeast Quadrant Public Improvements Summary

IN WITNESS WHEREOF, this Development Agreement was executed by the Parties thereto on the date first set forth above.

CITY:

CITY OF DIXON,
a municipal corporation

By: _____

Paul Butcher Jr
Mayor

Attest: _____

Janice J. Sumner
City Clerk

Approved as to Form:

By: _____

Michael Dees
City Attorney

DEVELOPER:

T.V.O.B.,
a general partnership

By: _____

N/A

Name: _____

Title: _____

By: _____

Jeffrey S. Kendall
Name: **JEFFREY S. KENDALL**

Title: _____

GENERAL PARTNER

By: _____

Joe Duffel
Name: Joe Duffel

Title: _____

GENERAL PARTNER

1162116.5

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
 County of Solano }

On Apr. 27, 2009 before me, Dianna L. Camara, Notary Public
Date Here insert Name and Title of the Officer
 personally appeared Jack Batchelor, Jr. and Janice M. Beaman
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Dianna L. Camara
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

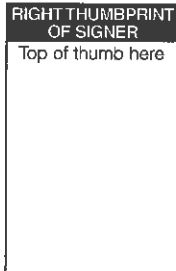
Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

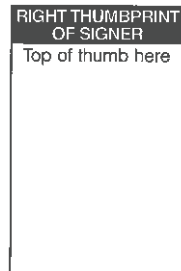
Title or Type of Document: Development Agreement - City of Dixon & T.V.O.B
 Document Date: December 26, 2008 Number of Pages: _____
 Signer(s) Other Than Named Above: TUOB

Capacity(ies) Claimed by Signer(s)

Signer's Name: Jack Batchelor, Jr.
 Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other: Mayor
 Signer Is Representing: _____
City of Dixon



Signer's Name: Janice M. Beaman
 Individual
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Attorney in Fact
 Trustee
 Guardian or Conservator
 Other: City Clerk
 Signer Is Representing: _____
City of Dixon



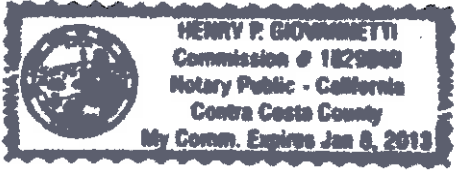
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Contra Costa }

On April 10, 2009 before me, Henry P. Giovannetti, Notary Public

personally appeared Jeffrey S. Kendall



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Government Code 27361.7

I certify under penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary: Henry P. Giovannetti
Commission Number: 1829880
Commissioned In: California – Contra Costa County
Date Commission Expires: January 8, 2013
Notary Telephone Number: _____

The above information is for the Notary who notarized the signature for Jeffrey S. Kendall. The information was obtained from a clear copy of Mr. Giovannetti's notary seal.

Date: June 2, 2009

Diana L. Camera
Signature

City of Dixon

Firm Name (if any)

EXHIBIT "A"

LEGAL DESCRIPTION OF PROJECT SITE

Parcel 5, as shown on that certain Parcel Map entitled "Parcel Map, a Portion of the South Half of the Northwest One-Quarter of Section 12, Township 7 North, Range 1 East, Mount Diablo Meridian, City of Dixon, Solano County, California" recorded April 11, 1997 in Book 40 of Parcel Maps at Page 38; Solano County Records.

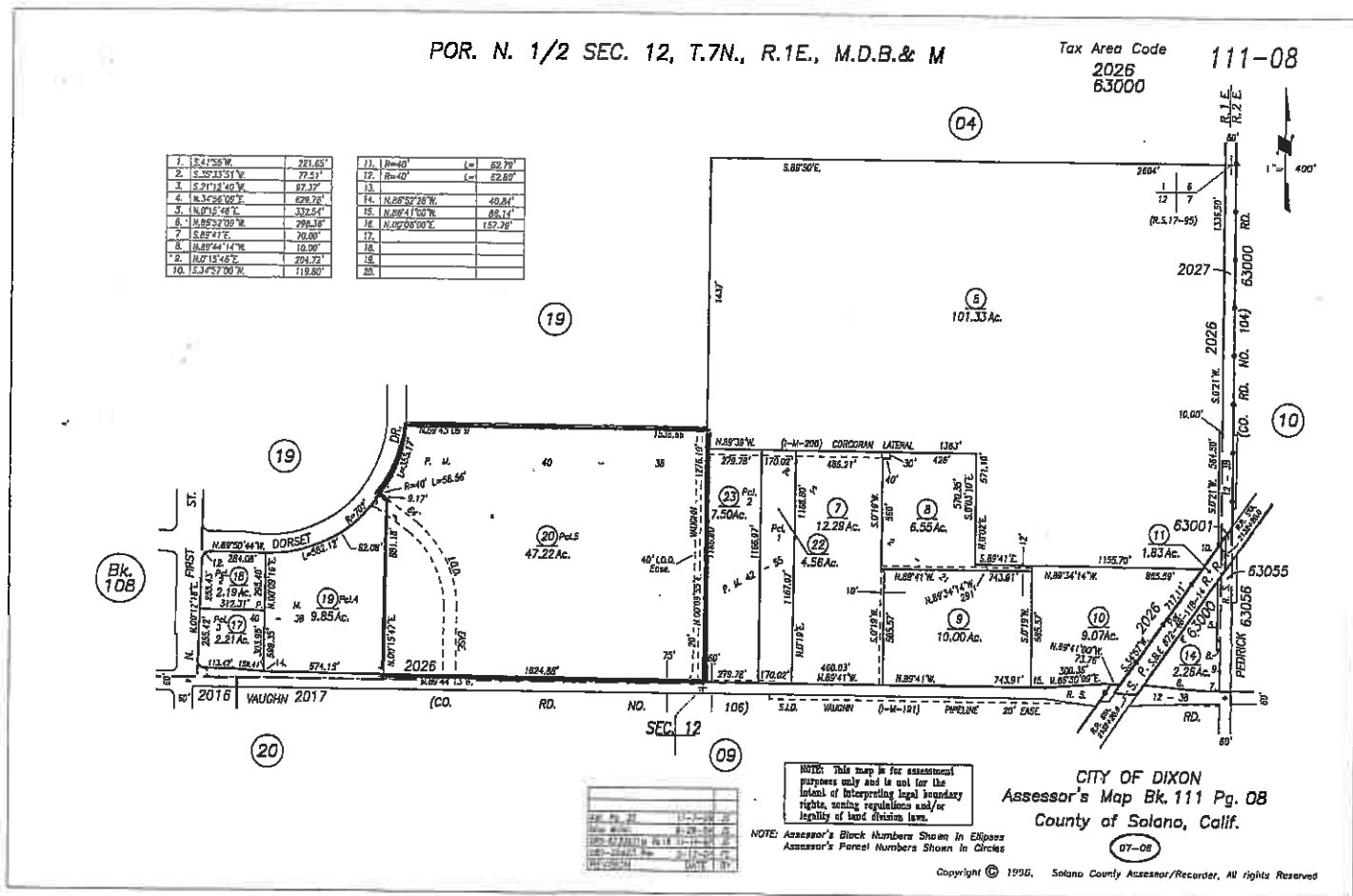


EXHIBIT "B"

PROJECT DESCRIPTION

Section B-1 Project Site Description. The Project Site, as set forth in the legal description in **Exhibit A**, consists of forty-seven (47) acres, Solano County Assessor's Parcel Number 0111-080-200, of unimproved real property. The Project Site is located in the Northeast Quadrant of the City of Dixon and is bordered by Vaughn Road on the south side, private property (Solano County Assessor's Parcel Numbers 111-080-190 and 111-190-070) on the west side, private property (Solano County Assessor's Parcel Number 111-190-010) on the north side and private property (Solano County Assessor's Parcel Numbers 111-080-005 and 111-080-230) on the east side. The Project Site is zoned Highway Commercial – Planned Unit Development and Light Industrial under the Zoning Ordinance, as amended. The Project Site is identified as "P-15" in Exhibits G-1 and G-2.

Section B-2 Project Description. The Project is the development of the Project Site in two (2) phases according to the following:

(a) **Phase 1.** Phase 1 consisted of amending the Northeast Quadrant Specific Plan to change the land use designation of approximately 30 acres of the Project Site from Community Commercial (CC) to Highway Commercial (CH), which was approved by Resolution No. 08-196, and rezoning approximately 30 acres of the Project Site from Neighborhood Commercial – Planned Unit Development (CN-PUD) to Highway Commercial – Planned Unit Development (CH-PUD), which was approved by Ordinance No. 08-019.

(b) **Phase 2.** Phase 2 shall consist of development on the Project Site. Construction of Phase 2 shall not commence until any necessary environmental review has been conducted for Phase 2 pursuant to CEQA.

EXHIBIT "C"

PROJECT APPROVALS GRANTED AND REQUIRED FOR THE PROJECT SITE

Section C-1 Current Project Approvals.

The land use entitlements and approvals which are granted concurrently with approval of this Development Agreement by City for the Project are as follows:

1. By Resolution No. 08-195 dated November 10, 2008, the Dixon City Council ratified the Initial Study/Mitigated Negative Declaration, Dixon Town Center for the Project affecting the Project Site.
2. By Resolution No. 08-196 dated November 10, 2008, the Dixon City Council approved an amendment to the Northeast Quadrant Specific Plan to change the land use designation of approximately 30 acres of the Project Site from Community Commercial (CC) to Highway Commercial (CH).
3. By Ordinance No. 08-019 effective December 26, 2008, the Dixon City Council rezoned approximately 30 acres of the Project Site from Neighborhood Commercial – Planned Unit Development (CN-PUD) to Highway Commercial – Planned Unit Development (CH-PUD).
4. By Ordinance No. 08-020 effective December 26, 2008, the Dixon City Council authorized City to enter into this Development Agreement with Developer.

Section C-2 Subsequent Project Approvals

All land use, environmental and building approvals, permits and entitlements required by the Existing Rules in order to construct the Project on the Project Site.

EXHIBIT "D"

ASSUMPTION AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:
Dixon City Clerk
City Hall
600 East A Street
Dixon CA 95620

Space above this line for Recorder's use only

FORM OF:

DEVELOPER AND SUBSEQUENT LANDOWNER
ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT ("*Agreement*") is made and entered into on this day of _____, 20____, by and between T.V.O.B., a general partnership ("*Developer*") and _____ ("*Subsequent Landowner*").

RECITALS

A. Developer entered into a Development Agreement with the City of Dixon on _____, 200_ ("*Development Agreement*"), which was recorded on _____, 200_ as Document No. _____ in Book _____, Page _____ of the Official Records of Solano County, California, pursuant to which Developer agreed to develop certain property more particularly described in said Development Agreement as the "*Project Site*" in exchange for certain vested rights and subject to certain terms and conditions set forth in the Development Agreement.

B. Developer and Subsequent Landowner agreed to assign Developer's interests in all or a portion of the Project Site by a deed or other written instrument, which [was recorded in the Official Records of Solano County, California, on _____, 200_, as Document No. _____, in Book _____, Page _____, of the Official Records of Solano County, California] or [which will be recorded in the Official Records of Solano County, California concurrently with the recordation of this instrument] ("*Assigned Property*").

C. Subsequent Landowner desires to assume all of Developer's rights, duties and obligations under the Development Agreement with respect to the Assigned Property and to relieve Developer of all of said assigned rights, duties and obligations with respect to the Assigned Property.

NOW, THEREFORE, Developer and Subsequent Landowner hereby agree as follows:

1. Developer hereby assigns, effective as of Developer's conveyance of the Assigned Property to Subsequent Landowner, all of the vested rights, title and interest of Developer under the Development Agreement with respect to the Assigned Property. Developer retains all the vested rights, title and interests under the Development Agreement with respect to all other property within the Project Site owned thereby.
2. Subsequent Landowner hereby contractually assumes all of the burdens and obligations of Developer under the Development Agreement with respect to the Assigned Property, and agrees to observe and fully perform all of said duties and obligations and to be subject to all the terms and conditions thereof with respect to the Assigned Property, it being the express intention of both Developer and Subsequent Landowner that, upon the execution of this Agreement, Subsequent Landowner shall become substituted for Developer as the "*Developer*" under the Development Agreement with respect to the Assigned Property.
3. All of the covenants, terms and conditions of the Development Agreement and set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.
4. Any notice required under the Development Agreement shall be made in accordance with Section 10.8 of the Development Agreement, except notice to Subsequent Landowner with respect to the Assigned Property shall be as follows:

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:

T.V.O.B.,

a general partnership

By: _____

Its: _____

SUBSEQUENT LANDOWNER:

a _____

By: _____

Its: _____

EXHIBIT "E"
DEVELOPER'S OBLIGATIONS

Section E-1 Signage. Developer shall not construct any multi-tenant freeway oriented sign pursuant to Section 12.20.06 of the Zoning Ordinance. Developer shall submit to City prior to the issuance of any building permit a sign program identifying all permanent and temporary signs to be located on the Project Site pursuant to Section 12.20.03 of the Zoning Ordinance. The sign program shall include, but is not limited, to the following: the dimension, color, design, material, placement and lighting of all permanent and temporary signs. No freestanding sign shall exceed twenty feet (20') in height. All freestanding signs for the Project Site shall be constructed within the boundaries of the Project Site, unless Developer obtains City's prior written consent otherwise.

Section E-2 Mitigation Measures. Developer shall fully perform all of the environmental mitigation measures imposed upon the Project Site under the Existing Rules and this Development Agreement, except as otherwise provided below.

(a) **Mitigated Negative Declaration.** Developer shall fully perform all of the mitigation measures imposed upon the Project Site by the Mitigated Negative Declaration as modified below.

(i) **Agricultural Land Mitigation.** For every acre of the Project Site, Developer shall acquire one acre of off-site agricultural land or a conservation easement on such land within the Dixon Planning Area or within a ten (10) mile radius of City prior to the approval of any improvement plans for construction of that portion of the Project Site in which the acre is included. Alternatively, Developer may participate in City's master agricultural conservation program by paying a fee in the amount of two hundred eleven thousand five hundred dollars (\$211,500) for the Project Site or four thousand five hundred dollars (\$4,500) for each acre of the approximately forty-seven (47) acres of the Project Site. In the event that Developer acquires off-site agricultural land pursuant to this Section, Developer may re-sell the land to an agricultural operator or other party so long as a conservation agreement acceptable to City is granted to City or an agency or organization acceptable to City. In the event that Developer acquires a conservation easement pursuant to this Section, Developer shall seek City's approval of the conservation easement prior to acquisition and shall grant the conservation easement to City or an agency or organization acceptable to City.

(b) **NQSP EIR and Dixon Downs EIR.** Developer shall perform only those mitigation measures imposed upon the Project Site by the NQSP EIR or Dixon Downs EIR as set forth below to the extent of Developer's fair share and to the extent necessary for the Project.

(i) **Surface and Water Quality.**

(1) Prior to commencement of on-site grading, the Developer shall demonstrate, via a detailed hydraulic analysis of post development topographic and drainage conditions, that the final project design would not substantially cause flooding to adjacent or downstream parcels or conveyance facilities. Developer shall construct the Storm Drainage Improvements set forth in Section E-11(d). In the event that the Storm Drainage Improvements set forth in Section E-11(d) are removed from service, Developer shall provide alternative storm drain improvements for the Project Site acceptable to the City Engineer.

(2) Prior to on-site grading, Developer shall develop a surface water quality control plan, to be reviewed and approved by the City Engineer. All site design plans shall comply with Attachment 4 of California State Water Resources Control Board's Water Quality Order No. 2003-005-DWQ, the State of California's National Pollutant Discharge Elimination System (NPDES) General Permit ("Attachment 4"), including certification by a registered civil engineer or licensed architect that the site design plans comply with Attachment 4 requirements.

(ii) **Air Quality.**

(1) During the course of any construction on the Project Site, the Project Site shall be watered at least two (2) times per day. Emphasis shall be placed on the water of unpaved roadways during periods of high vehicle movement.

(2) Tarpaulins or other effective covers shall be used on haul trucks when transferring earth materials.

(3) Where feasible, all inactive portions of the Project Site shall be seeded and watered until vegetation is grown.

(4) All disturbed soil areas not subject to revegetation shall be stabilized using approved chemical soil binders, jute netting or other methods approved in advance by the Yolo/Solano Air Quality Management District.

(5) Soils shall not be exposed nor grading occur during periods where wind speeds are greater than twenty (20) m.p.h. averaged over one (1) hour.

(6) Vehicle speed shall not exceed a maximum of fifteen (15) m.p.h. on all unpaved roads.

(7) All roadways, driveways, and sidewalks shall be paved as soon as possible. In addition, building pads shall be laid as soon as possible after grading, unless seeding or soil binders are used.

(8) Equipment and engines shall be properly maintained at all times.

(9) Vehicle idling shall be kept to an absolute minimum. As a general rule idling shall be kept below ten (10) minutes.

(10) During smog season (April through October), the construction period shall be lengthened so as to minimize the number of vehicles and equipment operating at the same time.

(11) Construction activities should utilize new technologies to control ozone precursor emissions as they become available and feasible.

(12) A site assessment shall be conducted before construction activities begin. At locations where petroleum contamination has occurred, the soils shall be remediated using appropriate techniques. Removal of petroleum contamination will also eliminate the generation of hydrogen sulfide and its associated odor. If unforeseen areas of subsurface contamination are encountered during excavation activities, grading shall be curtailed in the contaminated area until the area is evaluated and remediated as appropriate.

(iii) **Transportation, Circulation and Access.**

(1) The Project shall comply with the design guidelines included in the NQSP, ensuring that the Project will comply with transportation congestion management and circulation policies in the Dixon General Plan and Solano County Plan.

(2) All contractors shall comply with local, state and federal noise regulations, including fitting all equipment with mufflers according to the manufacturer's specifications.

(3) Construction activities shall not take place between 7:00 p.m. and 7:00 a.m. on weekdays and Saturday, and construction activities shall not be permitted on Sunday or on federal holidays.

(4) The Project shall comply with City's noise standard to ensure that noise thresholds are not exceeded.

(5) Commercial and office uses located within the proposed year 2010 70 CNEL noise contour, and industrial uses proposed within the 75 CNEL noise contour, shall be sited and designed to be sensitive to the adjacent I-80 noise source by incorporating appropriate building materials and design techniques to improve both the interior and exterior noise environment.

(iv) **Public Services and Utilities.**

(1) Developer shall comply with the water supply obligations set forth in Section E-11(a).

(2) Prior to the issuance of a building permit, Developer shall obtain written certification from City that City's wastewater treatment plant has capacity to accommodate the Project.

(3) Developer shall be responsible for contributing to the appropriate hook-up fees to help offset the costs of necessary sewage treatment facility expansions.

(4) Developer shall comply with the solid waste and recycling requirements set forth in Section E-11(c).

(v) **Police Protection.**

(1) Developer shall be responsible for providing an on-site private security staff to adequately serve the Project or provide alternative security to adequately serve the Project subject to the Dixon Police Department's

written approval. Developer shall obtain the Dixon Police Department's written approval of such alternative security provisions prior to the submission by Developer of an application for a building permit. On-site private security staff would be responsible for securing future structures and providing security in parking lots during and after normal business hours.

(vi) **Educational Facilities.**

(1) Developer shall be responsible for paying a fee amount per square feet of commercial and industrial development as established by the Dixon Unified School District consistent with California Education Code Section 17620 and California Government Code Section 65995, which requires the contribution of developer's fees to fund future educational facilities.

Section E-3 Energy Conservation. Developer recognizes City's concern with encouraging energy conservation. Developer also recognizes that alternative energy conservation/generation strategies, such as rooftop photovoltaic energy systems, either are presently economic or can be expected to become economic in the reasonably foreseeable future. Accordingly, Developer agrees to the following:

(a) Developer shall work with the Project's energy provider to identify and incorporate in the design of the Project those alternative energy conservation/generation strategies that are determined to be economic, reliable and otherwise feasible.

(b) Developer shall conduct on a biennial basis, in cooperation with the Project's energy provider, an energy audit to reassess the economics of alternative energy conservation/generation strategies and to make a good faith commercially reasonable effort to implement those alternative energy conservation/generation strategies that are determined to be economic, reliable and otherwise feasible.

(c) Developer shall participate in the Savings by Design program offered by Pacific Gas and Electric ("PG&E") and shall incorporate design recommendations from this program into the design for each building of the Project. The Project shall be designed to reduce energy consumption to the maximum extent feasible.

(d) Developer shall undertake good faith and commercially reasonable efforts to participate in an energy efficiency incentive program offered by PG&E, which has a goal of exceeding by 10% the energy efficiency standards included in the 2007 California Energy Code, California Code of Regulations, Title 24, Part 6 as adopted by the City in Chapter 16.09 of Title 16 of the Dixon Municipal Code.

Section E-4 Water Conservation. Developer shall design on-site landscaping in accordance with the City's Water Efficient Landscape Ordinance.

Section E-5 Litter Contribution. Developer acknowledges that any restaurant constructed by Developer will generate a large amount of litter. For purposes of this section, "restaurant" shall

include any fast food or drive-thru restaurant, sit-down restaurant, sandwich shop, ice cream shop, or other business establishment where meals or refreshments may be purchased. Developer agrees to contribute a one-time payment of two thousand five hundreds dollars (\$2,500) for each restaurant constructed by Developer to City for the purpose of litter clean-up off-site ("Litter Contribution"). This amount shall be increased one hundred dollars (\$100) each January 1 of each year beginning in 2009. Any Litter Contribution shall be submitted to City prior to the issuance of an occupancy permit for any restaurant.

Section E-6 Permitted and Conditional Uses. Section 12.10, Highway Commercial District (CH), of the Dixon Zoning Ordinance shall regulate the permitted and conditional uses applicable to the Project Site, except as set forth below.

(a) **Prohibited Uses.** The following uses shall not be allowed on the Project Site as permitted or conditional uses:

- (i) Communication equipment building;
- (ii) Stand alone gasoline service station, with or without a convenience market (does not include gasoline service station or fueling center accessory to an otherwise permitted or conditionally permitted use, oil change business or tire store);
- (iii) Golf driving range;
- (iv) Trailer sales and services;
- (v) Recreation vehicle sales and services;
- (vi) Commercial amusement establishment including an amusement park;
- (vii) Carnival, circus and other transient amusement enterprises;
- (viii) Pony riding ring;
- (ix) Riding stable;
- (x) Cleaning and laundry agency (with an onsite plant);
- (xi) Bar;
- (xii) Upholstery shop other than furniture;
- (xiii) Food locker;
- (xiv) Self-service laundry; and
- (xv) Umbrella repair shop.

(b) **Permitted Uses.** In addition to those uses allowed as permitted uses under the Dixon Zoning Ordinance, the following uses shall be allowed on the Project Site as permitted uses:

- (i) Restaurants (without drive-thrus);
- (ii) Bakery and donuts;
- (iii) Building and garden supplies;
- (iv) Computer, electronics and stereo;
- (v) Country store/deli;
- (vi) Financial institutions (without drive-thrus);
- (vii) Florist and cards;
- (viii) Furniture and appliance showroom;
- (ix) Gift shop and souvenirs;
- (x) Galleries;

- (xi) Ice cream and yogurt;
- (xii) Cleaning and laundry agency (without an onsite plant);
- (xiii) Produce (not produce stands);
- (xiv) Sporting goods and bait shop (not selling firearms, not bait shop alone);
and
- (xv) Fitness centers (twelve thousand (12,000) square feet or less).

(c) **Conditional Uses.** In addition to those uses allowed as conditional uses under the Dixon Zoning Ordinance, the following uses shall only be allowed on the Project Site as conditional uses:

- (i) Financial institutions (with drive-thrus);
- (ii) Sporting goods and bait shops (selling fire arms);
- (iii) Fitness centers (more than twelve thousand (12,000) square feet);
- (iv) Liquor stores;
- (v) Pharmacies (with drive-thrus); and
- (vi) Gasoline service station or fueling center accessory to an otherwise permitted or conditionally permitted use, oil change business or tire store.

Section E-7 Financial Institution as Use. The land use "financial institution" shall include a commercial bank, thrift, federal and state savings bank, saving and loan association, credit union, check cashing business, pay-in-advance business and any organization in the business of moving, investing or lending money, dealing in financial instruments, or providing any other financial services. In the event that a financial institution, with or without a drive-thru, is chosen as a use for any portion of the Project Site, the financial institution shall be designed with security provisions subject to the Dixon Police Department's approval. Developer shall obtain the Dixon Police Department's written approval of such security provisions prior to the submission by Developer of an application for a building permit.

Section E-8 Lighting and Landscape District Assessments. The Project Site was annexed into the City of Dixon Lighting and Landscape Maintenance District Zone 5 as part of the Vaughn Ranch Parcel Map (Resolution 97-39) and is subject to assessments based on assessable acreage within Zone 5.

Section E-9 Public Improvement Agreement. Developer shall enter into a Public Improvement Agreement with the City for the construction, installation, and bonding of all Public Improvements and payment of any associated fees prior to issuance of any building permit for the Project.

Section E-10 Fees for Public Improvements. As applicable, Developer shall submit fees to City for the Public Improvements under Section E-11 pursuant to Resolution No. 9359 or its successor.

Section E-11 Public Improvements, Public Utilities, and Public Services.

- (a) **Water.**

(i) **Water Supply.** Prior to the issuance of any building permit for the Project, Developer shall obtain written confirmation from Dixon Solano Municipal Water Service ("DSMWS") that adequate water supply is available to meet the maximum daily water demand of the project and a minimum fire flow of four thousand (4,000) gallons per minute for three (3) consecutive hours or as otherwise approved in writing by the Fire Department.

(ii) **Water Main Facilities.** Developer shall construct, or cause to be constructed, water main facilities to serve the Project Site, which includes installation of a twelve inch (12") water supply main line within the future Professional Drive street alignment and a twelve inch (12") water supply main line along the northern property line of the Project Site from North Facility No. 2 to the future Professional Drive to complete a looped water supply main line system surrounding the Project Site ("Water Main Facilities"), which shall be fully constructed and operational prior to the issuance of a building permit. There are existing twelve inch (12") water supply main lines within the Project Site that have been offered as an Irrevocable Offers of Dedication for the future Kids Way Extension through the Project Site and in Vaughn Road adjacent to the Project Site.

(iii) **Water Supply Easement.** Developer shall use commercially reasonable efforts to provide, at Developer's sole cost and expense, a thirty-foot (30') wide easement either (1) centered on the northern property line of the Project Site between the Project Site and the property to the north of the Project Site (APN 111-190-010) or (2) located on an alternative alignment acceptable to the City from North Facility No. 2 to Professional Drive for the installation of a twelve inch (12") water supply main line ("Water Supply Easement"). Developer shall be solely responsible for obtaining and recording the Water Supply Easement. The City will exercise its best efforts to facilitate discussions and negotiations between the Developer and the other property owner regarding the Water Supply Easement. Developer shall comply with this Section E-11(a)(iii) prior to the issuance of any building permit for the Project.

(iv) **Water Service.** The Project Site shall be connected to the DSMWS system with a separate water service required for each parcel of the Project Site. Developer shall provide the size of the fire flow and domestic services. Developer shall install a double check detector assembly ("DCDCA") on the fire flow. Developer shall install a water meter and reduced pressure backflow preventer assembly on the domestic water service in accordance with DSMWS Standards. Developer shall install the DCDCA at a set back of a minimum of ten feet (10') from the back edge of sidewalk. Actual location is subject to review and approval of the Engineering Department, Fire Department and Community Development Department. Developer shall comply with this Section E-11(a)(iv) prior to the issuance of any building permit for the Project.

(v) **On-Site Fire Water System.** Developer shall construct a looped on-site fire water system with connections to the Water Main Facilities as directed by City. The on-site fire water system shall be connected to more than one leg of the Water Main Facilities loop to provide redundancy. Such fire water system shall be constructed and water shall be available to the Project Site prior to the issuance of any building permit.

(b) **Sewer.**

(i) **Sewer Treatment Facilities.** At the time of the approval of the off-site public improvement plans, Developer shall obtain written certification from the City Engineer that City's wastewater treatment plant has capacity to accommodate the Project. If the City Engineer determines sufficient capacity is not available for the Project, Developer pay its fair share (based on all benefiting development in City as determined by the City Engineer) towards the financing of necessary sewage (wastewater) treatment facility capacity expansion improvements ("Sewer Facilities Expansion Improvements"). The Sewer Facilities Expansion Improvements shall be constructed prior to issuance of any building permit for the Project. If the City Engineer determines sufficient capacity is available to accommodate the Project, Developer shall pay the appropriate sewer connection fees.

(ii) **Sewer Service.** Prior to the issuance of any occupancy permit for the Project, the Project Site shall be connected to City's sewer (wastewater) system with a separate sewer lateral for each parcel of the Project Site. Each proposed building of the Project shall receive sewer service through a connection to an on-site manhole connected to City's sewer main. The Project Site shall be connected to the existing ten-inch (10") sewer main in Vaughn Road west of Fitzgerald Drive.

(iii) **Wastewater Discharge Permit.** Developer shall apply for a no-cost Wastewater Discharge Permit from the Public Works Department prior to the issuance of any building permit for the Project.

(c) **Refuse & Recycling.** Prior to the issuance of any building permit for the Project, Developer shall submit to the Community Development Department a construction waste, commercial and industrial waste, and an open space waste recycling program for long-term handling of recycled waste from the Project Site. Developer shall provide a central on-site collection point for the recycling of materials generated from commercial and industrial uses. In addition, adequate collection facilities for recyclable materials shall be located throughout the Project Site including outside storage and collection containers. Grass clippings, prunings and other organic waste resulting from open space maintenance are classified as clean waste and shall be made available for composting or recycling. Refuse and recycling shall be implemented in accordance with City Ordinance No. 9409, or its successor. All trash enclosures shall be large enough to accommodate both refuse and recycling dumpsters, as well as grease containers (if applicable).

Developer shall coordinate with the Dixon Sanitary Service at (707) 678-4026. The materials used on the exterior of any trash enclosure shall match those used on the corresponding building. The location of all trash enclosures shall be to the satisfaction of the Community Development Department and Dixon Sanitary Service.

(d) **Storm Drainage Improvements.** Developer shall design and construct improvements necessary to detain one hundred and ten percent (110%) of the increase in peak runoff rate and increase in total runoff volume from any development on the Project Site based upon the one-hundred (100) year, four (4) day storm event ("Storm Drainage Improvements") prior to the issuance of any building permit for the Project. The peak runoff rate and volume increase shall be calculated using a hydrograph and shall be the difference between the existing peak runoff rate and volume of the undeveloped portion of the Project Site and the peak runoff rate and volume of the portion of the Project Site proposed to be developed. The Storm Drainage Improvements shall be designed in accordance with Section 4, *Drainage Design*, of the City of Dixon Design Standards.

(e) **Above Ground Utilities.** Developer shall cause all existing utilities located above ground to be placed underground. Developer shall cause utilities, including telephone, gas and electricity, to be provided to the Project Site. Developer shall coordinate with appropriate utility companies for size and location of conduit, connections and conductors. Developer shall comply with this Section E-11(e) prior to the issuance of any occupancy permit for the Project.

(f) **Vaughn Road Improvements.** Developer shall construct, or cause to be constructed, the landscaped median and two westbound travel lanes, including curb, gutter, sidewalk and frontage landscaping on the north side of the roadway, the undergrounding of existing utilities and any minor improvements necessary to accomplish these improvements, along Vaughn Road from the west property line to the east property line of the Project Site ("Vaughn Road Improvements"). City shall make a good faith effort to include the widening of Vaughn Road from North First Street to Pedrick Road as a four-lane arterial in its Capital Improvement Program and adopt a corresponding AB 1600 fee prior to the issuance of any building permit for the Project. The Vaughn Road Improvements shall be constructed prior to the issuance of any occupancy permit.

(g) **Professional Drive Improvements.** Developer shall construct, or cause to be constructed, two travel lanes of a roadway, to be named Professional Drive, including curb, gutter, sidewalk and frontage landscaping on the west side of the roadway, undergrounding of existing utilities and any minor improvements necessary to accomplish these improvements, along the east property line from the north property line to the south property line of the Project Site ("Professional Drive Improvements"). The Professional Drive Improvements shall be constructed prior to the issuance of any occupancy permit for that portion of the Project Site currently zoned Light Industrial (ML).

(h) **Kids Way Improvements.** Developer shall construct, or cause to be constructed, a two-lane commercial collector roadway, extending the existing Kids Way ("Kids Way Extension"), including curb, gutter, sidewalk and frontage landscaping, undergrounding existing utilities and any minor improvements necessary to accomplish these improvements, through the Project Site, as shown in the Northeast Quadrant Specific Plan ("Kids Way Improvements"). The Kids Way Improvements shall be constructed prior to the issuance of any occupancy permit.

(i) **Dorset Drive/ Kids Way Intersection Improvements.** Developer shall construct, or cause to be constructed, curbs, curb returns, curb ramps, roadway paving, relocation of temporary traffic signal equipment, crosswalk, pedestrian traffic signal heads and any minor improvements necessary to accomplish these improvements and provide an operating traffic signal controlled intersection at the intersection of Dorset Drive, also known as East Dorset Drive ("Dorset Drive"), and the future Kids Way ("Dorset Drive/Kids Way Intersection Improvements"). The Dorset Drive/Kids Way Intersection Improvements shall be constructed prior to the issuance of any occupancy permit.

(j) **Dorset Drive Easement Improvements.** Developer shall construct, or cause to be constructed, sidewalk and landscaping within the Dorset Drive Easement ("Dorset Drive Easement Improvements"). The Dorset Drive Easement Improvements shall meander within the Dorset Drive Easement consistent with the sidewalk and landscaping on the north side of Dorset Drive. Construction of the Dorset Drive Easement Improvements shall be completed prior to the issuance of any occupancy permit.

(k) **Irrigation Line Improvements.** Developer shall remove and replace, or cause to be replaced, the forty-two-inch (42") agricultural irrigation line with irrigation pipe and appurtenances approved by the Solano County Irrigation District along the east property line of the Project Site ("Irrigation Line Improvements"). The Irrigation Line Improvements shall be constructed prior to the issuance of any occupancy permit for that portion of the Project Site currently zoned Light Industrial (ML).

Section E-12 Dedications.

(a) **Professional Drive Roadway Dedication.** In connection with the Professional Drive Improvements, Developer shall provide City an Irrevocable Offer of Dedication (IOD) in fee for that portion of Professional Drive located on the Project Site ("Professional Drive Roadway Dedication") as shown in Northeast Quadrant Specific Plan. In no event shall the Professional Drive Roadway Dedication consist of more than one-half (1/2) of the complete Professional Drive right-of-way. The Professional Drive Roadway Dedication shall be shown on all subsequent maps. The Professional Drive Roadway Dedication shall be accepted by City upon acceptance of the Public Improvements set forth in this Development Agreement. Developer shall assume all costs related to preparation and recording of any maps for the Professional Drive Roadway Dedication and all costs related to acceptance by the City of the Professional Drive Roadway Dedication.

(b) **Professional Drive Easement Dedication.** In connection with the Professional Drive Improvements, Developer shall provide City an Irrevocable Offer of Dedication (IOD) for a fifteen foot (15') easement for public services, landscaping and pedestrian access on the Project Site along the west side of Professional Drive ("Professional Drive Easement Dedication"). The Professional Drive Easement Dedication shall be shown on all subsequent maps. The Professional Drive Easement Dedication shall be accepted by City upon acceptance of the Professional Drive Improvements. Developer shall assume all costs related to preparation and recording of any maps for the Professional Drive Easement Dedication and all costs related to acceptance by the City of the Professional Drive Easement Dedication.

(c) **Vaughn Road Roadway Dedication.** In connection with the Vaughn Road Improvements, Developer shall provide City an Irrevocable Offer of Dedication (IOD) in fee for that portion of Vaughn Road located on the Project Site ("Vaughn Road Roadway Dedication") as shown in the Northeast Quadrant Specific Plan. In no event shall the Vaughn Road Roadway Dedication consist of more than one-half (1/2) of the complete Vaughn Road right-of-way. The Vaughn Road Roadway Dedication shall be shown on all subsequent maps. The Vaughn Road Roadway Dedication shall be accepted by City upon acceptance of the Public Improvements set forth in this Development Agreement. Developer shall assume all costs related to preparation and recording of any maps for the Vaughn Road Roadway Dedication and all costs related to acceptance by the City of the Vaughn Road Roadway Dedication.

(d) **Kids Way Roadway Dedication.** In connection with the Kids Way Improvements, Developer shall provide City an Irrevocable Offer of Dedication (IOD) in fee for that portion of the Kids Way Extension, through the Project Site, necessary to construct the Kids Way Improvements. The Kids Way Roadway Dedication shall be shown on all subsequent maps. The Kids Way Roadway Dedication shall be accepted by City upon acceptance of the Public Improvements set forth in this Development Agreement. Developer shall assume all costs related to preparation and recording of any maps for the Kids Way Roadway Dedication and all costs related to acceptance by the City of the Kids Way Roadway Dedication.

(e) **Kids Way Easement Dedication.** In connection with the Kids Way Improvements, Developer shall provide City an Irrevocable Offer of Dedication (IOD) for a fifteen foot (15') easement for public services, landscaping and pedestrian access on the Project Site along the east and west sides of the Kids Way Extension ("Kids Way Easement Dedication"). The Kids Way Easement Dedication shall be shown on all subsequent maps. The Kids Way Easement Dedication shall be accepted by City upon acceptance of the Kids Way Improvements. Developer shall assume all costs related to preparation and recording of any maps for the Kids Way Easement Dedication and all costs related to acceptance by the City of the Kids Way Easement Dedication.

(f) **Dorset Drive Easement Dedication.** In connection with the Dorset Drive/Kids Way Intersection Improvements, Developer shall provide City an Irrevocable Offer of

Dedication (IOD) for a fifteen foot (15') easement for public services, landscaping and pedestrian access on the Project Site along the south side of Dorset Drive ("Dorset Drive Easement Dedication"). The Dorset Drive Easement Dedication shall be shown on all subsequent maps. The Dorset Drive Easement Dedication shall be accepted by City upon acceptance of the Dorset Drive Easement Improvements. Developer shall assume all costs related to preparation and recording of any maps for the Dorset Drive Easement Dedication and all costs related to acceptance by the City of the Dorset Drive Easement Dedication.

Section E-13 Transportation Access and Circulation.

(a) **Traffic Study.** Prior to project design review, Developer shall be required to submit a comprehensive traffic study in accordance with City of Dixon Engineering Standards and Specifications dated April 24, 2007, including Sections 14 and 15. The traffic study shall include, but not be limited to, evaluation of driveway locations, driveway throat depth, intersection traffic controls and roadway design.

(b) **Reciprocal Access Easements.** Developer shall provide reciprocal access easement(s) between the Project Site and the parcel to the west, Assessor's Parcel Number 111-080-190 ("20th Street Dixon, LLC Property"), for the purpose of ingress/egress ("Access Easements"). Prior to the issuance of any occupancy permit for the Project, the Access Easements shall be recorded by map and/or by separate document to the satisfaction of the City Engineer. The Access Easements shall be designed for the purpose of customer traffic only, such that developments on the Project Site and the 20th Street Dixon, LLC Property operate as an integrated, cohesive center. The Access Easements shall be located at a location on both properties mutually agreeable to Developer and 20th Street Dixon, LLC, or the current owner of the 20th Street Dixon, LLC Property.

Section E-14 Public Rights of Way. All Public Improvements within the public right-of-way shall:

- (a) Be in accordance with the latest edition of the City of Dixon's Engineering Standards & Specifications ("City of Dixon Standards").
- (b) Be in accordance with the Americans with Disabilities Act of 1990, 42 U.S.C. sections 12101 *et seq.*, and the California Accessibility Standards under Title 24, Part 2 of the California Code of Regulations.
- (c) Require the issuance of an encroachment permit from the Engineering Department prior to the issuance of a building permit and prior to commencing work within the City of Dixon public right-of-way.
- (d) Require a Caltrans encroachment permit to be obtained for all work to be performed in any state right-of-way prior to issuance of a City of Dixon Engineering Department encroachment permit.
- (e) Be subject to the approval of the City Engineer.

Section E-15 Grading and Storm Water Control. Developer shall comply with Chapters 16.04 and 16.06 of Title 16 of the Dixon Municipal Code regarding grading and storm water control.

Section E-16 Storm Water Pollution Prevention Plan. Developer shall submit a Storm Water Pollution Prevention Plan with a grading permit application or with the first submittal of improvement plans, whichever comes first, for review and approval by the Engineering Department. If the Project disturbs more than one acre, Developer shall also submit evidence of a National Pollutant Discharge Elimination System (NPDES) permit from the Regional Water Quality Control Board prior to issuance of a grading permit or approval of improvement plans.

Section E-17 NPDES Post Construction/ Design Requirements. Developer shall provide a signed certification from a Civil Engineer or Licensed Architect, registered in the State of California, that improvements designed as part of this Development Agreement have been evaluated for compliance with Attachment 4 of the California State Water Resources Board's Water Quality Order No. 2003-005-DWQ, as may be amended, supplemented or superseded. Developer shall provide City a list of Best Management Practices which have been incorporated into any improvement designs.

Section E-18 Curb, Gutter and Sidewalk Damage. Developer shall remove and replace, in accordance with City standards, all curb, gutter and sidewalks adjacent to the Project Site that were damaged prior to or sustained damage during construction of the Project.

Section E-19 Project Design. The Project shall be designed in conformance with City of Dixon Engineering Standards & Specifications for sight distance, particularly at any proposed driveways and existing intersections. Any on-site paving shall be designed by a Civil Engineer or Licensed Architect, registered in the State of California, in order to accommodate the anticipated traffic volumes and loads.

Section E-20 Accessible Routes. Developer shall install accessible sidewalk routes to each building in accordance with the Americans with Disabilities Act of 1990, 42 U.S.C. sections 12101 *et seq.*, and the California Accessibility Standards under Title 24, Part 2 of the California Code of Regulations. The accessible route may include a parallel sidewalk on the Project Site.

Section E-21 Reimbursements. Any reimbursement payments made to or from Developer for any Public Improvements related to the Project Site shall be made in accordance with **Exhibit F**.

EXHIBIT "F"
REIMBURSEMENT

Section F-1 Reimbursement by Developer to Third Parties.

(a) **Reimbursement Payments to Dixon 133, LLC and Dixon Vaughn Ranch, LLC.** Developer shall reimburse Dixon 133, LLC and Dixon Vaughn Ranch, LLC, or the current property owner(s) of the parcels with Assessor Parcel Numbers 111-190-010, 111-190-020, 111-190-030, 111-190-040, 111-190-070, 111-190-080 and 111-190-090, for the following:

(i) **Dorset Drive/North First Street Intersection Improvements.** Developer's fair share of the cost (based on the net acreage of the Project Site) of signalization and other related improvements for the North First Street and Dorset Drive intersection ("Dorset Drive/North First Street Intersection Improvements") pursuant to Exhibit E of the Development Agreement by and between The City of Dixon, Dixon 133 LLC and Dixon Vaughn Ranch LLC Relative to the Northeast Quadrant Specific Plan as approved by City Ordinance No. 02-006A ("AKT Development Agreement"). Evidence of such reimbursement shall be submitted to City prior to issuance of any building permit for the Project. As specified in Exhibit E of the AKT Development Agreement, City may collect up to fifty percent (50%) of the cost of the Dorset Drive/North First Street Intersection Improvements from properties developing west of North First Street. If and to the extent City is able to collect such payments, Developer shall be entitled to reimbursement for its payment toward the cost of the Dorset Drive/North First Street Intersection Improvements in proportion to its relative share of the payment.

(ii) **Dorset Drive Road Improvements.** One-half (1/2) of the cost of construction of Dorset Drive along the Project Site frontage on Dorset Drive pursuant to Exhibit E of the AKT Development Agreement ("Dorset Drive Road Improvements"). The Dorset Drive Road Improvements include, but are not limited to, curbs, gutters, sidewalks, pavement, landscaping, dry utilities (i.e. natural gas, electric, telephone cable, TV, etc.) sanitary sewer, water, fire hydrants, streetlights, median improvements and landscaping, striping and signage, and other incidental improvements. Evidence of such reimbursement shall be submitted to City prior to issuance of any building permit for the Project.

(iii) **Vaughn Sewer Improvements.** Developer's fair share of the cost (based on the net acreage of the Project Site) of construction of offsite sewer line improvements in Vaughn Road pursuant to Exhibit E of the AKT Development Agreement ("Vaughn Sewer Improvements"). The Vaughn Sewer Improvements include, but are not limited to, installation of a ten inch (10") sewer line and related improvements. Evidence of such reimbursement shall be submitted to City prior to issuance of any building permit for the Project.

(b) **Reimbursement Payments to Property Owners within the Northeast Quadrant Specific Plan Area.** Developer shall pay its fair share cost of the construction of those Public Improvements, not constructed or caused to be constructed by Developer, set forth in Exhibit G-1 for which the Project Site is identified as a Benefited Property. Developer's fair share shall be based on all Benefited Properties identified for a particular Public Improvement in Exhibit G-1. Developer shall pay its fair share by cash payment, letter of credit, participation in a Community Facilities District or other appropriate funding mechanism. In the event that a Community Facilities District, assessment district, or other similar district is created to fund any Public Improvement set forth in Exhibit G-1 for which the Project Site is identified as a Benefited Property, Developer agrees to participate in the Community Facilities District, assessment district, or other similar district, to vote "yes" on formation of any such district in any landowner election, and waive any provisions under the Special Assessment Investigation, Limitation and Majority Protest Act of 1931, California Streets and Highway Code sections 2800 *et seq.*, or any other similar act to protest the formation of such district. In the alternative, if permitted by the Community Facilities District, assessment district, or other similar district, Developer may liquidate Developer's obligation to participate in such district by payment of cash or obtaining security in a form approved by the City Attorney and in an amount approved by the City Engineer.

Notwithstanding the foregoing, Developer shall participate in a Community Facilities District, or other similar funding mechanism mutually acceptable to City and Developer, to fund Developer's fair share (based on the Benefited Properties identified in Exhibit G-1) of construction of a water supply well, two (2) one-million gallon storage tanks, and a twelve inch (12") water line to be constructed from the tank to the existing twelve inch (12") water line in East Dorset Drive, which are identified as Public Improvements No. 2, No. 3 and No. 4 under Water Improvements in Exhibit G-1 (collectively "North No. 2 Facility"), to serve a portion of the Northeast Quadrant including the Project Site.

Construction of the Project shall not commence until all on-site improvements necessary for a fully operational fire protection system are constructed and the Dixon Fire Department confirms that adequate fire flow is available to the Project Site, the North No. 2 Facility Community Facilities District is formed, and construction of the North No. 2 Facility has commenced; provided, however, Developer shall be permitted to commence construction of the Project to the extent necessary to fully construct the aforementioned on-site improvements necessary for a fully operational fire protection system. The North No. 2 Facility shall be fully constructed and water shall be available to the Project Site prior to the issuance of any occupancy permit, unless otherwise agreed upon in writing by City and Dixon Solano Municipal Water Service. Upon formation and funding of the Community Facilities District, the City will exercise its best efforts towards efficient construction of the North No. 2 Facility.

Section F-2 Reimbursement to Developer from City or Third Parties.

(a) **Developer's Right to Reimbursement.** Nothing in this Development Agreement shall diminish the right of Developer to receive reimbursement for the portion, if any, from third parties, as applicable, of the cost of Public Improvements that are required by this Development Agreement, to the extent such reimbursement is provided for by this Development Agreement, the Existing Rules, the New Rules or any other written agreement.

(b) **City Reimbursement.** Except as otherwise specified herein, City shall have no reimbursement obligations to Developer under this Development Agreement.

(c) **Reimbursement Payments from Property Owners within the Northeast Quadrant Specific Plan Area.** Pursuant to this section, Developer shall be entitled to receive reimbursement payments from property owners of Benefited Properties according to the following:

(i) **Storm Drainage Improvements Reimbursement.** Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the Storm Drainage Improvements constructed by Developer pursuant to Section E-11(d) plus interest at the then Wall Street Journal prime rate plus one percent (1%), to the extent that such Storm Drainage Improvements accommodate storm drainage for any Benefited Property. The Benefited Properties of the Storm Drainage Improvements may include the Benefited Properties identified for No. 1 and No. 2 under the Drainage System Improvements in Exhibit G-1.

(ii) **Vaughn Road Improvements Reimbursement.** Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the inner travel lane and median of the Vaughn Road Improvements constructed by Developer pursuant to Section E-11(f), plus interest at the then Wall Street Journal prime rate plus one percent (1%). Alternatively, Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the inner travel lane and median of the Vaughn Road Improvements constructed by Developer pursuant to Section E-11(f) through AB 1600 fees collected and dispersed by City. The Benefited Properties of the inner travel lane and median of the Vaughn Road Improvements shall include the Benefited Properties identified for No. 4 under the Roadway Improvements in Exhibit G-1.

(iii) **Professional Drive Improvements Reimbursement.** Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the second travel lane of the Professional Drive Improvements constructed by Developer pursuant to Section E-11(g), plus interest at the then Wall Street Journal prime rate plus one percent (1%). The Benefited Properties of the second travel lane of the Professional Drive Improvements shall include the Benefited Properties identified for No. 1 under the Roadway Improvements in Exhibit G-1.

(iv) **Irrigation Line Improvements Reimbursement.** Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the Irrigation Line Improvements constructed by Developer pursuant to Section E-11(k), plus interest at the then Wall Street Journal prime rate plus one percent (1%). The Benefited Properties of the Irrigation Line Improvements shall include the Benefited Properties identified for No. 1 and No. 2 under the Irrigation Water Improvements in Exhibit G-1.

(v) **Water Main Facilities Reimbursement.** Developer shall be entitled to receive reimbursement from any Benefited Property owner for the Benefited Property owner's fair share cost of the Water Main Facilities constructed by Developer pursuant to Section E-11(a)(ii), plus interest at the then Wall Street Journal prime rate plus one percent (1%). The Benefited Properties of the Water Main Facilities shall include the Benefited Properties identified for No. 5 and No. 9 under the Water Improvements in Exhibit G-1.

To the extent City has the authority to do so, City shall use its best efforts to impose the obligations to pay the reimbursements identified in this Section, as conditions of development of such Benefited Properties. Such reimbursement shall be due and payable on the earlier of issuance of a permit for grading, improvement or construction on the applicable Benefited Property, recordation of a final parcel or subdivision map, or receipt of funds from an infrastructure financing mechanism that is formed by or includes such Benefited Property. Notwithstanding the foregoing, Developer agrees that City's obligations under this Section do not constitute a general debt of City. Further, Developer agrees that City makes no representation or warranty that any third party providing any reimbursement pursuant to this Section shall provide full reimbursement due to Developer under this Section. The provisions of this Section shall apply only to Benefited Properties for which an application for development is made and is "deemed complete" (as such phrase is used in the State Planning and Zoning Law) within twenty (20) years after the Effective Date. If the Development Agreement is terminated prior to the expiration of the Term pursuant to Section 6.1, this provision shall survive the termination of the Development Agreement.

Section F-3 Reimbursement from Developer for Development Agreement Expenses of City. Developer shall reimburse City for its direct and reasonable costs relating to the preparation and processing of this Development Agreement, including recording fees, publishing fees, and reasonable staff, consultant and attorneys' costs not otherwise included within the application fees then due and payable to City. Such reimbursement shall be paid to City prior to execution of this Development Agreement by City, or at such other date as may be mutually agreed upon in writing by City and Developer.

EXHIBIT "G-1"

Northeast Quadrant Public Improvements Summary

No.	Description	Benefited Properties (See Property Index - Exhibit G-2)
Sanitary Sewer Improvements		
1	Replace existing 15-inch sewer line with an 18-inch sewer line and appurtenances in Vaughn Road from Fitzgerald Drive to Professional Drive.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17, P-19, P-25
2	Construct 15-inch sewer line and appurtenances in Professional Drive from Vaughn Road to the southerly property line of Parcel P-7.	P-1, P-2, P-3, P-4, P-5, P-6, P-17, P-19, P-25
3	Construct 10-inch sewer line and appurtenances in Professional Drive from southerly property line of Parcel P-7 to Future Lift Station (to be located approximately 1720 LF west of Pedrick road). Install stubs to all future parcels and stubs for future mainlines.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-19, P-25
4	Construct 10-inch sewer line and appurtenances in Professional Drive from Future Lift Station (to be located approximately 1720 LF west of Pedrick road) to Pedrick Road. Install stubs to future lift station from the proposed sewer lines in Professional Drive for future connection.	P-1, P-2, P-25
5	Construct 10-inch sewer line and appurtenances in Pedrick Road from Professional Drive along the Pedrick Road frontage of Parcels P-1 and P-2.	P-1, P-2, P-25
6	Construct 8-inch sewer line and appurtenances flowing south in East Dorset Drive from the East Dorset Drive cul-de-sac to 300 feet west of Professional Drive.	P-18, P-20, P-21
7	Construct 8-inch sewer line and appurtenances flowing west in Mister Road from 300 feet west of Pedrick Road to Professional Drive.	P-18, P-20, P-21
8	Construct a sewer lift station (to be located approximately 1720 LF west of Pedrick road) along the Professional Drive frontage of Parcels P-1 and P-2.	P-1, P-2, P-25
Water Improvements		
1	Construct and Develop DSMWS Northeast Well No. 1	P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17
2	Construct and Develop DSMWS Northeast Well No. 2	P-1, P-2, P-12, P-13, P-14, P-15, P-18, P-19, P-20, P-21, P-25, P-26
3	Construct and Develop DSMWS Northeast Water Storage Facility No. 2 with a two (2) million gallon storage capacity.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25, P-26
4	Construct 12-inch tank inter-tie water line and appurtenances from East Dorset Drive to NE Well and Tank No. 2.	P-1, P-2, P-12, P-13, P-14, P-15, P-18, P-19, P-20, P-21, P-25, P-26
5	Construct 12-inch tank inter-tie water line and appurtenances from NE Well and Tank No. 2 to Professional Drive.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-15, P-16, P-17, P-18, P-25

EXHIBIT "G-1"

Northeast Quadrant Public Improvements Summary

No.	Description	Benefited Properties (See Property Index - Exhibit G-2)
6	Construct 12-inch water line and appurtenances in East Dorset Drive from end of East Dorset Drive cul-de-sac to the northern property line of parcel P-20. Install stubs to each adjacent parcel.	P-18, P-19, P-20, P-21, P-26
7	Construct 12-inch water line and appurtenances in East Dorset Drive from the northern property line of parcel P-20 to Professional Drive. Install stubs to each adjacent parcel.	P-18, P-19, P-20, P-21, P-26
8	Install 12" water line stubs between the property lines of parcels P-19 & P-20 and between the property lines of parcels P-3 & P-19 to serve the Milk Farm property on the north side of Interstate 80. Dedicate 20' easements to the City centered on these property lines.	P-18, P-19, P-20, P-21, P-26
9	Construct 12-inch water line and appurtenances in Professional Drive from Vaughn Road to the northern property line of parcel P-15. Include stub to each adjacent parcel.	P-6, P-7, P-8, P-9, P-10, P-11, P-15, P-16, P-17
10	Construct 12-inch water line and appurtenances in Professional Drive from the northern property line of parcel P-15 to East Dorset Drive. Include stub to each adjacent parcel.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17, P-18, P-19, P-20, P-21, P-25, P-26
11	Construct 12-inch water line and appurtenances in Professional Drive from East Dorset Drive north to the beginning of the curve in Professional Drive along the east property line of parcel P-19. Include stub to each adjacent parcel.	P-1, P-2, P-3, P-4, P-5, P-19, P-25, P-26
12	Construct 12-inch water line and appurtenances in Mistler Road from Professional Drive to Pedrick Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17, P-25
13	Construct 12-inch water line and appurtenances in Professional Drive from the beginning of the curve in Professional Drive along the east property line of parcel P-19 to Pedrick Road. Include stub to each adjacent parcel.	P-1, P-2, P-3, P-4, P-5, P-25
14	Construct 12-inch water line and appurtenances in Pedrick Road from Professional Drive to the State right-of-way at the eastbound I-80 offramp.	P-1, P-2, P-25
15	Construct 12-inch water line and appurtenances in Pedrick Road from Mistler Road to Professional Drive.	P-1, P-2, P-3, P-4, P-5, P-25
16	Construct 12-inch water line and appurtenances in Pedrick Road from Vaughn Road to Mistler Road.	P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17
17	Construct 12-inch water line and appurtenances along the Vaughn Road Railroad Bypass to the existing 12-inch water line in Vaughn Road adjacent to P-10.	P-6, P-7, P-8, P-9, P-10, P-11, P-16, P-17
Irrigation Water Improvements		
1	Remove and replace existing 42" SID irrigation line with SID approved irrigation pipe and appurtenances starting from South of I-80 in Professional Drive to 100' west of the east property line of Parcel P-16 in Vaughn Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-15, P-16, P-17, P-18, P-25

EXHIBIT "G-1"

Northeast Quadrant Public Improvements Summary

No.	Description	Benefited Properties (See Property Index - Exhibit G-2)
2	Construct below ground and above ground well facilities for replacing existing irrigation well prior to abandonment of existing well.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-15, P-16, P-17, P-19, P-25
Drainage System Improvements		
1	Developer shall design and construct improvements necessary to detain one hundred and ten percent (110%) of the peak runoff rate and volume increase from development based upon the one-hundred (100) year, four (4) day storm event. The peak runoff rate and volume increase shall be calculated using a hydrograph and shall be the difference between the existing peak runoff rate and volume of the undeveloped property and the peak runoff rate and volume of the property with the proposed development.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
2	Construct storm drainage systems with construction of the proposed roadways to collect and convey local runoff into the receiving trunk drainage facilities.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
Roadway Improvements		
1	Construct improvements for the 4-lane Professional Drive arterial roadway including, landscaped median, four travel lanes, bike lanes, curbs, gutters, sidewalks, streetlights, joint trench, landscape frontage and in-street utilities from Vaughn Road to Pedrick Road. (For purposes of fair share calculation, this item includes inner travel lanes and landscaped median).	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
2	Construct improvements for the extension of the 4-lane East Dorset Drive arterial roadway including; landscaped median, four travel lanes, bike lanes, curbs, gutters, sidewalks, streetlights, joint trench landscape frontage and in-street utilities from the existing East Dorset Drive cul-de-sac to Professional Drive. (For purposes of fair share calculation, this item includes inner travel lanes and landscaped median).	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
3	Construct improvements for the 4-lane Pedrick Road arterial from the south city limits north to the I-80 eastbound off-ramp intersection including; landscaped median, four travel lanes, bike lanes, curbs, gutters, sidewalks on the west side, joint trench, landscape frontage on the west side and in-street utilities. (For purposes of fair share calculation, this item includes inner travel lanes and landscaped median).	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
4	Construct widening of Vaughn Road from North First Street to Pedrick Road as a 4-lane arterial. (For purposes of fair share calculation, this item includes inner travel lanes and landscaped median).	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
5	Construct the Vaughn Road/Pedrick Road Railroad Bypass as a 4-lane arterial. (For purposes of fair share calculation, this item includes inner travel lanes and landscaped median).	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25

EXHIBIT "G-1"

Northeast Quadrant Public Improvements Summary

No.	Description	Benefited Properties (See Property Index - Exhibit G-2)
6	Construct improvements for the 2-lane Mistler Road commercial collector from Professional Drive to Pedrick Road including; landscaped median, two travel lanes, bike lanes, curbs, gutters, sidewalks, joint trench, and landscape frontage.	P-3, P-4, P-5, P-6
7	Construct widening of North First Street from Vaughn Road to the eastbound Interstate 80 ramp intersection to provide two northbound through travel lanes.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
8	Construct improvements for the 2-lane Kids Way commercial collector from Vaughn Road to East Dorset Drive including; landscaped median, two travel lanes, bike lanes, curbs, gutters, sidewalks, joint trench, and landscape frontage.	P-15
Traffic Signals / Intersection Improvements		
1	Install traffic signal improvements at the intersection of Professional Drive and East Dorset Drive.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
2	Install traffic signal improvements at the intersection of Professional Drive and Pedrick Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
3	Install traffic signal modification and associated intersection improvements at Vaughn Road and North First Street (SR 113). Improvements includes installation of double-left turn lanes from southbound North First Street to eastbound Vaughn Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
4	Install traffic signal improvements at the intersection of Vaughn Road and Kids Way.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
5	Install traffic signal and intersection improvements at Professional Drive and Vaughn Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
6	Install traffic signal improvements at the intersection of Interstate-80 eastbound ramps and Pedrick Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25

EXHIBIT "G-1"

Northeast Quadrant Public Improvements Summary

No.	Description	Benefited Properties (See Property Index - Exhibit G-2)
7	Install traffic signal improvements at the intersection of Interstate-80 westbound ramps and Pedrick Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
8	Install traffic signal improvements at the intersection of Interstate-80 eastbound ramps and N. First Street.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
9	Install traffic signal improvements at the intersection of Mistler Road and Pedrick Road.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
10	Install traffic signal improvements at the intersection of Pedrick/ Road at the re-aligned Vaughn Road railroad bypass intersection.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
Misc. Improvements		
1	Construct Landscape Buffer along I-80.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
2	Construction of entry signage and monumentation per the Specific Plan.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25
3	Construct a fire station to serve the plan area.	P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14, P-15, P-16, P-17, P-18, P-19, P-20, P-21, P-25

EXHIBIT "G-2"

Northeast Quadrant Property Index

Property No.	Gross Parcel Acreage	APN No.
P-1	21.58	111-010-070
P-2	37.57	111-010-080
P-3	39.10	111-040-010
P-4	31.68	111-040-020
P-5	32.31	111-040-030
P-6	57.73	111-040-040
P-7	101.33	111-080-050
P-8	12.29	111-080-070
P-9	6.55	111-080-080
P-10	10.00	111-080-090
P-11	9.07	111-080-100
P-12	2.21	111-080-170
P-13	2.19	111-080-180
P-14	9.85	111-080-190
P-15	47.22	111-080-200
P-16	4.56	111-080-220
P-17	7.50	111-080-230
P-18	67.61	111-190-010
P-19	32.71	111-190-020
P-20	22.57	111-190-030
P-21	2.16	111-190-040
P-22	20.56	111-190-070
P-23	1.27	111-190-080
P-24	1.39	111-190-090
P-25	59.56	111-050-190
P-26	60.00	Milk Farm

ORDINANCE NO. 08-020

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DIXON
APPROVING A DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF DIXON AND T.V.O.B. RELATIVE TO THE USE
AND DEVELOPMENT OF 30 ACRES OF PROPERTY

THE COUNCIL OF THE CITY OF DIXON DOES ORDAIN AS FOLLOWS:

SECTION 1. T.V.O.B., a general partnership ("Developer"), has submitted an application for approval of a Northeast Quadrant Specific Plan amendment to change the land use designation from Community Commercial (CC) to Highway Commercial (CH) and a rezone to Commercial Highway Planned Unit Development District the westernmost 30 acres of the Developer's property, Solano County Assessor's Parcel Number 111-080-200 ("Project Site"), located in the Northeast Quadrant of the City of Dixon ("City"). Applicant proposes to develop the Project Site at a future date. The approvals and proposed development are collectively known as the "TVOB Project" or "Project."

SECTION 2. This Ordinance has reference to that certain Development Agreement, dated December 26, 2008, entered into between the City and Developer, attached hereto as Exhibit A and incorporated herein by reference, relative to the use and development of the Project Site more particularly described in Exhibit A of said Development Agreement (herein "Agreement").

SECTION 3. The City Council has, prior to or concurrent with this approval, considered, approved and ratified a Mitigated Negative Declaration and adopted a Mitigation Monitoring Program for the Project pursuant to Section 15074 of the California Environmental Quality Act Guidelines and directed that the City Clerk file a Notice of Determination with the County Clerk of Solano County. No additional environmental review of the Agreement is required by law, ordinance, or regulation.

SECTION 4. The City Council has, prior to or concurrent with this approval, amended the Northeast Quadrant Specific Plan.

SECTION 5. The City Council has, prior to or concurrent with this approval, amended the Zoning Ordinance.

SECTION 6. The City Council finds as follows:

1. The Agreement was the subject of a properly noticed public hearing before the Planning Commission on September 16, 2008.
2. At the conclusion of the September 16, 2008 hearing, the Planning Commission considered the Agreement; determined that the Agreement: (1) is consistent with the objectives, policies, general land uses and programs specified

CERTIFIED AS A TRUE COPY
OF Ordinance No. 08-020

4-28-09

DATE CERTIFIED

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Shirley M. Bannister
CITY CLERK, CITY OF DIXON

AGREEMENT NO. 08-045
Attachment 3

in the Dixon General Plan and the amended Northeast Quadrant Specific Plan; (2) is compatible with the uses authorized in, and the regulations prescribed for, the land use districts in which the properties are located; (3) is in conformity with public convenience, general welfare and good land use practice; (4) will not be detrimental to the health safety and general welfare; and (5) will not adversely affect the orderly development of property or the preservation of property values; and voted to recommend approval to the City Council.

3. A properly noticed public hearing regarding the Agreement was held by the City Council on October 28, 2008, which was continued to November 10, 2008.

4. On November 10, 2008, the Planning Commission's recommendation and determinations were presented to the City Council.

5. The City Council considered all written and oral testimony presented at the hearing and all evidence previously submitted to the Planning Commission, including staff reports and correspondence.

6. Notices of these hearings were given in the form and at the times required by state law, City ordinances and City Council Resolution No. 88-128.

7. The Agreement is consistent with the objectives, policies, general plan land uses and programs specified in the Dixon General Plan and the amended Northeast Quadrant Specific Plan. The policies, uses and programs are an integral part of the Dixon General Plan and the amended Northeast Quadrant Specific Plan, which specifically provides for the development as specified in this Agreement.

8. The Agreement is consistent with the Zoning Ordinance, as amended. The Agreement is compatible with the uses authorized in, and the regulations prescribed for, the land use districts in which the Project Site is located.

9. The Agreement provides that any tentative subdivision maps undertaken thereunder shall comply with the provisions of Government Code section 66473.7.

10. The Agreement is in conformity with public convenience, general welfare and good land use practices.

11. The Agreement will not be detrimental to the health, safety, peace and general welfare of persons residing in or near the Project Site; nor will it be detrimental or injurious to property or persons in the adjacent neighborhoods or to the general welfare of the residents of the City as a whole; but, to the contrary, will specifically benefit the community and the entire City and region by encouraging development in accordance with the Dixon General Plan.

ORDINANCE NO.: 08-020
DATE: NOV 25 2008

12. The Agreement will not adversely affect the orderly development of the Project Site or the preservation of property values.

13. The Agreement will require Developer to comply with all of the agreed upon conditions of approval, including the environmental mitigation measures, recommended by the Planning Commission and adopted by the City Council.

14. The Agreement is consistent with and conforms to the requirements of Government Code sections 65864-65869.5.

15. The Agreement is consistent with the provisions of City Council Resolution No. 88-128 which establishes the procedures for consideration of development agreements.

SECTION 7. The Mayor and City Clerk are authorized and directed to execute said Agreement on behalf of the City of Dixon. Within ten (10) days of the effective date of this Ordinance, the City Clerk shall cause the executed Agreement to be recorded in the Official Records of Solano County.

SECTION 8. This Ordinance shall become effective thirty (30) days from and after its final passage and adoption, provided it is published within fifteen (15) days after its adoption in a newspaper of general circulation in the City of Dixon.

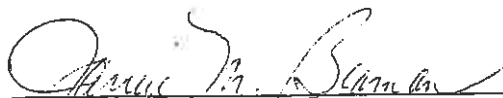
This Ordinance was introduced at a meeting of the City Council of the City of Dixon duly held on the 10th day of November, 2008, and was approved and enacted at a duly held regular meeting or adjourned regular meeting of the City Council held on this 25th day of November, 2008, by the following roll call vote:

AYES: Alexander, Batchelor, Coppes, Smith, Courville
NOES: None
ABSENT: None
ABSTAIN: None



Mary Ann Courville
Mayor

ATTEST:



Janice Beaman
City Clerk



ORDINANCE NO.: 08-020
DATE: NOV 25 2008

June 11th Hearing for the Termination of the Retail Development Agreement for 32 Acres on Vaughn Road

Pedder, Brooks @ Walnut Creek [REDACTED]

Tue 6/4/2024 11:42 AM

To: Planning Commission <PlanningCommission@cityofdixon.us>

Cc: Raffi Boloyan <rboloyan@cityofdixon.us>; [REDACTED]; Binswanger, Tony @ Walnut Creek

[REDACTED] Pedder, Brooks @ Walnut Creek <[REDACTED]>

1 attachments (4 MB)

Vaughn Road_BRO_V02.pdf;

I just received notice of this hearing. I had planned on attending but am out of town. Please accept this email as my public comment supporting the termination of the Development Agreement in place that limits the development of the site to retail, which has proven to be unfeasible since 2008 and before.

The General Plan has been modified for this property to support light industrial uses. We want to comply with the general plan and ultimately sell to an end user or a developer of light industrial facilities that may attract advanced manufacturing, life science and warehouse uses with job and tax potential (point of sale) to Dixon. We can't attract any interest until we get our land use issues resolved. Our first step is to terminate the DA. The next step will be to put specific industrial zoning in place.

The attached marketing brochure shows some potential facility layouts provided by a top industrial architect that designs the most attractive and functional facilities (Teresa Goodwin with HPA).

Thank you for your consideration.

Brooks Pedder, SIOR
Vice Chairman | Lic. 00902154
CBRE | Advisory & Transaction Services
2175 N. California Blvd., Suite 300
Walnut Creek, CA 94596



Details about the personal data CBRE collects and why, as well as your data privacy rights under applicable law, are available at [CBRE – Privacy Policy](#).

**AVAILABLE
FOR SALE**

**Ideal Industrial Development Opportunity.
One of the last remaining large industrial parcels in the
North Bay Solano Market**



±32 Acres

Vaughn Road at N. First Street/113 and 1-80
DIXON | CALIFORNIA

BROOKS PEDDER
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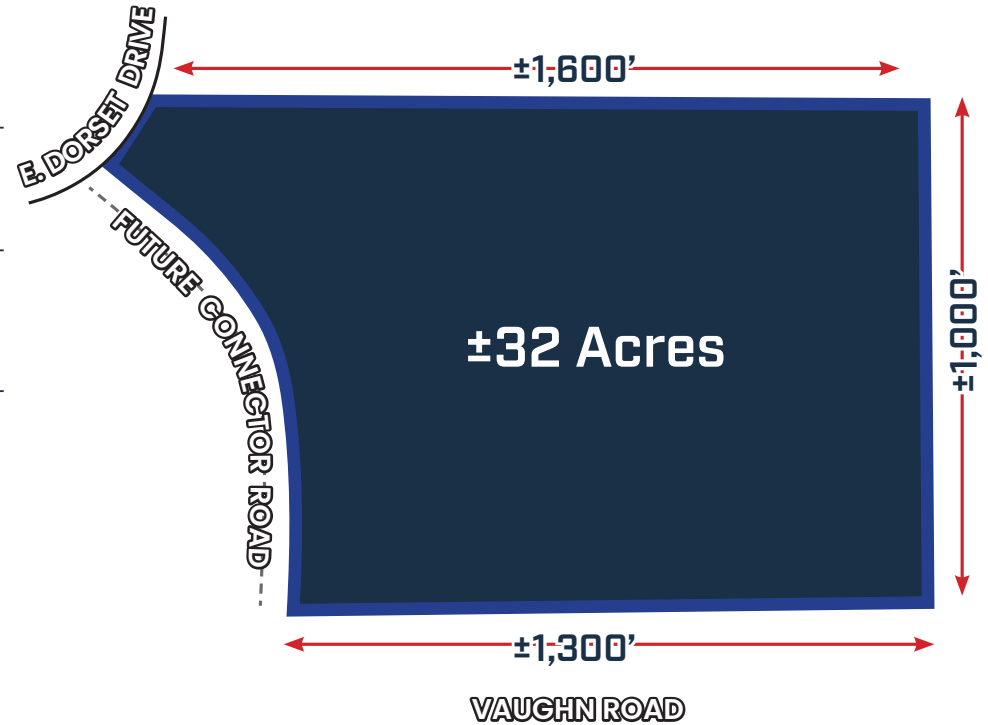
TONY BINSWANGER
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CBRE

FOR SALE | ±32 ACRE LAND OPPORTUNITY

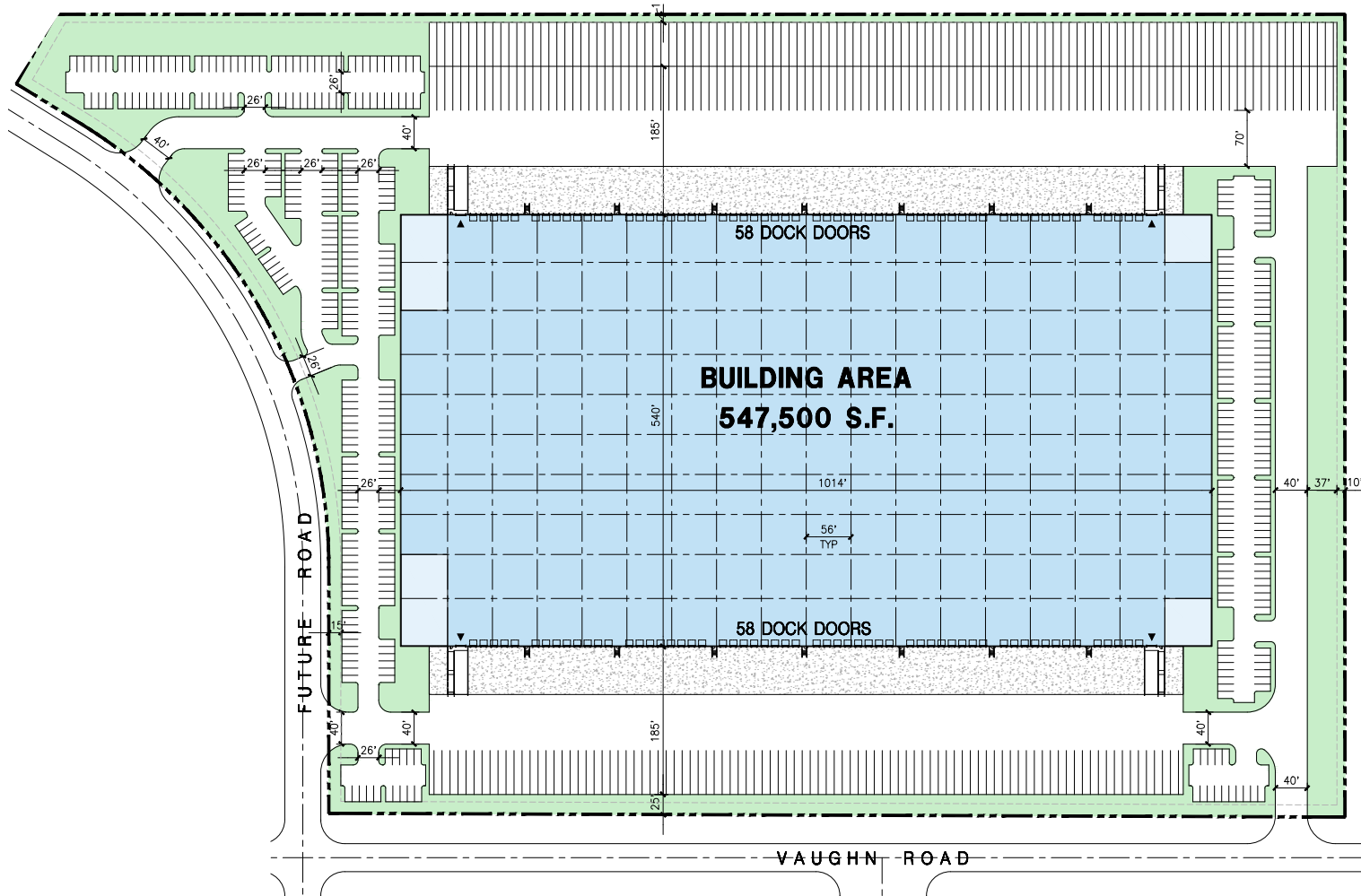
PROPERTY HIGHLIGHTS

SIZE	±32 acres after pending lot split is completed
PARCEL NUMBER	0111-080-290
ACCESS	I-80 exit to N. First Street exit to Vaughn Road
UTILITIES	<ul style="list-style-type: none"> • Sewer: 10" along E. Dorset Drive, 12" along future connector road, and 12" to 15" along the Vaughn Road frontage. • Water: 12" along E. Dorset Drive, the future connector road and Vaughn Road Frontage. • Storm Drain: Available along E. Dorset Drive, the future connector road and Vaughn Road Frontage. Sizing TBD.
TRAFFIC COUNT: PEAK DAILY COUNT	I-80: ±299,000 cars per day in both directions peak months Source: Caltrans 2019
ZONING	General plan identifies property for General Industrial. Specific Zoning being adopted soon



FOR SALE | ±32 ACRE LAND OPPORTUNITY CONCEPTUAL SITE PLAN

SINGLE BUILDING CONCEPT

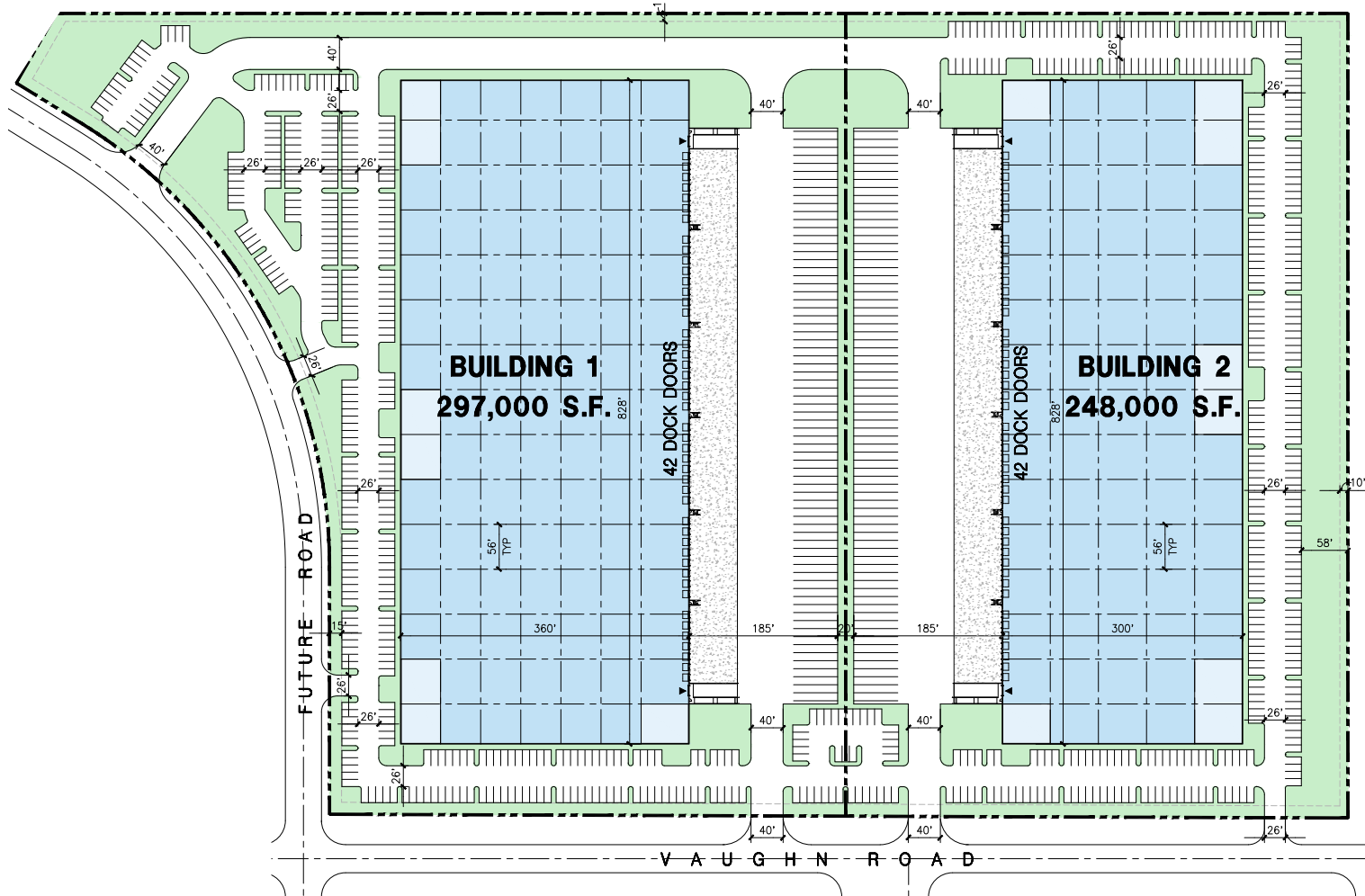


Legend

- POTENTIAL OFFICE
- WAREHOUSE
- LANDSCAPE
- DRIVE THRU DOOR

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TWO BUILDING CONCEPT

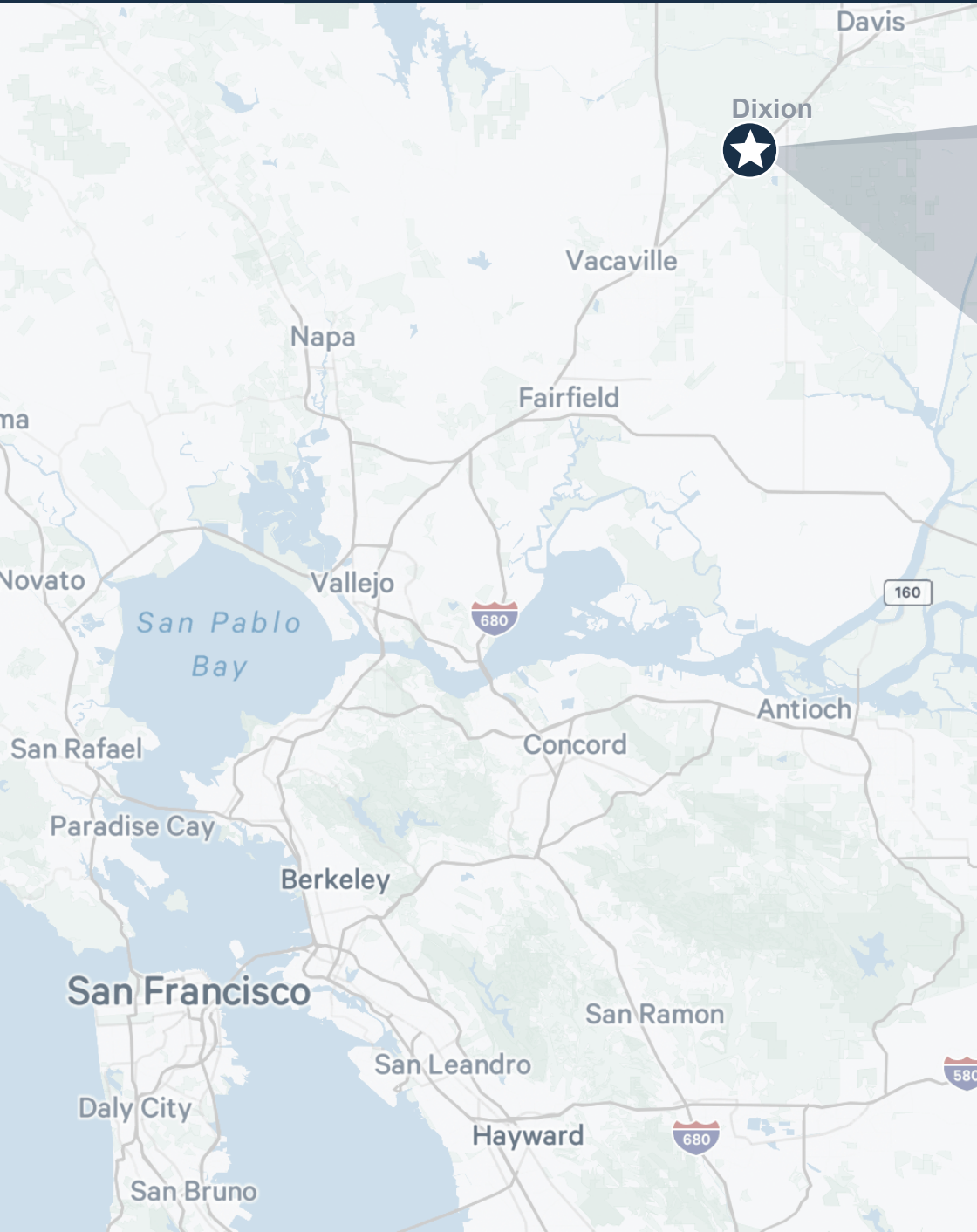


Legend

- POTENTIAL OFFICE
- WAREHOUSE
- LANDSCAPE
- DRIVE THRU DOOR

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LOCATION MAP



LOCATIONAL AMENITIES:

- Ideal Consolidation Point between Sacramento and SF Bay Area for Industrial Uses.
- Superior Solano County Labor Demographics. Labor Report available upon request.
- Strategically located between established and growing Vacaville Life Science Hub (Genentech, Agenus, LG Chem, Polaris, Synder Filtration, R&D Nova, Novich Biotech, Thermo Fischer, BioPlas, Durect and others) and the world class research and educational campus of UC Davis. Both Davis and Vacaville are only minutes away. UC Berkeley is less than an hour south.

FOR SALE | ±32 ACRE LAND OPPORTUNITY CORPORATE NEIGHBORS



