

AGENDA VALLEJO CITY COUNCIL MAY 8, 2007

MAYOR Anthony Intintoli, Jr.

CITY COUNCIL
Gary Cloutier, Vice Mayo
Gerald Davis
Tom Bartee
Hermie Sunga
Stephanie Gomes
Tony Pearsall

City Hall 555 Santa Clara Street Vallejo, CA 94590

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the City Council without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Council on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Council to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA. Those wishing to speak on a "PUBLIC HEARING" matter will be called forward at the appropriate time during the public hearing consideration.

Copies of written documentation relating to each item of business on the AGENDA are on file in the Office of the City Clerk and are available for public inspection. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562, or at our web site: http://www.ci.vallejo.ca.us/

The Vallejo Sanitation & Flood Control District is located at 450 Ryder Street, (707) 644-8949. A public agenda book is available at the District Office during regular business hours for those desiring additional information on agenda items.



Vallejo City Council Chambers is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

VALLEJO CITY COUNCIL SPECIAL MEETING - S TUDY SESSION 6:30 P.M. - C ITY COUNCIL CHAMBERS

A. STUDY SESSION PROVIDING AN UPDATE ON THE EXCLUSIVE RIGHT TO NEGOTIATE (ERN) AGREEMENT BETWEEN THE CITY AND TOURO UNIVERSITY RELATED TO THE 191-ACRE NORTH MARE ISLAND PROPERTY

Staff intends to provide an update to the Council on progress in the negotiations regarding the ERN Agreement, including information related to the preliminary land, infrastructure and financing plans developed to date.

PROPOSED ACTION: No action is required as this is for information only.

VALLEJO CITY COUNCIL REGULAR MEETING 7:00 P.M. -- CITY COUNCIL CHAMBERS

- 1. CALL TO ORDER
- 2. PLEDGE OF ALLEGIANCE
- 3. ROLL CALL
- 4. PRESENTATIONS AND COMMENDATIONS
 - A. PRESENTATION OF PROCLAMATION DECLARING MAY 20-26, 2007, AS NATIONAL SAFE BOATING WEEK IN VALLEJO PRESENTED TO DONALD GOMEZ, PUBLIC AFFAIRS OFFICER OF THE U.S. COAST GUARD
- 5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

Members of the public wishing to address the Council on Consent Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Council. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.

6. CONSENT CALENDAR AND APPROVAL OF AGENDA

All matters are approved under one motion unless requested to be removed for discussion by a Councilmember, City Manager, or member of the public subject to a majority vote of the Council.

A. APPROVAL OF A RESOLUTION AMENDING CITY OF VALLEJO CONSOLIDATED PLAN, FISCAL YEARS 2005/2006 THROUGH 2009/2010

<u>PROPOSED ACTION</u>: Approve amendments to the City of Vallejo's Consolidated Plan.

- B. APPROVAL OF MINUTES FOR THE MEETING OF MARCH 21, 2006
 - PROPOSED ACTION: Approve the minutes.
- C. APPROVAL OF A RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT TO RETAIN THE CONTRA COSTA COUNTY BUILDING DIVISION TO PERFORM CONTRACT BUILDING PERMIT PLAN CHECK AND RELATED SERVICES

<u>PROPOSED ACTION</u>: Adopt the resolution authorizing the City Manager to enter into a professional services agreement between the City of Vallejo and Contra Costa County for building permit plan check and related services and authorizing the City Manager to enter into and execute any amendments to the Agreement in a form approved by the City Attorney.

CITY OF VALLEJO CITY COUNCIL AGENDA

D. FINAL READING OF AN ORDINANCE AMENDING SECTION 2.02.360 OF THE VALLEJO MUNICIPAL CODE RELATING TO THE PAYMENT OF CLAIMS

PROPOSED ACTION: Hold final reading and adopt the Ordinance.

E. APPROVAL OF THREE LEASE AGREEMENTS BETWEEN THE CITY OF VALLEJO AND OMNIPOINT COMMUNICATIONS, INC., REGARDING USE OF CITY-OWNED PROPERTIES AT BROADLEIGH PLACE, CATALINA CIRCLE, AND REGENTS PARK DRIVE

PROPOSED ACTION: Adopt the three resolutions authorizing the City

Manager to execute leases with Omnipoint Communications, Inc.,
with any changes recommended by the City Attorney or Risk Manager,
and to take such further actions, including execution of any documents,
determined to be necessary to carry out the purposes of the
resolution.

F. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT THE CITY OF VALLEJO'S FY 2007-2008 APPLICATION FOR BAYLINK FERRY OPERATING ASSISTANCE AND CAPITALIZED MAINTENANCE TO THE METROPOLITAN TRANSPORTATION COMMISSION IN THE AMOUNT OF \$1,727,183.00.

PROPOSED ACTION: Approve a resolution authorizing the City Manager or his designee to submit the City of Vallejo's FY 2007-2008 application for Baylink Ferry operating assistance and capitalized maintenance to the Metropolitan Transportation Commission in the amount of \$1,727,183.00.

7. PUBLIC HEARINGS - NONE

8. POLICY ITEMS

A. AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL MARCH 27, 2008, A MORATORIUM ON THE ESTABLISHMENT OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA

This action would extend the original 45-day interim moratorium on any new activities or facilities selling tobacco or tobacco related products and paraphernalia for an additional period of 10 months and 42 days in order to staff to draft regulations on such uses.

allow

PROPOSED ACTION: Adopt an urgency ordinance extending the original 45 day moratorium until March 27, 2008.

9. ADMINISTRATIVE ITEMS

A. SUBMISSION OF THE CITY OF VALLEJO FISCAL YEAR 2007-2008 PROPOSED BUDGET

The purpose of this report is to submit the City of Vallejo's Fiscal Year 2007-2008 Proposed Budget to the City Council.

PROPOSED ACTION: This report is an informational item only.

B. CONSIDERATION OF A RESOLUTION AUTHORIZING A
COLLABORATIVE EFFORT BETWEEN THE CITY OF VALLEJO AND
THE SOLANO COUNTY DISTRICT ATTORNEY'S OFFICE TO RETAIN
A COMMUNITY PROSECUTOR

Authorization regarding a collaborative effort to have the Solano County
District Attorney's Office retain a Vallejo Community Prosecutor to
pursue nuisance, illegal dumping, unfair business practices, and other
"quality of life" actions on behalf of the City of Vallejo.

effort between the City of Vallejo and the Solano County District Attorney's Office.

C. CONSIDERATION OF A RESOLUTION SETTING THE FEE FOR THE COST OF THE CANDIDATES' STATEMENT OF QUALIFICATION FOR THE NOVEMBER 2007 MUNICIPAL ELECTION

PROPOSED ACTION: Adopt the resolution setting the fee for the cost of the Candidates' Statement of Qualification for the November 2007 Municipal Election.

10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES - NONE

11. WRITTEN COMMUNICATIONS

Correspondence addressed to the City Council or a majority thereof, and not added to the agenda by the Mayor or a Council member in the manner prescribed in Government Code, Section 54954.2, will be filed unless referred to the City Manager for a response. Such correspondence is available for public inspection at the City Clerk's office during regular business hours.

- 12. CITY MANAGER'S REPORT
- 13. CITY ATTORNEY'S REPORT
- 14. COMMUNITY FORUM

CITY OF VALLEJO CITY COUNCIL AGENDA

Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

- 15. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL
- **16. CLOSED SESSION:** May recess to consider matters of pending litigation (GC 54956.9), personnel (GC 54957), labor relations (GC 54957.6), and real property negotiations (GC 54956.8). Records are not available for public inspection.
- 17. ADJOURNMENT

CITY OF VALLEJO

Agenda Item No.

COUNCIL COMMUNICATION

Date:

TO:

Mayor and Members of the City Council

FROM:

Craig Whittom, Assistant City Manager / Community Development

Susan McCue, Economic Development Program Manager 8me

SUBJECT:

UPDATE ON TOURO EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT

REGARDING NORTH MARE ISLAND

BACKGROUND & DISCUSSION

On January 9, 2007, the City Council authorized an Exclusive Right to Negotiate (ERN) Agreement between the City and Touro University related to the 191-acre North Mare Island property, of which the City owns 98 acres and the Navy/U.S. Government owns 93 acres. This agreement included a number of key business terms:

- 1. The term of the ERN is 180 days but can be extended to 270 days by the City Manager.
- 2. Touro commits to fund North Island-related prior and future Final Early Transfer costs and City negotiation costs during the ERN period.
- 3. Business terms of an agreement between the City and Weston Solutions (which resulted in an Early Transfer Processing Agreement that the Council approved on February 27, 2007).
- 4. Performance benchmarks for the ERN period including Touro providing infrastructure plans and costs, a preliminary land use plan, a demolition plan and development of a term sheet for the transfer of property and related financial information.
- 5. ERN process culminates in City Council consideration of proposed acquisition and development agreements

During the past four months, City staff and consultants have been meeting weekly with Touro University's staff and consultants to move forward on the performance benchmarks. To date, Touro has submitted a preliminary land use plan, a demolition plan, an infrastructure plan and financing plan to pay for those improvements, and a proposed phasing plan, indicating the proposed timing for the major infrastructure components and development scenario.

This evening's study session is meant to update the City Council on the preliminary land use infrastructure and financing plans developed to date. Overall, the negotiations have been efficient with forward momentum on meeting the performance benchmarks. It appears likely that staff will return to the City Council in a closed session sometime early this summer to seek direction on price and terms on the proposed property transfer(s)). Then, staff expects to return with an acquisition and development agreement(s) for Council consideration within the expanded ERN period, should the City Manager authorize the 90-day extension.

After this evening's Council update, the City and Touro will host two community meetings to give residents and businesses an opportunity to learn more about the preliminary land use plan, proposed infrastructure and job-generating uses. These meetings are being scheduled for the month of May and will likely take place in the John F. Kennedy Library.

FISCAL IMPACT

This study session is for information only; there are no fiscal impacts. In terms of Touro's overall proposed North Island development, the City has clearly articulated its policy that the general fund and other City funds will bear no costs due to infrastructure improvements or development, including zero fiscal impact from on-going maintenance. Staff is also evaluating the potential for positive fiscal impacts, including property tax and possessory interest revenues, retail sales tax revenues, and new jobs generated by the development of the North Island.

RECOMMENDATION

Staff recommends that the Council accept the staff update on the ERN process to date and provide input as desired.

ALTERNATIVES CONSIDERED

The only alternative considered would be not providing the Council with an update but it is important to provide an overview of the ERN process at this four month juncture.

ENVIRONMENTAL REVIEW

There are no environmental impacts resulting from the Council study session. No actions will be taken by the Council at this meeting.

PROPOSED ACTION

Staff recommends that the Council receive the staff update on the ERN process and provide direction to staff and consultants as deemed necessary.

DOCUMENTS ATTACHED

No documents are attached.

CONTACT: Craig Whittom, Assistant City Manager/Community Development

707/648-4579 or cwhittom@ci.vallejo.ca.us

Susan McCue, Economic Development Program Manager 707/553-7283 or smccue@ci.vallejo.ca.us

Agenda Item No.

Date: May 8, 2007

COUNCIL COMMUNICATION

TO:

Mayor and Members of the City Council

FROM:

Craig Whittom, Assistant City Manager/Community Development

Laura J. Simpson, Housing and Community Development Manager

SUBJECT:

APPROVAL OF A RESOLUTION AMENDING CITY OF VALLEJO

CONSOLIDATED PLAN, FISCAL YEARS 2005/2006 THROUGH 2009/2010

BACKGROUND AND DISCUSSION

The U. S. Department of Housing and Urban Development (HUD) has issued new requirements that affect the City's Consolidated Plan, which was adopted in 2005. For this reason, the City needs to update its existing Plan. These revisions include utilizing HUD's Outcome Performance Measurement System for HUD-funded (CDBG and HOME) activities, adopted in March 2006; providing an Executive Summary in the document; and other technical changes. Incorporating the new performance measurement system into the Consolidated Plan does not constitute a substantial amendment to the CDBG or HOME Programs as defined in the City's Citizen Participation Plan. The updated Consolidated Plan must be submitted to HUD by May 15. The narrative amendments proposed to the Consolidated Plan are shown at Attachment "B".

In order to comply with the new requirements, staff has determined that the City's Plan must be amended in such areas as:

1. Effective October 1, 2006 performance measurement objectives and outcomes must be selected for each activity or project prior to allocating funding. The objective choices are: creating a suitable living environment, providing decent housing, and creating economic opportunity. The outcome categories provided pursuant to the HUD regulations are: availability/accessibility, affordability, and sustainability.

As an example, many of the CDBG social service activities intend to produce the outcome of enhancing the availability or accessibility of services for program clients, such as the elderly or disabled. The objective of a neighborhood preservation project (e. g., City Park) is to create a suitable living environment. A housing project enhances affordability.

All of the City's CDBG and HOME-funded projects and activities have been assigned a measurement objective and outcome as appropriate in HUD's electronic Integrated Disbursement and Information System ("IDIS"). This information is available for review in the Housing and Community Development Division.

2. The Consolidated Plan must include a concise summary with objectives and outcomes, as well as an evaluation of past performance.

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At a special meeting on April 5, 2007, the Community Development Commission reviewed this item and recommended approval of the above-mentioned amendments to the Consolidated Plan.

Fiscal Impact

The City Council's action will retain the City's eligibility for the receipt of Federal housing and community development funds.

RECOMMENDATION

Adopt the enclosed resolution approving amendments to the Consolidated Plan.

ALTERNATIVES CONSIDERED

HUD requires the City to update its Consolidated Plan at this time. Therefore, no other alternatives were considered.

ENVIRONMENTAL REVIEW

An environmental review is not required for this action.

PROPOSED ACTION

Approve amendments to the City of Vallejo's Consolidated Plan.

DOCUMENTS AVAILABLE FOR REVIEW

Attachment "A" - Resolution

Attachment "B" - Narrative Amendments to Consolidated Plan

PREPARED BY/CONTACT:

Craig Whittom, Assistant City Manager/Community Development, (707) 648-4579, or cwhittom@ci.vallejo.ca.us.

Laura J. Simpson, Housing and Community Development Manager, (707) 648-4393, or ISimpson@ci.vallejo.ca.us.

Guy L. Ricca, Senior Community Development Analyst, (707) 648-4395, or gricca@ci.vallejo.ca.us.

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RESOLUTION NO. N. C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

THAT WHEREAS, the U. S. Department of Housing and Urban Development (HUD) has issued new requirements that affect the City's Consolidated Plan, which was adopted in 2005.

WHEREAS, for this reason, the City is obligated to update its existing Plan.

WHEREAS, these revisions are to include utilizing an Outcome Performance Measurement System, adopted by HUD in March 2006, for all of the City's Federal Community Development Block Grant (CDBG) Program projects and activities; providing an Executive Summary in the Consolidated Plan document; and other technical changes.

WHEREAS, the updated Consolidated Plan must be submitted to HUD by May 15.

WHEREAS, on April 5, 2007 the City of Vallejo Community Development Commission reviewed this item, and recommended approval of amendments to the Consolidated Plan.

NOW THEREFORE BE IT RESOLVED that the City Council hereby directs the City Manager, or his designee, to update the City's Consolidated Plan as described in the attached staff report dated May 8, 2007, and as shown in Attachment "B", submit an amended Consolidated Plan, and any minor amendments or corrections as necessary, to HUD, by or before May 15, 2007.

NARRATIVE AMENDMENTS TO CITY OF VALLEJO CONSOLIDATED PLAN, FISCAL YEARS 2005/2006 TO 2009/2010

Executive Summary

The City of Vallejo's Consolidated Plan outlines a program of investment of over \$2 million annually in new Federal Community Development Block Grant (CDBG) Program funds, Federal HOME Investment Partnerships Program funds, and projected program income (revenue). Funds will be spent primarily on affordable housing, neighborhood improvements in target areas, and social services. The Consolidated Plan includes the period beginning July 1, 2005 and ending June 30, 2010.

The Consolidated Plan has established priorities for various housing programs by weighing the severity of needs for assistance among the population groups most in need, analyzing the housing stock and market conditions, and assessing the resources likely to be available over the life of the Consolidated Plan.

According to the most recent U. S. Census (2000), Vallejo has a population of 116,670. The City has large, unmet housing needs. A total of 5,015 very low-income households are experiencing a problem with housing, which represents thirteen (13) percent (%) of the total number of households (39,601) in Vallejo.

Based on the above, one of the groups that has been identified as a high priority for assistance is very low-income renters, through the provision of over \$24 million in U. S. Department of Housing and Urban Development (HUD) Housing Choice Vouchers; the Family Self-sufficiency Program; and the preservation, rehabilitation, purchase, and construction of housing by and for very low- and low-income persons. The development of affordable housing will be accomplished in part through the allocation of approximately \$5.5 million in pooled funds over the next two years, including from such sources as CDBG, HOME, Redevelopment, and Housing Authority funds.

The City is also committed to providing and supporting assistance by other entities for homeless persons, and persons who are not homeless but have special needs, through emergency shelter, supportive services, and transitional housing.

During the previous Consolidated Plan period, (2000-2005), the City met or exceeded its housing and community development objectives.

Chronic Homelessness

The City of Vallejo is a participating member of the County of Solano Continuum of Care. The Continuum of Care planning process provides guidance as to the City's determination of priority needs and funding allocations. The City is also represented on the Community Action Partnership of Solano ("CAP Solano"), a joint powers authority and a task force for housing the homeless.

During the period of the Consolidated Plan, the CAP Solano governing board, with input from homeless and safety net service providers, will develop and adopt the following: (1) a written plan to end chronic homelessness by 2012, (2) a written homeless prevention plan, and (3) a written discharge coordination policy, which will then be considered by the Vallejo City Council for adoption.

Vacant and Abandoned Buildings

The City has not identified any vacant or abandoned buildings or property that might be suitable for affordable housing development.

VALLEJO CITY COUNCIL 555 Santa Clara Street Vallejo, CA 94590 <u>MINUTES</u>

MARCH 21, 2006

A regular meeting of the Vallejo City Council was held on the above date in the Council Chambers of the Vallejo City Hall. The meeting was called to order at 7:00 p.m. by Mayor Anthony J. Intintoli, Jr.

- 2. PLEDGE OF ALLEGIANCE
- 3. ROLL CALL

Present:

Mayor Intintoli, Vice Mayor Pearsall, Councilmembers Bartee, Cloutier,

Gomes, and Sunga

Absent:

Councilmember Davis, excused

Staff:

Interim City Manager John P. Thompson

City Attorney Fred Soley City Clerk Allison Villarante

- 4. PRESENTATIONS AND COMMENDATIONS None
- 5. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS
- 6. CONSENT CALENDAR, APPROVAL OF AGENDA

Hearing no additions, corrections or deletions, the agenda was approved and the following resolution was offered by Vice Mayor Pearsall:

RESOLUTION NO. 06-89 N.C. payment of claims.

The above resolution was adopted by the following vote:

AYES:

Mayor Intintoli, Vice Mayor Pearsall, Councilmembers

Bartee, Cloutier, Gomes and Sunga

NOES:

None

ABSENT:

Councilmember Davis, excused

ABSTAINING:

None

7. PUBLIC HEARINGS

A. CONSIDERATION OF RESOLUTION APPROVING THE ABANDONMENT OF A PORTION OF OLD WILSON AVENUE NEAR THE INTERSECTION WITH HICHBORN STREET

On February 28, 2006, the City Council adopted Resolution No 06-58 N.C., declaring its intention of vacating and abandoning a portion of former Old Wilson Avenue and

setting the date for a public hearing. This resolution has been published once in the newspaper. Notice of intention of street abandonment has been posted along the line of street proposed to be abandoned. Property owners in a 300 foot radius around the abandonment have also been mailed the notice of intention of street abandonment.

The property owner of 224-258 Wilson Court has filed a petition requesting the City to abandon a portion of Old Wilson Avenue. This portion of Old Wilson Avenue has been reconstructed to form a new cul-de-sac when the first phase of the Wilson Avenue improvement project was implemented.

All public utilities have been notified and no unusual comments were received. The Development Services Department, Planning Division also reviewed the proposed abandonment and found no inconsistencies with the General Plan.

Mayor Intintoli announced they communication was received from Katy Meissner with questions concerning the project. Mayor Intintoli asked staff to respond to Ms. Meissner.

Gary Leach, Public Works Director, reported that the right-of-way is no longer needed for roadway purposes; therefore, it is appropriate to begin the abandonment procedure. The abandonment relieves the City of liability and the cost of maintaining the property. He reported that this particular right-of-way was dedicated by the Vallejo Heights Subdivision Map in 1900 and there is no way to determine that the City owns the property in fee. Therefore, the property cannot be sold, it can only be abandoned, and, pursuant to the Streets and Highway Codes, it automatically goes to the adjacent property owners. The property owner wishes to use the property for a driveway and restrict pedestrian access through the property.

Mayor Intintoli questioned how the abandonment would affect the abatement process for nuisances such as shopping carts. Mr. Leach stated that if it is private property, the City has the advantage of liening the property and being reimbursed for the clean up through the abatement process.

Mr. Leach responded to a question of Councilmember Gomes concerning how restricted the public access would be, stating that the access would not be open to the public. However, it would not be a long distance for the public having to use an alternate route.

Mayor Intintoli opened the public hearing.

<u>Speaker:</u> Brian Harkins, representing the apartment complex at 224-258 Wilson Avenue, the petitioner, provided background on Code Enforcement and traffic issues relating to the property to be abandoned, and why the neighborhood wants to take control of the property.

Mayor Intintoli closed the public hearing.

RESOLUTION NO. 06-90 N.C. 06-90 N.C. approving the abandonment of a portion of Old Wilson Avenue near the intersection with Hichborn Street.

The above resolution was adopted by the following vote:

AYES: Mayor Intintoli, Vice Mayor Pearsall, Councilmembers

CITY OF VALLEJO CITY COUNCIL MINUTES

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Bartee, Cloutier, Gomes and Sunga

NOES:

None

ABSENT:

Councilmember Davis, excused

ABSTAINING:

None

- 8. POLICY ITEMS None
- 9. ADMINISTRATIVE ITEMS None
- 10. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES None
- 11. WRITTEN COMMUNICATIONS None
- 12. CITY MANAGER'S REPORT None
- 13. CITY ATTORNEY'S REPORT None
- 14. COMMUNITY FORUM

<u>Speaker</u>: Marilyn Wong addressed a press release issued by Senator Diane Feinstein concerning the USS lowa being transferred from reserve to donation status. She asked Council to consider bringing the ship to Vallejo.

15. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL

Councilmember Gomes requested Council consider the following matters either in a study session of on the agenda: adding more view districts in the City; General Plan update; and nepotism.

Councilmember Cloutier reported that he attended a seminar sponsored by the Local Government Commission entitled "Building Livable Communities—Multiplying the Benefits of Smart Growth" which was attended by a large gathering of elected officials throughout California. Curt Johansen of Triad made a presentation on the Vallejo Downtown Project. There was a lot of enthusiasm about the project and many of the elected officials approached both he and Mr. Johansen after the presentation about the project.

Councilmember Cloutier further stated that he concurs with Councilmember Gomes with respect to the issue of nepotism and stated that he believes this should be agendized to consider a policy.

Councilmember Sunga reported that the Filipino Community held a successful fundraiser for the victims of the Philippines. He thanked the Mayor for attending the event. He also thanked the members of the community who participated.

Councilmember Bartee stated that he concurs with Councilmembers Cloutier and Gomes concerning the need for a nepotism policy.

Mayor Intintoli stated that the City Manager is reviewing this issue and will be bringing something forward either through a study session or a Council memorandum.

CITY OF VALLEJO CITY COUNCIL MINUTES

MARCH 21, 2006 PAGE 4

- 16. CLOSED SESSION
- 17. ADJOURNMENT

The meeting adjourned at 7:25 p.m.

ATTEST:

ANTHONY J. INTINTOLI, JR., MAYOR
MARY ELLSWORTH, ACTING CITY CLERK





TO:

Agenda Item No.

Date: May 8, 2007

COUNCIL COMMUNICATION

Honorable Mayor and Members of the City Council

FROM: Craig Whittom, Assistant City Manager/Community Development///

Brian Dolan, Development Services Director BD

SUBJECT: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT TO RETAIN

THE CONTRA COSTA COUNTY BUILDING DIVISION TO PERFORM CONTRACT BUILDING PERMIT PLAN CHECK AND RELATED SERVICES

BACKGROUND AND DISCUSSION

The City of Vallejo Building Division provides building permit plan check service to customers. The Building Plans Examiner position that provides such service has not been filled since January 2004. Since that time, building permit plan checks have been completed by the Building Official and Building Inspectors as time allows. By fall 2006, the Building Division was experiencing a 12 week backlog in processing plan checks. In November 2006, City staff interviewed four consulting firms and Contra Costa County to provide contract plan check services. Staff selected and entered into an agreement with Contra Costa County to provide contract plan checking services to address the backlog of applications. As we are currently approaching the \$25,000 limit on contract services that staff is authorized to initiate, staff is requesting City Council approval to extend our agreement with Contra Costa County. The service provided by Contra Costa County has been satisfactory. The agreement also allows for the provision of building inspection services should they be needed. Staff has no specific intention to use the inspection services but has included them in the scope of work in case of an emergency and supplemental inspection services are needed.

Staff proposes to extend the agreement until such time as the City is able to provide its own in-house plan check capability. All plans would be sent to Contra Costa County except those limited number of applications that can be checked "over the counter" and those applications where applicants may choose to pay for "expedited plan checking" with a different outside plan check firm.

The City Council is scheduled to review updated development processing fees at a study session on June 5, 2007 and consider approval of these fees on June 12, 2007. Staff is also developing performance standards and improvements to the permit and plan review processing. An update on these efforts will also be discussed at the City Council study

session on June 5, 2007. Staff will review the potential to fill a staff position to perform the plan check services currently being conducted by Contra Costa County following the consideration of the new fees and FY 2007-08 City of Vallejo budget.

The cost to the City is estimated to be approximately \$25,000 for the remainder of the fiscal year and between \$100,000 to \$250,000 dollars for the next 12 months depending on the level of permit activity. For the remainder of Fiscal Year 2006-07, this contract will be funded from the professional services budget authority in the approved FY 2007-08 Development Services budget. Next fiscal year's proposed budget will contain proposed funding for this service (through a continuation of the Contra Costa County agreement or the hiring of a City staff position).

Contra Costa County is paid a percentage of our plan check fees depending on the type of plan check (e.g., Contra Costa County will be paid 70 percent of the City's plan check fee for a regular building permit.) The City retains the remainder of the plan check fee. This fee structure would be retained in the service agreement between the City and Contra Costa County.

RECOMMENDATION

Adopt the resolution authorizing the City Manager to enter into a professional services agreement between the City of Vallejo and Contra Costa County for building permit plan check and related services described in Attachment B and authorizes the City Manager to enter into and execute any amendments to the Agreement in a form approved by the City Attorney. Funding for this service is available in the approved Final FY 2007-08 City of Vallejo budget.

ENVIRONMENTAL REVIEW

The proposed contract for plan check services between the City of Vallejo and Contra Costa County are activities which have no potential for resulting in either a direct or indirect physical change in the environment, so that it is not considered a project under CEQA (Guidelines sec. 15378(a)).

DOCUMENTS ATTACHED

- a. City Council Resolution
- b. Scope of Work

CONTACT PERSON:

Brian Dolan, Development Services Director - 649-5458 bdolan@ci.vallejo.ca.us

K:/Public/Al/PL/Contra Costa Building Division/CCC Building Division Staff Report 4-30-07.doc

RESOLUTION NO. N.C.	N.C	NO.	TION	RESOLI
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A RESOLUTION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH CONTRA COSTA COUNTY BUILDING DIVISION TO PROVIDE CONTRACT BUILDING PERMIT PLAN CHECK SERVICES AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT ON BEHALF OF THE CITY

BE IT RESOLVED by the City Council of the City of Vallejo as follows:

WHEREAS, the Development Services Department is currently limited in the staff that is available and/or qualified to do building permit plan checking.

WHEREAS, City staff has determined that the hiring of an outside plan checking service is desirable and necessary to meet our customer service goals and the needs of the development community; and

WHEREAS, after interviewing four different outside plan checks and Contra Costa County the Development Services Department has received a proposal for plan check and related services from Contra Costa County Building Division to provide these services such that Contra Costa County will be paid a percentage of the City's plan check fee;

NOW, THEREFORE, BE IT RESOLVED: that the City Council hereby approved a professional services agreement with Contra Costa County with the scope of services and payment structure outlined in the staff report authorizing the City Manager to sign the agreement on behalf of the City and authorizing the City Manager to enter into and execute any amendments to the Agreement in a form approved by the City Attorney.

ADOPTED by the Council of the City of Vallejo at a regular meeting	held on
with the following vote:	

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ATTACHMENT B

SCOPE OF WORK

Duties to be performed by County Building Inspection Department staff for the City of Vallejo's Community Development Department

As requested by the City, through the Development Services Director, County Building Inspection staff persons will perform review of building plans in connection with applicable building and zoning codes and laws; and on an as-needed basis provide inspection services.

I Plan Review Services

At the request of, and as directed by the City's Chief Building Official, County building inspection staff shall check plans and specifications for compliance thereof with the requirements of the current adopted building codes and with the City's Municipal Code.

After plans and specifications are delivered to County building inspection staff for review, the County building inspection staff shall furnish to City a written report indicating whether such plans and specifications are in compliance with applicable codes or not and if not, identifying each failure to comply with such codes. When necessary, County building inspection staff will meet with involved architects or engineers to make a determination of compliance.

All plans and specifications to be reviewed will be picked up by County building inspection staff from City's offices and returned thereto, at County's own expense, or will be transmitted to County in mailing bags provided by County to City at County's expense.

II Inspection Services

Inspection services that may be provided to the City include the following:

Inspection of sites and buildings before construction or alteration to determine compliance of plans with applicable codes and regulations; inspections during construction for compliance with Uniform Codes (U.B.C., U.M.C., U.P.C., and N.E.C.) as adopted by the City and Vallejo Municipal Code.

Inspection of the quality of materials and the methods of construction for footings and foundations, excavations, wood framing, concrete work, steel erection, lathing and plastering, tile work, masonry, electrical, plumbing and other construction work to ensure compliance with applicable codes and regulations.

ORDINANCE NO. N.C. (2d)

AN ORDINANCE OF THE CITY OF VALLEJO AMENDING ORDINANCE NO. 1422 (2d) AND SECTION 2.02.360 OF THE VALLEJO MUNICIPAL CODE RELATING TO THE PAYMENT OF CLAIMS

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

<u>SECTION 1</u>. Section 2 (part) of Ordinance No. 1422 N.C. (2d) and Section 2.02.360 of the Vallejo Municipal Code are hereby amended to read as follows:

"2.02.360 Payment of claims.

- A. All demands, invoices or claims for purchases, supplies or services included within budgetary appropriations shall be presented in writing to the Finance Director.
- B. Each demand shall be appropriately documented to the standards of best business practices as provided by general accounting principles.
- C. Such demands, invoices, or claims shall be audited by Finance Director or his or her designee, who shall prepare a check register.
- D. The check register shall be ratified by the City Council at a regular City Council meeting. An affidavit of the Finance Director shall be attached to the check register certifying its accuracy.
- E. Payroll claims paid by checks or electronic transfer and non payroll claims paid by electronic transfers shall be presented to the City Council for ratification and approval in the form of an audited comprehensive annual financial report.
- F. All claims shall be paid by checks, petty cash, or electronic transfer."

SECTION 2. Severability.

If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact one or more provisions may be declared invalid.

SECTION 3. Effective Date.

This Ordinance shall take effect and be in full force and effect thirty (30) days from its final passage.

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Agenda Item No.

COUNCIL COMMUNICATION

Date: May 8, 2007

TO:

Mayor and Members of the City Council

FROM:

Craig Whittom, Assistant City Manager / Community Development

Susan McCue, Economic Development Program Manager

SUBJECT:

APPROVAL OF THREE LEASE AGREEMENTS BETWEEN THE CITY OF

VALLEJO AND OMNIPOINT COMMUNICATIONS, INC., REGARDING USE OF CITY-OWNED PROPERTY AT BROADLEIGH PLACE, ACROSS FROM

CATALINA CIRCLE AND REGENTS PARK DRIVE.

BACKGROUND & DISCUSSION

Broadleigh Place (Hiddenbrooke Water Tower)

Multiple telecommunications carriers operate a cellular transmission tower and associated facilities on City owned property at Broadleigh Place. Omnipoint Communications, Inc. ("Omnipoint") has selected the site to install a two-array antenna on an existing location no longer used by Cingular Communications. Ground support for these antennas is provided by equipment installed beneath the communications tower. Therefore, Omnipoint is requesting the City lease its property beneath the transmission tower in order to place this cellular transmission equipment.

The equipment enclosure proposed by Omnipoint is roughly 176 square feet and is located within, and served by, an existing power and utility easement granted to AT&T and located at the base of the cell transmission tower. Omni Point and the other telecommunications carriers are responsible for all costs associated with the use, i.e., maintaining their equipment, utilities, maintenance, providing insurance on the improvements, and indemnifying the City. Omnipoint will be required to obtain all building and planning permits and approvals prior to installation and use of the site.

Catalina Circle (across from 726 Catalina Circle)

Pacific Gas and Electric Company ("P.G.& E.") owns and operates transmission tower facilities located within an easement on City of Vallejo owned property at Catalina Circle. Omnipoint Communications, Inc. ("Omnipoint") has selected the site to install antennas on the P.G. & E. transmission tower. Ground support for these antennas is provided by equipment installed beneath the transmission tower. Therefore, Omnipoint is requesting the City lease its property beneath the transmission tower in order to place this cellular transmission equipment.

The equipment enclosure proposed by Omnipoint is roughly 340 square feet and is located within the P.G. & E. easement at the base of the lattice tower. The City maintains power line easement and P.G & E. and the telecommunications carrier is responsible for maintaining their equipment, covering all operating costs, providing insurance on the improvements, and indemnifying the City. Omnipoint will be required to obtain all building and planning permits and approvals prior to installation and use of the site.

Regents Park Drive

Pacific Gas and Electric Company ("P.G.& E.") owns and operates transmission tower facilities located within an easement on City of Vallejo owned property at Regents Park Avenue. Omnipoint Communications, Inc. ("Omnipoint") has selected the site to install antennas on the P.G. & E. transmission tower. Ground support for these antennas is provided by equipment installed beneath the transmission tower. Therefore, Omnipoint is requesting the City lease its property beneath the transmission tower in order to place its cellular transmission equipment.

The equipment enclosure proposed by Omnipoint is roughly 300 square feet and is located within the P.G. & E. easement at the base of the lattice tower. The City maintains the power line easement and P.G & E. and the telecommunications carrier are responsible for maintaining their equipment, covering all operating costs, providing insurance on the improvements, and indemnifying the City. Omnipoint will be required to obtain all building and planning permits and approvals prior to installation and use of the site.

FISCAL IMPACT

Broadleigh Place (Hiddenbrooke Water Tower)

The lease payment with **Omnipoint** for an equipment-only \$1,350 per month or \$16,200 annually. The initial term is for five (5) years with a maximum 5% annual CPI adjustment and a 3% minimum adjustment. There are four 5-year option periods, all with CPI increases and market rate adjustments in the eleventh and twentieth years. Market rates comparables were used to determine the initial lease rate and the City's standard telecommunications lease documents the terms and conditions governing the use of the land. Total revenue over the first 5-year term of the lease, including CPI increases, is \$86,872 plus permitting fees.

Catalina Circle (across from 726 Catalina Circle)

The lease payment with Omnipoint for an equipment-only site is \$1,600 per month or \$19,200 annually. The initial term is for five (5) years with a maximum 5% annual CPI adjustment and a 3% minimum adjustment. There are four 5-year option periods, all with CPI increases and market rate adjustments in the eleventh and twentieth years. Market rates comparables were used to determine the initial lease rate and the City's standard telecommunications lease documents the terms and conditions governing the use of the land. Total revenue over the first 5-year term of the lease, including CPI increases is \$102,958 plus permitting fees. In addition to the rental there is a one time administrative processing charge of \$10,000 payable upon execution of the lease agreement.

Regents Park Drive

The lease payment with Omnipoint for telecommunications equipment pad is \$1,300 per month or \$15,600 annually. The initial term is for five (5) years with a maximum 5% annual CPI adjustment and a 3% minimum adjustment. There are four 5-year option periods, all with

CPI increases and market rate adjustments in the eleventh and twentieth years. Market rates comparables were used to determine the initial lease rate and the City's standard telecommunications lease documents the terms and conditions governing the use of the land. Total revenue, including CPI increases over the first 5-year term of the lease is \$83,402 plus permitting fees. In addition to the rent there is a one time administrative processing charge of \$10,000 payable upon execution of the lease agreement.

RECOMMENDATION

Adopt the following three Resolutions authorizing the City Manager to execute the three leases between the City of Vallejo and Omnipoint Communications, Inc. at; Broadleigh Place, Catalina Circle and Regents Park Drive.

ALTERNATIVES CONSIDERED

The alternative considered was not entering into a lease. However, the lease will generate revenue for the City's General Fund.

ENVIRONMENTAL REVIEW

This is an exempt project under the California Environmental Quality Act ("CEQA"), pursuant to Section 15303 of Title 14 of the California Code of Regulations which exempts the construction of a limited number of new, small facilities, structures, and equipment. No environmental review under CEQA is required.

PROPOSED ACTION

Adopt the attached resolutions authorizing the City Manager to execute the lease with Omnipoint Communications, Inc., with any recommended changes by the City Attorney or Risk Manager, and to take such further actions, including execution of any documents, determined to be necessary to carry out the purposes of the Resolution.

DOCUMENTS ATTACHED

Attachment A - Resolution - Broadleigh Place
Attachment B - Resolution - Catalina Circle
Attachment C - Resolution - Regents Park Drive

Attachment D - Lease - Broadleigh Place Attachment E - Lease - Catalina Circle Attachment F - Lease - Regents Park Drive

CONTACT:

Steve England, Real Property and Asset Manager 707-649-4848, sengland@ci.vallejo.ca.us

Susan McCue, Economic Development Program Manager 707-553-7283, smccue@ci.vallejo.ca.us

ATTACHMENT-A BROADLEIGH PLACE

RESOL	UTION	NO.	N.C.

APPROVAL OF A OMNIPOINT, INC., CELLULAR WIRELESS LEASE AT BROADLEIGH PLACE AT VALLEJO WATER TOWER T-99 (HIDDENBROOKE)

BE IT RESOLVED by the City of Vallejo as follows:

WHEREAS, the City of Vallejo ("City") owns the real property located at Broadleigh Place in the City of Vallejo, California ("Property"); and

WHEREAS, Omnipoint Communications, Inc. ("Omnipoint") has requested the City enter into a lease between Omnipoint and the City for the Property; and

WHEREAS, if granted the subject lease, Omnipoint will install an enclosure and electronic equipment cabinet at the existing telecommunications enclosure at water tower T-99; and

WHEREAS, staff has determined that approval of this lease and the installation of an equipment enclosure and associated equipment racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations as it consists of the construction of a limited number of new, small facilities, structures and equipment; and

WHEREAS, the City desires to approve a lease with Omnipoint for the use of the Broadleigh Place site.

NOW THEREFORE, BE IT FOUND AND DETERMINED that the approval of this lease and the installation of an equipment enclosure and electronic racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the lease with Omnipoint Communications, Inc., subject to any changes recommended by the City Attorney or Risk Manager, and authorizes the City Manager's execution thereof and to take such further actions, including execution of any documents, determined to be necessary to carry out the purposes of this Resolution.

	ANTHONY J. INTINTOLI JR., Mayor		
ATTEST:	MARY ELL SWORTH Interim City Clark		
	MARY ELLSWORTH, Interim City Clerk		

ATTACHMENT B-CATALINA CIRCLE

RESOL	UTION	NO	N.C.
TOOL	OTION	110.	11.0.

APPROVAL OF A OMNIPOINT, INC., CELLULAR WIRELESS LEASE AT CATALINA CIRCLE WITHIN THE P.G. & E. TRANSMISSION TOWER, VALLEJO

BE IT RESOLVED by the City of Vallejo as follows:

WHEREAS, the City of Vallejo ("City") owns the real property located at Catalina Circle in the City of Vallejo, California ("Property"); and

WHEREAS, Omnipoint Communications, Inc. ("Omnipoint") has requested the City enter into a lease between Omnipoint and the City for the Property; and

WHEREAS, if granted the subject lease, Omnipoint will install an enclosure and electric equipment within the P.G. & E. power line easement at the base of the transmission tower; and

WHEREAS, staff has determined that approval of this lease and the installation of an equipment enclosure and associated equipment racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations as it consists of the construction of a limited number of new, small facilities, structures and equipment; and

WHEREAS, the City desires to approve a lease with Omnipoint for the use of the Catalina Circle site.

NOW THEREFORE, BE IT FOUND AND DETERMINED that the approval of this lease and the installation of an equipment enclosure and electronic racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the lease with Omnipoint Communications, Inc., subject to any changes recommended by the City Attorney or Risk Manager, and authorizes the City Manager's execution thereof and to take such further actions, including execution of any documents, determined to be necessary to carry out the purposes of this Resolution.

	ANTHONY J. INTINTOLI JR., Mayor		
ATTEST:	MARY ELLSWORTH, Interim City Clerk		

ATTACHMENT C-REGENTS PARK DR.

DECOL	LUTION NO	NI C
KESUI	JULIUN NO	N.C.

APPROVAL OF A OMNIPOINT, INC., CELLULAR WIRELESS LEASE AT REGENTS PARK DRIVE WITHIN THE P.G. & E. TRANSMISSION TOWER, VALLEJO

BE IT RESOLVED by the City of Vallejo as follows:

WHEREAS, the City of Vallejo ("City") owns the real property located at Regents Park Drive in the City of Vallejo, California ("Property"); and

WHEREAS, Omnipoint Communications, Inc. ("Omnipoint") has requested the City enter into a lease between Omnipoint and the City for the Property; and

WHEREAS, if granted the subject lease, Omnipoint will install an enclosure and electric equipment within the P.G. & E. power line easement at the base of the transmission tower; and

WHEREAS, staff has determined that approval of this lease and the installation of an equipment enclosure and associated equipment racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations as it consists of the construction of a limited number of new, small facilities, structures and equipment; and

WHEREAS, the City desires to approve a lease with Omnipoint for the use of the Regents Park Drive site.

NOW THEREFORE, BE IT FOUND AND DETERMINED that the approval of this lease and the installation of an equipment enclosure and electronic racks is exempt from the California Environmental Quality Act pursuant to Section 15303 of Title 14 of the California Code of Regulations.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the lease with Omnipoint Communications, Inc., subject to any changes recommended by the City Attorney or Risk Manager, and authorizes the City Manager's execution thereof and to take such further actions, including execution of any documents, determined to be necessary to carry out the purposes of this Resolution.

	ANTHONY J. INTINTOLI JR., Mayor
ATTEST:	
	MARY ELLSWORTH, Interim City Clerk

ATTACHMENT D-BROADLEIGH PLACE

TELECOMMUNICATIONS LEASE AGREEMENT

This Telecommunications Lea	ase Agreemen	t ("Agreement") is entered into, at
Vallejo, California, this day,	of	2007, between the City of
Vallejo, a municipal corporatio	on ("Lessor") a	nd Omnipoint Communications, Inc., a
Delaware corporation, d/b/a T	-Mobile ("Less	ee").

In consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Premises.

Lessor is the owner of a parcel of land (the "Land") as described in Exhibit A attached hereto APN: # 0082-272-010 (Power Tower) and Lessor hereby leases to Lessee and Lessee hereby leases from Lessor a certain portion of the Land, including all necessary and reasonable access rights for the installation, operation, and maintenance of Lessee's equipment, structures, and utilities ("Access Rights"). (collectively the "Premises") as described in Exhibit B.

2. <u>Use</u>.

The Premises may be used by Lessee for any lawful activity in connection with the provision of wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies, and for the construction, maintenance and operation of necessary ground based equipment and facilities, foundation and an air conditioned equipment shelter. Lessor agrees to cooperate with Lessee, at Lessee's expense, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises. Lessee shall apply for, and obtain all necessary permits required by all applicable governmental agencies for Lessee's use of the Premises and shall abide by all of the conditions thereof. The installation of an antenna tower, antennas or other antenna-related structure or facilities are not included in this Agreement.

3. Term and Options.

The initial term of this Agreement shall be five (5) years commencing on the date that Lessee commences construction of the Lessee Facilities (defined below) on the Premises or within 12 months of the execution of this Agreement, whichever occurs first (the "Lease Commencement Date") and terminating on the fifth (5th) anniversary of the Lease Commencement Date (the "Term"). Lessee shall have the right to extend the Term for four (4) successive five (5) year periods (the "Renewal Terms") on the same terms and conditions as set forth herein. This Agreement shall automatically be extended for each successive Renewal Term unless Lessee

notifies Lessor in writing not less than sixty (60) days prior to the respective expiration date of Lessee's intention not to extend such Term or Renewal Term.

If the Lessee continues to occupy the Premises following the expiration or termination of this Agreement with Lessor's consent, then such holding over shall constitute a renewal of this Agreement on a month to month basis, with the Rent during such holdover period to be five percent (5%) greater than the Rent in effect immediately prior to such expiration or termination. In such event, either party shall be entitled to terminate such holdover tenancy on thirty (30) days' prior written notice to the other party.

4. Rent; Consideration.

- (a) For the initial Term, Lessee shall pay, without demand, deduction, offset or abatement, to Lessor as Rent and One Thousand Three Hundred DOLLARS (\$1300.00) per month ("Rent"). Rent shall be payable in advance on the first day of each month to Lessor at: City of Vallejo, Economic Development Program Manager, 555 Santa Clara Street, Vallejo, CA 94590; Attention: Economic Development Division
- (b) Rent shall be increased on each anniversary of the Lease Commencement Date annually by an amount equal up to Five percent (5%) of the Rent for the previous year with an absolute minimum adjustment of the Three (3%) percent. The percentage change shall be determined by the changes that occurred in the Consumer Price Index for all Urban Consumers (All Terms) for the San Francisco, Oakland and San Jose (Bay Area CPI), as indicated in the Schedule on the following chart.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

Rent Schedule over Term:

Period	Rental
Year 1	\$1300.00 per month
Year 2 – 10	\$1300.00 per month with annual adjustment based upon the Bay AREA CPI, 5% maximum
	cap with an absolute minimum of 3% increase allowed.
Year 11	Market rate adjustment, but not less than the
	total rent due for the 10 th year (see Market Rate
	Adjustment methodology below).
Year 12 – 19	Annual adjustment from the year end rent for the
	11 th year based upon the Bay Area CPI, 5%
	maximum cap with an absolute minimum of 3%
	increase allowed.
Year 20	Market rate adjustment, but not less than the
	total rent due for the 19 th year (see Market Rate
	Adjustment methodology below).
Year 21-25	Annual rental adjustment based upon the year
	end rent for the 20 th year each year through the
	25th year adjustment based upon the Bay Area
	CPI, 5% maximum cap with an absolute
	minimum of 3% increase allowed.

- (c) If this Agreement is terminated prior to its expiration, Rent shall be prorated as of the date of termination, and any prepaid Rent shall be returned to Lessee.
- (d) Rent shall be payable upon the Commencement of construction on the Premises for which Lessee shall provide Lessor at least two (2) weeks prior written notice.
- (e) Lessee acknowledges that in the event Lessee fails to deliver to Lessor Rent when due, such failure will cause Lessor to incur costs not contemplated in this Agreement, the exact dollar amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and personnel costs. Accordingly, if such payment is not received by Lessor when due, Lessee shall pay Lessor a late payment charge equal to five percent (5%) of the overdue payment. Lessee agrees that this late charge represents a fair and

reasonable estimate of the costs Lessor will incur by reason of Lessee's late payment. Lessor's acceptance of such late charge shall not constitute a waiver by Lessor of Lessee's default with respect to the overdue payment, nor prevent Lessor from exercising any of the other rights or remedies granted Lessor under this Agreement, at law or in equity.

- (f) In addition to the late charges set forth above, any Rent due under this Agreement that is not paid to Lessor when due under this Agreement shall commence to bear interest at the rate of eight percent (8%) per annum, from the date due until fully paid. Neither the accrual nor Lessee's payment of interest to Lessor shall be deemed to cure any default by Lessee under this Agreement.
- (g) By written notice given by the Lessor to Lessee not less than one hundred and eighty (180) days prior to the expiration of the Year 10 and Year 19 Lessor shall be entitled to a readjustment of the rental rate (Market Rate Adjustment) to the greater of the Rent then payable, or the then current market rent ("Current Market Rent"). Current Market Rent shall be determined by the rent charged for comparable communications facilities at comparable properties in the Solano, Napa and Contra Costa Counties, California. If Lessee and Lessor cannot agree on the Current Market Rent within 30 (days) after the delivery of the referenced notice, each party, at its own expense, shall hire an appraiser licensed in the State of California holding a Certified General License, who is familiar with leasing of communications facilities in and around the Solano Napa and Contra Costa counties. The Current Market Rent agreed to by both appraisers shall be the Current Market Rent for the purposes stated herein. If, however, the appraisers hired by the Lessor and Lessee cannot agree on the Current Market Rent for the Premises, and if the differences between the determinations by such appraisers is less than (10%), the amount submitted by each appraiser shall be averaged and the average amount shall be the Current Market Rent for the purposes stated herein. Otherwise, the two appraisers shall select a similarly qualified and licensed third appraiser, who shall independently determine the Current Market Rate within the range set by the first two appraisers herein, and the parties shall divide equally the cost of the third appraiser. The Current Market Rent, as determined shall further adjust during futures years and shall be determined by the described process if agreement cannot be reached by the Lessor and Lessee on Current Market Rent. If Lessor fails to timely deliver a notice seeking an adjustment to Current Market Rent no rights to increase rental rates per the above schedule are waived. The Lessor however acknowledges that time is of the essence.
- (h) Lessee agrees to pay Lessor, concurrent with the execution of this Agreement, a one time, nonrefundable processing fee of ten thousand dollars and no/100 (\$10,000.00) to compensate Lessor for its costs associated with processing the Access Rights. Lessee acknowledges that this fee is not applicable against the Rent or any other charge or fee under this Agreement.

5. Earnest Money Deposit and Liquidated Damages.

At the time of Lessee's execution of this Agreement, Lessee shall deposit an amount equal to two (2) months rent ("Earnest Money Deposit") with Lessor. In the event Lessee starts construction of Lessee Facilities within twelve (12) months of the execution of this Agreement, the Earnest Money Deposit shall be applied to the first two (2) months rent.

BY INITIALING THIS SECTION 6 LESSOR AND LESSEE AGREE THAT IN EVENT THE LESSEE DOES NOT START CONSTRUCTION OF LESSEE FACILITIES WITHIN TWELVE (12) MONTHS OF THE EXECUTION OF THIS AGREEMENT, (A) IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES THAT THE CITY WILL SUSTAIN IN EVENT OF AND BY REASON OF THE DELAY; (B) THE EARNEST MONEY DEPOST SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO LESSOR; (C) THE PAYMENT OF THE LIQUIDATED DAMAGES TO LESSOR SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF LESSOR; (D) LESSOR MAY RETAIN THE EARNEST MONEY DEPOSIT AS LIQUIDATED DAMAGES; AND (E) PAYMENT OF THOSE SUMS TO LESSOR AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO LESSOR PURSUANT TO SECTIONS 1671, 1676, AND 1677 OF THE CALIFORNIA CIVIL CODE.

_ESSOR:		
LESSEE:		

6. <u>Improvements; Liability; subscription or service Utilities; Access.</u>

(a) Subject to the prior approval of Lessor as to location and architectural detail, which approval shall not be unreasonably withheld, conditioned, or delayed, Lessee shall have the right to erect, maintain and operate on the Premises a 7 feet high redwood fence and/or steel fencing with lockable door hardware. radio communications facilities, foundation, utility lines, an air conditioned equipment shelter, radio transmitting equipment thereto and the Improvements, as described in Exhibit B. ("Lessee Facilities"). In connection therewith, Lessee has the right to do all work necessary to prepare, maintain and alter the Premises for Lessee's business operations and to install transmission lines connecting the antennas to the transmitters and receivers. All of Lessee's construction and installation work ("Lessee's Work") shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Title to the Lessee Facilities shall be held by Lessee. All of Lessee Facilities shall remain Lessee's personal property and are not fixtures. Lessee shall remove all Lessee Facilities at its sole expense on or before the expiration or earlier termination of the Term or any Renewal Term, and

Lessee shall repair any damage to the Premises caused by such removal. Upon the expiration or earlier termination of this Agreement, Lessee shall remove the foundation for such portion of the Facilities to a level of three feet below grade level, and Lessee shall not be required to remove any foundation more than three feet below grade level. Notwithstanding the above, if at the expiration or earlier termination of this Agreement, Lessee does not desire to remove some portion or all of the Lessee Facilities, Lessor shall have the option to have such Facilities remain intact. Lessee shall remove any portion which Lessor does not desire to remain on the Premises in the manner provided herein above.

- (b) Lessee shall obtain, at its expense, a separate electrical service from Pacific Gas & Electric Company including the installation of a separate meter and main breaker. Lessee shall have the right to install, at its expense, utilities to service the Premises (including a standby power generator for Lessee's exclusive use at a location on the Premises acceptable to both parties). Lessee also has the right to bring utilities to and across the Land in order to service the Premises. Lessor shall have the right to approve the location of Lessee's proposed utilities across the Land, which approval shall not be unreasonably withheld.. Lessee shall have the right to install, at its sole expense, underground telephone and electrical conduits, lines, wires, pull boxes and related facilities in, under and across Lessor's existing utility easement which adjoins the Land. The location and route of such utility lines are depicted on Lessee's Site Plans, which are attached hereto as Exhibit C. Lessee shall pay for the electricity it consumes in its operations.
- (c) Lessor shall provide to Lessee, Lessee's employees, agents and subcontractors access over the Land to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessee's access route over the Land to the Premises shall be from the street on Regents Park Drive, along the existing dirt access road to the Premises with a path to the base of the PG&E transmission tower.
- (d) Lessor shall provide for the maintenance of the access road from Regents Park Drive to the Land (the "Access Road"). Except for damage directly caused by Lessee's construction or use of the Access Road, Lessee shall not be obligated to pay any additional amounts for the maintenance or repair of the Access Road.
- (e) The telecommunications equipment, antenna transmission lines, antenna(s) and facilities shall be installed and textured to have the least visible impact and, subject to 6g, below, to match the native landscaping, transmission tower and to preserve to the greatest extent possible the natural appearance of the area.
- (f) Lessee's equipment, facilities and enclosure shall be provided with suitable locking provisions to assure that electrical and electronic equipment, service equipment and couplings/ connectors are not exposed or generally

accessible to the public. The Lessee shall provide the Lessor with a contact name (s) and phone number (s) to report security and/or maintenance concerns reported by the public or the Lessor's maintenance staff.

- (g) Lessee shall not have any obligation to provide any landscaping on or around the Premises. Lessee's proportionate share of the cost of landscaping the Land shall be a component of its Rent obligation.
- (h) Lessee shall not permit any mechanics', materialman's or any other lien to be filed against the Land or against Lessee's leasehold interests in the Premises. Lessee further covenants and agrees that any lien filed against the Land for work claimed to have been done for, or materials claimed to have been furnished to Lessee will be discharged by Lessee, by bond or otherwise, within thirty (30) days after the filing of the lien, at the cost and expense of Lessee. If such liens are filed and not released within such thirty (30) days period, Lessor may, without waiving its rights and remedies based on such breach by Lessee and without releasing Lessee from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such liens. Lessee shall pay Lessor, promptly upon notice to Lessee, any sum paid by Lessor to remove such liens, together with interest at the rate of eight percent (8%) per annum from the date of such payment by Lessor.

7. Interference

- (a) Lessee shall operate the Lessee Facilities in a manner that will not cause interference to Lessor and other lessees of the communications site, provided that their installation or any modification thereto predates the Lessee Facilities. All operations by Lessee shall be lawful and in compliance with all Federal Communications Commission ("FCC") requirements.
- (b) Subsequent to the installation of the Lessee Facilities, Lessor shall not permit itself, its lessees or licensees to install new equipment on the Land if such equipment is likely to cause interference with Lessee's operations. Such interference shall be deemed a material breach by Lessor.
- (c) If Lessor breaches its obligations under this paragraph, Lessor, upon receiving notice from Lessee of any such breach, shall take all steps necessary to correct and eliminate such interference, including, without limitation, enforcing provisions in any license or other agreement between Lessor and the persons or entities causing such harmful interference, pursuant to which Lessor may compel such persons or entities to cease operation, modify their equipment and/or antennas, or remove their equipment and/or antennas from any facilities or towers owned or leased and/or managed by Lessor on the Land. If Lessor cannot correct such harmful interference within five (5) days, Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to terminate this Agreement. Upon such termination, Lessor shall return any unearned Rent to

8. Taxes.

If any taxes are assessed as a direct result of the installation of the Lessee Facilities and Site Equipment, including without limitation ad valorem property taxes or possessory interest taxes levied by reason of the possessory leasehold interest created hereunder, Lessee shall be responsible for and pay such taxes.

9. Equipment.

- (a) Lessee shall provide all transmitters and receivers and all related electronic equipment ("Site Equipment") required for the installation and operation of Lessee's system. The Site Equipment is and shall remain the sole property of the Lessee and may be removed from the Premises at any time by the Lessee. Lessee shall remove all Site Equipment from the Premises at Lessee's expense upon the termination of this Agreement.
- (b) Lessee shall provide all of the equipment and labor necessary to the installation of Lessee's system including the antennas, associated feed lines, isolation equipment and electrical terminals. The equipment provided by Lessee shall remain the sole personal property of Lessee and shall not be deemed fixtures.
- (c) Lessee shall, at its sole cost and expense, maintain and repair its Site Equipment.

10. Waiver of Lessor's Lien.

- (a) Lessor waives any lien rights it may have concerning the Lessee Facilities which are and shall at all times remain deemed Lessee's personal property, and Lessee has the right to remove the same at any time without Lessor's consent.
- (b) Lessor acknowledges that Lessee may have financed the Lessee Facilities and Site Equipment (the "Collateral") and in connection therewith, Lessor (i) consents to the installation of the Collateral; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed by Lessee at any time without recourse to legal proceedings.

11. Termination.

This Agreement may be terminated without further liability on thirty (30) days prior written notice as follows: (i) by either party upon a default of any covenant or term hereof by the other party, which default is not cured within sixty (60) days of receipt of written notice of default, provided that the grace period for any monetary default is ten (10) days from receipt of notice; or (ii) by either party if Lessee does not obtain or maintain any license, permit or other approval necessary for the construction and operation of Lessee Facilities; or (iii) by Lessee if Lessee is unable to occupy and utilize the Premises due to any action of the FCC, including without limitation, a take back of channels or change in frequencies; or (iv) by Lessee if Lessee determines that the Premises are not appropriate for its operations for economic or technological reasons, including without limitation, signal interference.

12. Termination in the Event of Casualty or Condemnation.

- (a) In the event of any damage, destruction or condemnation of the Premises or any part thereof, Lessee shall have the right, but not the obligation, to terminate this Agreement and all of its duties and obligations herein by giving written notice to Lessor within thirty (30) days after such damage, destruction or condemnation, if by virtue of such casualty or condemnation the Premises are no longer adequate for Lessee to continue its operations or any repairs to the Premises have not been completed or cannot reasonably be completed within sixty (60) days from the date of the damage.
- (b) If Lessee does not terminate this Agreement: (1) the Rent payable herein shall be reduced or abated in proportion to the actual reduction or abatement of use of the Premises; and (2) within sixty (60) days from the date of such damage or destruction, Lessor shall make any necessary repairs to the Premises caused by any such damage or destruction.
- (c) In the event of condemnation, unless Lessee is allowed by the condemning authority to continue its operations on the Premises, this Agreement shall terminate as of the date title to the Land vests in the condemning authority or Lessee is required to cease its operations, whichever is earlier. Lessee shall be entitled to share in the proceeds of any condemnation, but only to the extent of the value of any Lessee Facilities and Site Equipment which are transferred to the condemning authority, moving expenses, prepaid Rent and business dislocation expenses.

13. Insurance.

(a) Lessee shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. The cost of such insurance shall be borne by the Lessee.

- (b) Minimum Scope of Insurance. Coverage shall be at least as broad as:
- 1. Insurance Services Office Commercial General Liability coverage ("occurrence" Form CG 0001).
- 2. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance (for lessees with employees).
- 3. Property insurance against all risks of loss to any tenant improvements or betterments.
- (c) <u>Minimum Limits of Insurance</u>. Lessee shall maintain limits no less than:
- 1. General Liability: \$5,000,000.00 per occurrence for bodily injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- 2. Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease.
- 3. Property Insurance Full replacement cost with no co-insurance penalty provision.
- (d) <u>Other Insurance Provisions</u>. The general liability policy is to contain, or be endorsed to contain, the following provisions:
- 1. Lessor, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of premises owned, occupied or used by the Lessee. The coverage shall contain no special limitations on the scope of protection afforded to Lessor, its officers, officials, employees or volunteers.
- 2. Lessee's insurance coverage shall be primary insurance as respects Lessor, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by Lessor, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
- 3. Any failure to comply with reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided Lessor, its officers, officials, employees or volunteers.

- Coverage shall state that the Lessee's insurance shall apply 4. separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- Each insurance policy required by this clause shall be endorsed 5. to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Lessor.
- Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. less than A-:VII.
- Verification of Coverage. Lessee shall furnish Lessor with original endorsements effecting coverage required by this clause in the form attached hereto as Exhibit D. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by Lessor before work commences.
- Landlord insurance. Landlord shall maintain standard form property insurance ("All Risk" coverage) equal to at lease 90% of the replacement cost of its property.

14. Waiver of Subrogation.

Lessor and Lessee each waives any and all rights of recovery against the other or against the directors, officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Lessor and Lessee shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

15. Assignment and Subletting.

Lessee may not assign or otherwise transfer all or any part of its (a) interest in this Agreement or in the Premises without the prior written consent of Lessor, such consent not to be unreasonably withheld; provided, however, that Lessee may assign or transfer its interest in this Agreement or in the Premises without Lessor's prior written consent to its parent company, its member, any subsidiary or affiliate or to any successor-in-interest or entity merged or consolidated with Lessee or acquiring more than fifty percent (50%) of its stock or assets or more than fifty percent (50%) of its site agreements and communications facilities within the geographic market area defined by the Federal Communications Commission (FCC) in which the Premises are located. Lessee shall promptly notify Lessor of any such transfer and no such transaction shall relieve Lessee of its primary liability under this Agreement.

(b) Lessee shall not sublet all or any portion of the Premises without the prior written consent of Lessor. Lessor shall be entitled to share in the proceeds from any such subletting, and Lessor's share shall be agreed upon by the parties at the time Lessee seeks Lessor's consent.

16. <u>Premises</u>.

Lessee shall maintain the Premises in good and sanitary condition and operate its facilities thereon in such manner as will best enable it to fulfill its service requirements, and in accordance with the specifications herein mentioned.

17. Warranty of Title and Quiet Enjoyment.

Lessor warrants that: (i) Lessor owns the Land and has rights of access thereto adequate for Lessee's use; (ii) execution and performance of this Lease will not violate any laws, ordinances, covenant, or the provisions of any lease or other agreement binding on Lessee; and (ii) Lessor covenants and agrees with Lessee that upon Lessee paying the Rent and observing and performing all the terms, covenants and conditions on Lessee's part to be observed and performed, Lessee may peacefully and quietly enjoy the Premises; subject, nevertheless, to the terms and conditions of this Agreement. Lessor is prepared to document its interests in the Land and Lessee's leasehold interest in the Premises.

18. Repairs.

Lessee shall not be required to make any repairs to the Premises or Land unless such repairs shall be necessitated by reason of the default or neglect of Lessee, its agents, servants and employees as specified herein. Lessee expressly waives its right to make repairs at the expense of Lessor as provided under California Civil Code, Section 1942.

19. Indemnification/Liability.

(a) Except to the extent claims are caused by Lessor's sole or active negligence or willful misconduct, Lessee shall indemnify, protect, defend, and hold harmless Lessor and its elected officials, officers, employees, volunteers, lenders, agents, representatives, contractors and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding

brought thereon, arising at any time during or after the term of this Agreement as a result (directly or indirectly) of or in connection with (i) any default in the performance of any obligation on Lessee's part to be performed under the terms of this Agreement; (ii) Lessee's or Lessee's officers, agents, employees, independent contractors, invitees, licensees, assignees or subtenants (individually and collectively, "Lessee's Parties) use of the Premises, the conduct of Lessee's business or any activity, work or thing done, permitted or suffered by Lessee or Lessee Parties in or about the Premises or the Land; (iii) any act, error or omission of Lessee or Lessee Parties in or about the Land or any portion thereof, or (iv) to the extent permitted by law, wrongful death (collectively, the "Indemnification"). Lessee shall provide such Indemnification by and through counsel reasonably acceptable to Lessor. The obligations of Lessee under this Section 20 shall survive the expiration or other termination of this Agreement with respect to any claims or liability arising prior to such expiration or other termination.

20. Limitation of Liability.

In no event shall a party be liable to the other party for indirect, incidental or consequential damages, and the indemnified party hereby waives any right of it or its assigns or successors to obtain consequential damages from the other party. The parties acknowledge that this waiver of consequential damages is a material term of this Agreement and that each party would not enter into this Agreement in the absence of such waiver.

21. Compliance with Laws.

Lessor represents that it has no actual notice or knowledge that the Land (including the Premises), and all improvements located thereon, are not in substantial compliance with, life/safety, disability and other laws, codes and regulations of applicable governmental authorities. Lessor will substantially comply with all applicable laws directly relating to Lessor's use of the Land. Lessee will substantially comply with all applicable laws directly relating to Lessee's operation of the Lessee Facilities and improvements constructed by Lessee on the Land.

22. Hazardous Substances.

Without a duty of independent investigation or inquiry, Lessor represents that it has no actual knowledge of any substance, chemical or waste (collectively, "substance") on or under the Land or Premises that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. Lessee will not introduce or use any such substance on the Land in violation of any applicable law. Lessor shall indemnify and hold Lessee harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance on, under or around the Land or Premises, unless said substance was actually brought onto the Land or Premises by Lessee. This obligation to indemnify Lessee shall include

damages, costs and expenses incurred in connection with any investigation, cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement. Lessee shall indemnify and hold Lessor harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance brought on or under or around the Land or Premises by Lessee. This obligation to indemnify Lessor shall include damages, costs and expenses incurred in connection with any investigation, cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement.

23. Miscellaneous.

- (a) This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Agreement must be in writing and executed by both parties.
- (b) If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- (c) This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.
- (d) The captions of this Agreement have been inserted for convenience only and are not to be construed as part of this Agreement or in any way limiting the scope or intent of its provision.
- (e) All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to parties as follows:

Lessor (Landlord)

City of Vallejo

555 Santa Clara Street Vallejo, CA 94590 Attn: Susan McCue

Economic Development

Program

Manager

T-Mobile USA, Inc. Lessee (Tenant)

12920 SE 38th Street Bellevue, WA 98006

Attn: PCS Lease Administrator

Omnipoint Communications, Inc.

With a Copy to 2380-A Bisso Lane

Concord, CA 94520

Attn: Lease Administration Manager

Lessor or Lessee may from time to time designate any other address for this purpose by written notice to the other party.

- If requested by Lessee, Lessor agrees, within a reasonable length of time, to execute and deliver to Lessee a recordable Memorandum of this Agreement in the form of Exhibit E.
- (g) This Agreement shall be governed by the laws of the State of California. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- (h) Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.
- The person signing this Agreement for Lessee hereby represents and (i) warrants that he/she is fully authorized to sign this Agreement on behalf of Lessee.
- Time is of the essence for the performance of each term, condition (j) and covenant of this Agreement.
- This Agreement may be executed in several counterparts, each of (k) which shall be an original, but all of which together shall constitute one and the same agreement.
- The captions and headings used in this Agreement are for the purposes of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.
- (m) Except as Lessor may authorize in writing, Lessee shall have no authority, express or implied to act on behalf of Lessor in any capacity whatsoever as an agent. Lessee shall have no authority, express or implied, pursuant to this

Agreement, to bind Lessor to any obligation whatsoever. The sole purpose and intent of this Agreement is to create a relationship of landlord and tenant.

- (n) All exhibits referred to herein are attached hereto and are by this reference incorporated herein.
- (o) Each party agrees to furnish to the other, within twenty (20) days after request, such truthful estoppel information as the other may reasonably request.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

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

Omnipoint Communications, Inc. a Delaware corporation	CITY OF VALLEJO a municipal corporation	
By: Jim Sullivan	By: Joseph M. Tanner	
Its: Director of NorCal/SF Engineering and Operations	City Manager	
	ATTEST:	
ACTOR - ACTOR	Mary Ellsworth Acting City Clerk	
	APPROVED AS TO CONTENT:	
	Susan McCue Economic Development Program	Manager
	APPROVED AS TO INSURANCE REQUIREMENTS	
	6 ← *	
	William R. Venski Risk Manager	
	APPROVED AS TO FORM:	
	Frederick G. Soley City Attorney	

EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Solano, City of Vallejo, and is described as follows:

LOT 325, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "FINAL MAP OF SOMERSET HIGHLANDS UNIT NO. 2", FILED IN THE OFFICE OF THE SOLANO COUNTY RECORDER, STATE OF CALIFORNIA ON DECEMBER 30, 1976 IN BOOK 31 OF MAPS, AT PAGE 31.

APN:

0082-272-010

EXHIBIT B DESCRIPTION OF PREMISES AND ACCESS RIGHTS

EXHIBIT A SURVEY

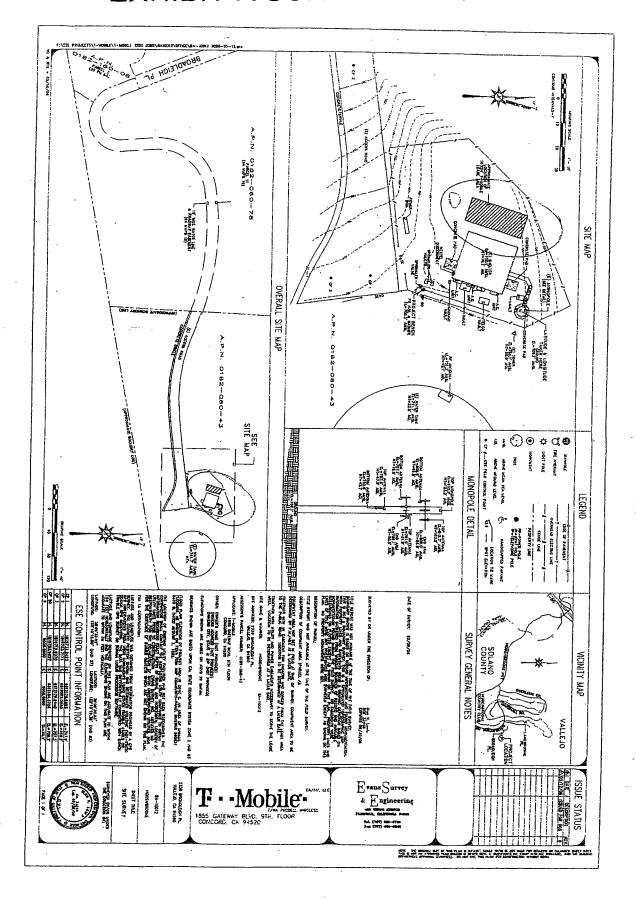
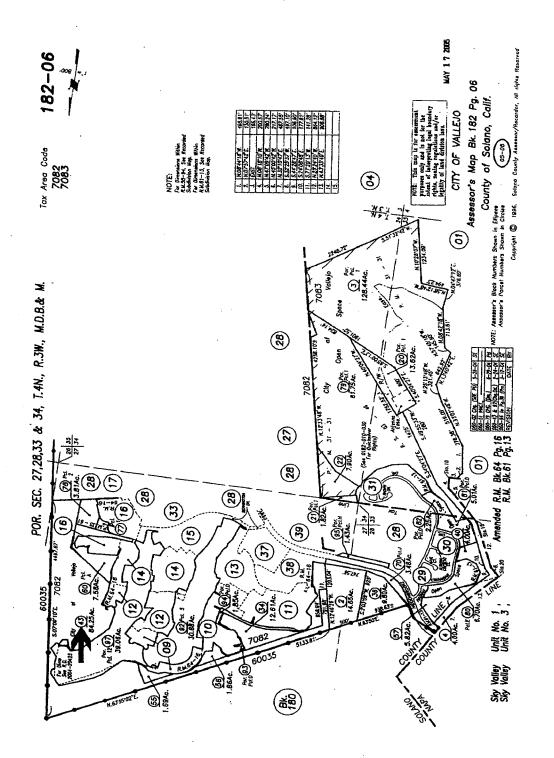


EXHIBIT A SURVEY



"The Information on this plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not quarantised, not is it a native accuracy of this plat is not guarantised, not is it a native accuracy of this plat is not guarantised, not is the native accuracy of this plat is not guarantised, not is the native accuracy of the solution of the plat is not guarantised, not is the native accuracy of this plat is not accuracy.

EXHIBIT A SURVEY

DESCRIPTION:

The land referred to herein is situated in the State of California, County of Solano, City of Vallejo, and is described as follows:

ALL THAT PORTION OF SECTION 27, TOWNSHIP 4 NORTH, RANGE 3 WEST, MDB&M, BOUNDED ON THE WEST BY THE WESTERN LINE OF THE PARCEL OF LAND CONVEYED TO PACIFIC GAS AND ELECTRIC COMPANY, RECORDED IN BOOK 1981 AT PAGE 39507, ON THE SOUTH BY THE DIRECT PROLONGATION EASTERLY OF THE SOUTHERN LINE OF PARCEL 11, AS SAID PARCEL IS SHOWN ON THE MAP OF "SKY VALLEY UNIT NO. 1, AMENDING FINAL MAP" FILED FEBRUARY 23, 1994 IN BOOK 64, SUBDIVISION MAPS, PAGE 16, ON THE WEST BY THE NORTHERLY AND EASTERLY LINE OF SAID MAP OF "SKY VALLEY UNIT NO. 1, AMENDING FINAL MAP" ABOVE REFERRED TO, AND THE PARCELS OF LAND DESCRIBED IN THE DEED FROM THE CITY OF VALLEJO TO MISAWA HOMES (USA) INC., A CALIFORNIA CORPORATION, RECORDED FEBRUARY 24, 2004 AT INSTRUMENT NO. 2004-00020423, AND ON THE NORTH AND WEST BY THE NORTHERN AND WESTERN LINES OF THE DEED FROM THE SKY VALLEY COMPANY, A CALIFORNIA LIMITED PARTNERSHIP TO THE CITY OF VALLEJO, RECORDED SEPTEMBER 23, 1987, IN BOOK 1987 AT PAGE 131375, SOLANO COUNTY RECORDS.

EXCEPTING THEREFROM:

THAT PORTION THEREOF DESCRIBED IN THE DEED FROM THE CITY OF VALLEJO TO SKY VALLEY LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP RECORDED JANUARY 20, 1990 AT INSTRUMENT NO. 90-0048102, SOLANO COUNTY RECORDS.

APN:

0182-060-430

Page 3

Order No.: 56903-55991255-PRT

EXHIBIT B PREMISSES

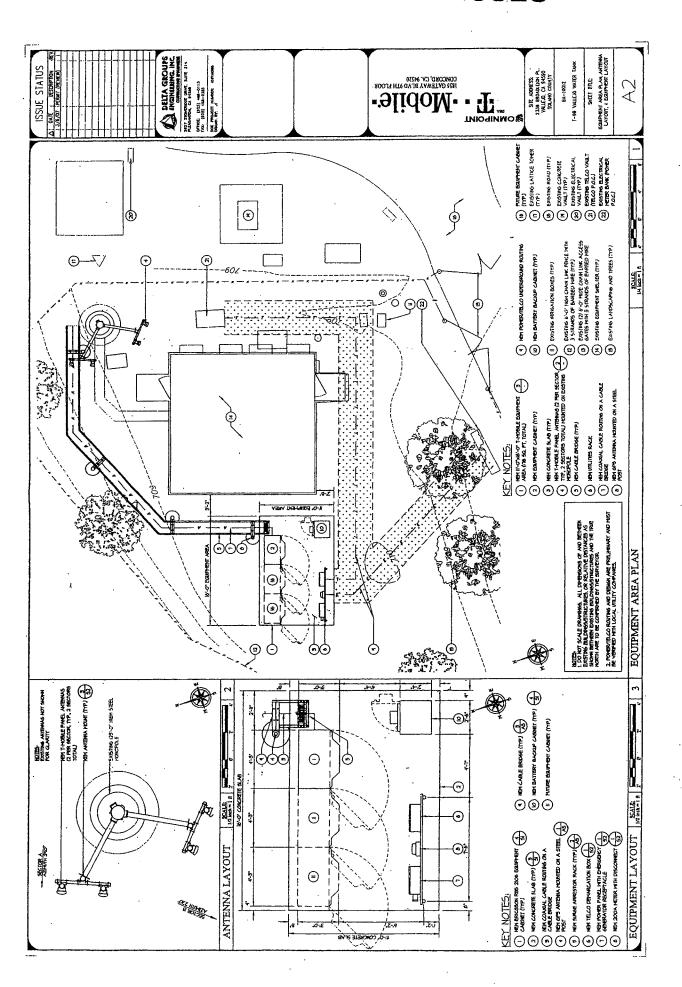


EXHIBIT C SITE PLAN

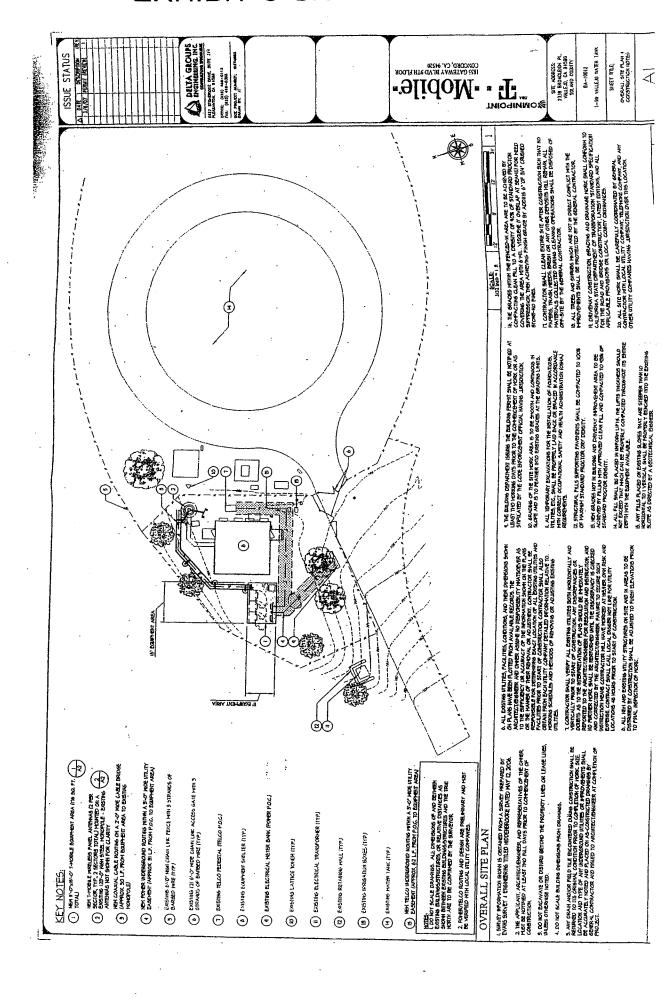


EXHIBIT D INQUIANCE

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INSUR	ED	bile USA, Inc.		COMPA B		·			
and its Affiliates & Subsidiaries 12920 SF 38th Street			COMPANY C						
Bellevue WA 98006 USA			1	COMPANY D					
COVE	RAG	ES			<u> </u>		-		
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ACORD 24 (1/95)

© ACORD CORPORATION 1995

ATTACHMENT E-CATALINA CIRCLE

TELECOMMUNICATIONS LEASE AGREEMENT

This Telecommunications Lease Agreement ("Agreement") is entered into, at Vallejo, California, this day, ______of _____2007, between the City of Vallejo, a municipal corporation ("Lessor") and Omnipoint Communications, Inc., a Delaware corporation, d/b/a T-Mobile ("Lessee").

In consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. <u>Premises</u>.

Lessor is the owner of a parcel of land (the "Land") as described in Exhibit A attached hereto (APN: # 0067-451-02 (PG&E Tower) and Lessor hereby leases to Lessee and Lessee hereby leases from Lessor a certain portion of the Land, including all necessary and reasonable access rights for the installation, operation, and maintenance of Lessee's equipment, structures, and utilities ("Access Rights"). (collectively the "Premises") as described in Exhibit B.

2. Use.

The Premises may be used by Lessee for any lawful activity in connection with the provision of wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies, and for the construction, maintenance and operation of necessary ground based equipment and facilities, foundation and an air conditioned equipment shelter. Lessor agrees to cooperate with Lessee, at Lessee's expense, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises. Lessee shall apply for, and obtain all necessary permits required by all applicable governmental agencies for Lessee's use of the Premises and shall abide by all of the conditions thereof. The installation of an antenna tower, antennas or other antenna-related structure or facilities are not included in this Agreement.

3. Term and Options.

The initial term of this Agreement shall be five (5) years commencing on the date that Lessee commences construction of the Lessee Facilities (defined below) on the Premises or within 12 months of the execution of this Agreement, whichever occurs first (the "Lease Commencement Date") and terminating on the fifth (5th) anniversary of the Lease Commencement Date (the "Term"). Lessee shall have the right to extend the Term for five (5) successive five (5) year periods (the "Renewal Terms") on the same terms and conditions as set forth herein. This Agreement shall automatically be extended for each successive Renewal Term unless Lessee

notifies Lessor in writing not less than sixty (60) days prior to the respective expiration date of Lessee's intention not to extend such Term or Renewal Term.

If the Lessee continues to occupy the Premises following the expiration or termination of this Agreement with Lessor's consent, then such holding over shall constitute a renewal of this Agreement on a month to month basis, with the Rent during such holdover period to be five percent (5%) greater than the Rent in effect immediately prior to such expiration or termination. In such event, either party shall be entitled to terminate such holdover tenancy on thirty (30) days' prior written notice to the other party.

4. Rent; Consideration.

- (a) For the initial Term, Lessee shall pay, without demand, deduction, offset or abatement, to Lessor as Rent and One Thousand Six Hundred Dollars (\$1600.00) per month ("Rent"). Rent shall be payable in advance on the first day of each month to Lessor at: City of Vallejo, Economic Development Program Manager, 555 Santa Clara Street, Vallejo, CA 94590; Attention: Economic Development Division
- (b) Rent shall be increased on each anniversary of the Lease Commencement Date annually by an amount equal up to Five percent (5%) of the Rent for the previous year with an absolute minimum adjustment of the Three (3%) percent. The percentage change shall be determined by the changes that occurred in the Consumer Price Index for all Urban Consumers (All Terms) for the San Francisco, Oakland and San Jose (Bay Area CPI), as indicated in the Schedule on the following chart.

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Rent Schedule over Term:

Period	Rental
Year 1	\$1600.00 per month
Year 2 – 10	\$1600.00 per month with annual adjustment
	based upon the Bay AREA CPI, 5% maximum
	cap with an absolute minimum of 3% increase
	allowed.
Year 11	Market rate adjustment, but not less than the
	total rent due for the 10 th year (see Market Rate
	Adjustment methodology below).
Year 12 – 19	Annual adjustment from the year end rent for the
·	11 th year based upon the Bay Area CPI, 5%
	maximum cap with an absolute minimum of 3%
	increase allowed.
Year 20	Market rate adjustment, but not less than the
	total rent due for the 19 th year (see Market Rate
	Adjustment methodology below).
Year 21-25	Annual rental adjustment based upon the year
	end rent for the 20 th year each year through the
	25th year adjustment based upon the Bay Area
	CPI, 5% maximum cap with an absolute
	minimum of 3% increase allowed.

- (c) If this Agreement is terminated prior to its expiration, Rent shall be prorated as of the date of termination, and any prepaid Rent shall be returned to Lessee.
- (d) Rent shall be payable upon the Commencement of construction on the Premises for which Lessee shall provide Lessor at least two (2) weeks prior written notice.
- (e) Lessee acknowledges that in the event Lessee fails to deliver to Lessor Rent when due, such failure will cause Lessor to incur costs not contemplated in this Agreement, the exact dollar amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and personnel costs. Accordingly, if such payment is not received by Lessor when due, Lessee shall pay Lessor a late payment charge equal to five percent (5%) of the overdue payment. Lessee agrees that this late charge represents a fair and

reasonable estimate of the costs Lessor will incur by reason of Lessee's late payment. Lessor's acceptance of such late charge shall not constitute a waiver by Lessor of Lessee's default with respect to the overdue payment, nor prevent Lessor from exercising any of the other rights or remedies granted Lessor under this Agreement, at law or in equity.

- (f) In addition to the late charges set forth above, any Rent due under this Agreement that is not paid to Lessor when due under this Agreement shall commence to bear interest at the rate of eight percent (8%) per annum, from the date due until fully paid. Neither the accrual nor Lessee's payment of interest to Lessor shall be deemed to cure any default by Lessee under this Agreement.
- (g) By written notice given by the Lessor to Lessee not less than one hundred and eighty (180) days prior to the expiration of the Year 10 and Year 19 Lessor shall be entitled to a readjustment of the rental rate (Market Rate Adjustment) to the greater of the Rent then payable, or the then current market rent ("Current Market Rent"). Current Market Rent shall be determined by the rent charged for comparable communications facilities at comparable properties in the Solano, Napa and Contra Costa Counties, California. If Lessee and Lessor cannot agree on the Current Market Rent within 30 (days) after the delivery of the referenced notice, each party, at its own expense, shall hire an appraiser licensed in the State of California holding a Certified General License, who is familiar with leasing of communications facilities in and around the Solano Napa and Contra Costa counties. The Current Market Rent agreed to by both appraisers shall be the Current Market Rent for the purposes stated herein. If, however, the appraisers hired by the Lessor and Lessee cannot agree on the Current Market Rent for the Premises, and if the differences between the determinations by such appraisers is less than (10%), the amount submitted by each appraiser shall be averaged and the average amount shall be the Current Market Rent for the purposes stated herein. Otherwise, the two appraisers shall select a similarly qualified and licensed third appraiser, who shall independently determine the Current Market Rate within the range set by the first two appraisers herein, and the parties shall divide equally the cost of the third appraiser. The Current Market Rent, as determined shall further adjust during futures years and shall be determined by the described process if agreement cannot be reached by the Lessor and Lessee on Current Market Rent. If Lessor fails to timely deliver a notice seeking an adjustment to Current Market Rent no rights to increase rental rates per the above schedule are waived. The Lessor however acknowledges that time is of the essence.
- (h) Lessee agrees to pay Lessor, concurrent with the execution of this Agreement, a one time, nonrefundable processing fee of ten thousand dollars and no/100 (\$10,000.00) to compensate Lessor for its costs associated with processing the Access Rights. Lessee acknowledges that this fee is not applicable against the Rent or any other charge or fee under this Agreement.

5. Earnest Money Deposit and Liquidated Damages.

At the time of Lessee's execution of this Agreement, Lessee shall deposit an amount equal to two (2) months rent ("Earnest Money Deposit") with Lessor. In the event Lessee starts construction of Lessee Facilities within twelve (12) months of the execution of this Agreement, the Earnest Money Deposit shall be applied to the first two (2) months rent.

BY INITIALING THIS SECTION 6 LESSOR AND LESSEE AGREE THAT IN EVENT THE LESSEE DOES NOT START CONSTRUCTION OF LESSEE FACILITIES WITHIN TWELVE (12) MONTHS OF THE EXECUTION OF THIS AGREEMENT, (A) IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES THAT THE CITY WILL SUSTAIN IN EVENT OF AND BY REASON OF THE DELAY; (B) THE EARNEST MONEY DEPOST SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO LESSOR; (C) THE PAYMENT OF THE LIQUIDATED DAMAGES TO LESSOR SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF LESSOR; (D) LESSOR MAY RETAIN THE EARNEST MONEY DEPOSIT AS LIQUIDATED DAMAGES; AND (E) PAYMENT OF THOSE SUMS TO LESSOR AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO LESSOR PURSUANT TO SECTIONS 1671, 1676, AND 1677 OF THE CALIFORNIA CIVIL CODE.

LESSOR:_	
LESSEE:	

6. Improvements; Liability; subscription or service Utilities; Access.

Subject to the prior approval of Lessor as to location and architectural detail, which approval shall not be unreasonably withheld, conditioned, or delayed, Lessee shall have the right to erect, maintain and operate on the Premises a 7 feet high redwood fence and/or steel fencing with lockable door hardware. radio communications facilities, foundation, utility lines, an air conditioned equipment shelter, radio transmitting equipment thereto and the Improvements. as described in Exhibit B. ("Lessee Facilities"). In connection therewith, Lessee has the right to do all work necessary to prepare, maintain and alter the Premises for Lessee's business operations and to install transmission lines connecting the antennas to the transmitters and receivers. All of Lessee's construction and installation work ("Lessee's Work") shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Title to the Lessee Facilities shall be held by Lessee. All of Lessee Facilities shall remain Lessee's personal property and are not fixtures. Lessee shall remove all Lessee Facilities at its sole expense on or before the expiration or earlier termination of the Term or any Renewal Term, and Lessee shall repair any damage to the Premises caused by such removal. Upon the expiration or earlier termination of this Agreement, Lessee shall remove the foundation for such portion of the Facilities to a level of three feet below grade level, and Lessee shall not be required to remove any foundation more than three feet below grade level. Notwithstanding the above, if at the expiration or earlier termination of this Agreement, Lessee does not desire to remove some portion or all of the Lessee Facilities, Lessor shall have the option to have such Facilities remain intact. Lessee shall remove any portion which Lessor does not desire to remain on the Premises in the manner provided herein above.

- (b) Lessee shall obtain, at its expense, a separate electrical service from Pacific Gas & Electric Company including the installation of a separate meter and main breaker. Lessee shall have the right to install, at its expense, utilities to service the Premises (including a standby power generator for Lessee's exclusive use at a location on the Premises acceptable to both parties). Lessee also has the right to bring utilities to and across the Land in order to service the Premises. Lessor shall have the right to approve the location of Lessee's proposed utilities across the Land, which approval shall not be unreasonably withheld. Lessee shall have the right to install, at its sole expense, underground telephone and electrical conduits, lines, wires, pull boxes and related facilities in, under and across Lessor's existing utility easement which adjoins the Land. The location and route of such utility lines are depicted on Lessee's Site Plans, which are attached hereto as Exhibit C. Lessee shall pay for the electricity it consumes in its operations.
- (c) Lessor shall provide to Lessee, Lessee's employees, agents and subcontractors access over the Land to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessee's access route over the Land to the Premises shall be from the street on Catalina Circle, along the existing path to the base of the PG&E transmission tower.
- (d) Lessor shall provide for the maintenance of the access road from Catalina Circle to the Land (the "Access Road"). Except for damage directly caused by Lessee's construction or use of the Access Road, Lessee shall not be obligated to pay any additional amounts for the maintenance or repair of the Access Road.
- (e) The telecommunications equipment, antenna transmission lines, antenna(s) and facilities shall be installed and textured to have the least visible impact and, subject to 6g, below, to match the native landscaping, transmission tower and to preserve to the greatest extent possible the natural appearance of the area.
- (f) Lessee's equipment, facilities and enclosure shall be provided with suitable locking provisions to assure that electrical and electronic equipment, service equipment and couplings/ connectors are not exposed or generally accessible to the public. The Lessee shall provide the Lessor with a contact name (s) and phone number (s) to report security and/or maintenance concerns reported by the public or the Lessor's maintenance staff.

- (g) Lessee shall not have any obligation to provide any landscaping on or around the Premises. Lessee's proportionate share of the cost of landscaping the Land shall be a component of its Rent obligation.
- (h) Lessee shall not permit any mechanics', materialman's or any other lien to be filed against the Land or against Lessee's leasehold interests in the Premises. Lessee further covenants and agrees that any lien filed against the Land for work claimed to have been done for, or materials claimed to have been furnished to Lessee will be discharged by Lessee, by bond or otherwise, within thirty (30) days after the filing of the lien, at the cost and expense of Lessee. If such liens are filed and not released within such thirty (30) days period, Lessor may, without waiving its rights and remedies based on such breach by Lessee and without releasing Lessee from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such liens. Lessee shall pay Lessor, promptly upon notice to Lessee, any sum paid by Lessor to remove such liens, together with interest at the rate of eight percent (8%) per annum from the date of such payment by Lessor.

7. Interference

- (a) Lessee shall operate the Lessee Facilities in a manner that will not cause interference to Lessor and other lessees of the communications site, provided that their installation or any modification thereto predates the Lessee Facilities. All operations by Lessee shall be lawful and in compliance with all Federal Communications Commission ("FCC") requirements.
- (b) Subsequent to the installation of the Lessee Facilities, Lessor shall not permit itself, its lessees or licensees to install new equipment on the Land if such equipment is likely to cause interference with Lessee's operations. Such interference shall be deemed a material breach by Lessor.
- (c) If Lessor breaches its obligations under this paragraph, Lessor, upon receiving notice from Lessee of any such breach, shall take all steps necessary to correct and eliminate such interference, including, without limitation, enforcing provisions in any license or other agreement between Lessor and the persons or entities causing such harmful interference, pursuant to which Lessor may compel such persons or entities to cease operation, modify their equipment and/or antennas, or remove their equipment and/or antennas from any facilities or towers owned or leased and/or managed by Lessor on the Land. If Lessor cannot correct such harmful interference within five (5) days, Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to terminate this Agreement. Upon such termination, Lessor shall return any unearned Rent to Lessee.

8. Taxes.

If any taxes are assessed as a direct result of the installation of the Lessee Facilities and Site Equipment, including without limitation ad valorem property taxes or possessory interest taxes levied by reason of the possessory leasehold interest created hereunder, Lessee shall be responsible for and pay such taxes.

9. Equipment.

- (a) Lessee shall provide all transmitters and receivers and all related electronic equipment ("Site Equipment") required for the installation and operation of Lessee's system. The Site Equipment is and shall remain the sole property of the Lessee and may be removed from the Premises at any time by the Lessee. Lessee shall remove all Site Equipment from the Premises at Lessee's expense upon the termination of this Agreement.
- (b) Lessee shall provide all of the equipment and labor necessary to the installation of Lessee's system including the antennas, associated feed lines, isolation equipment and electrical terminals. The equipment provided by Lessee shall remain the sole personal property of Lessee and shall not be deemed fixtures.
- (c) Lessee shall, at its sole cost and expense, maintain and repair its Site Equipment.

10. Waiver of Lessor's Lien.

- (a) Lessor waives any lien rights it may have concerning the Lessee Facilities which are and shall at all times remain deemed Lessee's personal property, and Lessee has the right to remove the same at any time without Lessor's consent.
- (b) Lessor acknowledges that Lessee may have financed the Lessee Facilities and Site Equipment (the "Collateral") and in connection therewith, Lessor (i) consents to the installation of the Collateral; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed by Lessee at any time without recourse to legal proceedings.

11. Termination.

This Agreement may be terminated without further liability on thirty (30) days prior written notice as follows: (i) by either party upon a default of any covenant or term hereof by the other party, which default is not cured within sixty (60) days of receipt of written notice of default, provided that the grace period for any monetary default is ten (10) days from receipt of notice; or (ii) by either party if Lessee does not obtain or maintain any license, permit or other approval necessary for the

construction and operation of Lessee Facilities; or (iii) by Lessee if Lessee is unable to occupy and utilize the Premises due to any action of the FCC, including without limitation, a take back of channels or change in frequencies; or (iv) by Lessee if Lessee determines that the Premises are not appropriate for its operations for economic or technological reasons, including without limitation, signal interference.

12. <u>Termination in the Event of Casualty or Condemnation.</u>

- (a) In the event of any damage, destruction or condemnation of the Premises or any part thereof, Lessee shall have the right, but not the obligation, to terminate this Agreement and all of its duties and obligations herein by giving written notice to Lessor within thirty (30) days after such damage, destruction or condemnation, if by virtue of such casualty or condemnation the Premises are no longer adequate for Lessee to continue its operations or any repairs to the Premises have not been completed or cannot reasonably be completed within sixty (60) days from the date of the damage.
- (b) If Lessee does not terminate this Agreement: (1) the Rent payable herein shall be reduced or abated in proportion to the actual reduction or abatement of use of the Premises; and (2) within sixty (60) days from the date of such damage or destruction, Lessor shall make any necessary repairs to the Premises caused by any such damage or destruction.
- (c) In the event of condemnation, unless Lessee is allowed by the condemning authority to continue its operations on the Premises, this Agreement shall terminate as of the date title to the Land vests in the condemning authority or Lessee is required to cease its operations, whichever is earlier. Lessee shall be entitled to share in the proceeds of any condemnation, but only to the extent of the value of any Lessee Facilities and Site Equipment which are transferred to the condemning authority, moving expenses, prepaid Rent and business dislocation expenses.

13. Insurance.

- (a) Lessee shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. The cost of such insurance shall be borne by the Lessee.
 - (b) Minimum Scope of Insurance. Coverage shall be at least as broad as:
- 1. Insurance Services Office Commercial General Liability coverage ("occurrence" Form CG 0001).
- 2. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance (for lessees with employees).

- 3. Property insurance against all risks of loss to any tenant improvements or betterments.
- (c) <u>Minimum Limits of Insurance</u>. Lessee shall maintain limits no less than:
- 1. General Liability: \$5,000,000.00 per occurrence for bodily injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- 2. Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease.
- 3. Property Insurance Full replacement cost with no co-insurance penalty provision.
- (d) <u>Other Insurance Provisions</u>. The general liability policy is to contain, or be endorsed to contain, the following provisions:
- 1. Lessor, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of premises owned, occupied or used by the Lessee. The coverage shall contain no special limitations on the scope of protection afforded to Lessor, its officers, officials, employees or volunteers.
- 2. Lessee's insurance coverage shall be primary insurance as respects Lessor, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by Lessor, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
- 3. Any failure to comply with reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided Lessor, its officers, officials, employees or volunteers.
- 4. Coverage shall state that the Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Lessor.

- (f) <u>Acceptability of Insurers</u>. Insurance is to be placed with insurers with a current A.M. less than A-:VII.
- (g) <u>Verification of Coverage</u>. Lessee shall furnish Lessor with original endorsements effecting coverage required by this clause in the form attached hereto as Exhibit D. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by Lessor before work commences.
- (h) Landlord insurance. Landlord shall maintain standard form property insurance ("All Risk" coverage) equal to at lease 90% of the replacement cost of its property.

14. Waiver of Subrogation.

Lessor and Lessee each waives any and all rights of recovery against the other or against the directors, officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Lessor and Lessee shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

15. Assignment and Subletting.

- (a) Lessee may not assign or otherwise transfer all or any part of its interest in this Agreement or in the Premises without the prior written consent of Lessor, such consent not to be unreasonably withheld; provided, however, that Lessee may assign or transfer its interest in this Agreement or in the Premises without Lessor's prior written consent to its parent company, its member, any subsidiary or affiliate or to any successor-in-interest or entity merged or consolidated with Lessee or acquiring more than fifty percent (50%) of its stock or assets or more than fifty percent (50%) of its site agreements and communications facilities within the geographic market area defined by the Federal Communications Commission (FCC) in which the Premises are located. Lessee shall promptly notify Lessor of any such transfer and no such transaction shall relieve Lessee of its primary liability under this Agreement.
- (b) Lessee shall not sublet all or any portion of the Premises without the prior written consent of Lessor. Lessor shall be entitled to share in the proceeds from any such subletting, and Lessor's share shall be agreed upon by the parties at the time Lessee seeks Lessor's consent.

LEASE AGREEMENT BETWEEN THE CITY OF VALLEJO AND OMNIPOINT COMMUNICATIONS, INC.

16. Premises.

Lessee shall maintain the Premises in good and sanitary condition and operate its facilities thereon in such manner as will best enable it to fulfill its service requirements, and in accordance with the specifications herein mentioned.

17. Warranty of Title and Quiet Enjoyment.

Lessor warrants that: (i) Lessor owns the Land and has rights of access thereto adequate for Lessee's use; (ii) execution and performance of this Lease will not violate any laws, ordinances, covenant, or the provisions of any lease or other agreement binding on Lessee; and (ii) Lessor covenants and agrees with Lessee that upon Lessee paying the Rent and observing and performing all the terms, covenants and conditions on Lessee's part to be observed and performed, Lessee may peacefully and quietly enjoy the Premises; subject, nevertheless, to the terms and conditions of this Agreement. Lessor is prepared to document its interests in the Land and Lessee's leasehold interest in the Premises.

18. Repairs.

Lessee shall not be required to make any repairs to the Premises or Land unless such repairs shall be necessitated by reason of the default or neglect of Lessee, its agents, servants and employees as specified herein. Lessee expressly waives its right to make repairs at the expense of Lessor as provided under California Civil Code, Section 1942.

19. Indemnification/Liability.

(a) Except to the extent claims are caused by Lessor's sole or active negligence or willful misconduct, Lessee shall indemnify, protect, defend, and hold harmless Lessor and its elected officials, officers, employees, volunteers, lenders, agents, representatives, contractors and each of their successors and assigns from and against any and all claims, judgments, causes of action, damages, penalties, costs, liabilities, and expenses, including all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon, arising at any time during or after the term of this Agreement as a result (directly or indirectly) of or in connection with (i) any default in the performance of any obligation on Lessee's part to be performed under the terms of this Agreement; (ii) Lessee's or Lessee's officers, agents, employees, independent contractors, invitees, licensees, assignees or subtenants (individually and collectively, "Lessee's Parties) use of the Premises, the conduct of Lessee's business or any activity, work or thing done, permitted or suffered by Lessee or Lessee Parties in or about the Premises or the Land; (iii) any act, error or omission of Lessee or Lessee Parties in or about the Land or any portion thereof, or (iv) to the extent permitted by law, wrongful death (collectively, the "Indemnification"). Lessee shall provide such Indemnification by and through counsel reasonably acceptable to Lessor. The obligations of Lessee under this Section 20 shall survive

the expiration or other termination of this Agreement with respect to any claims or liability arising prior to such expiration or other termination.

20. <u>Limitation of Liability</u>.

In no event shall a party be liable to the other party for indirect, incidental or consequential damages, and the indemnified party hereby waives any right of it or its assigns or successors to obtain consequential damages from the other party. The parties acknowledge that this waiver of consequential damages is a material term of this Agreement and that each party would not enter into this Agreement in the absence of such waiver.

21. Compliance with Laws.

Lessor represents that it has no actual notice or knowledge that the Land (including the Premises), and all improvements located thereon, are not in substantial compliance with, life/safety, disability and other laws, codes and regulations of applicable governmental authorities. Lessor will substantially comply with all applicable laws directly relating to Lessor's use of the Land. Lessee will substantially comply with all applicable laws directly relating to Lessee's operation of the Lessee Facilities and improvements constructed by Lessee on the Land.

22. Hazardous Substances.

Without a duty of independent investigation or inquiry, Lessor represents that it has no actual knowledge of any substance, chemical or waste (collectively, "substance") on or under the Land or Premises that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. Lessee will not introduce or use any such substance on the Land in violation of any applicable law. Lessor shall indemnify and hold Lessee harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance on, under or around the Land or Premises, unless said substance was actually brought onto the Land or Premises by Lessee. This obligation to indemnify Lessee shall include damages, costs and expenses incurred in connection with any investigation, cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement. Lessee shall indemnify and hold Lessor harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance brought on or under or around the Land or Premises by Lessee. This obligation to indemnify Lessor shall include damages, costs and expenses incurred in connection with any investigation, cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement.

23. Miscellaneous.

- (a) This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Agreement must be in writing and executed by both parties.
- (b) If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- (c) This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.
- (d) The captions of this Agreement have been inserted for convenience only and are not to be construed as part of this Agreement or in any way limiting the scope or intent of its provision.
- (e) All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to parties as follows:

Lessor (Landlord)

City of Valleio

555 Santa Clara Street Vallejo, CA 94590 Attn: Susan McCue

Economic Development Program Manager

Omnipoint Communications, Inc.

Lessee (Tenant)

1855 Gateway Blvd., 9th Fl.

Concord, Ca 94520

Lessor or Lessee may from time to time designate any other address for this purpose by written notice to the other party.

- (f) If requested by Lessee, Lessor agrees, within a reasonable length of time, to execute and deliver to Lessee a recordable Memorandum of this Agreement in the form of Exhibit E.
- (g) This Agreement shall be governed by the laws of the State of California. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California,

and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

- (h) Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.
- (i) The person signing this Agreement for Lessee hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Lessee.
- (j) Time is of the essence for the performance of each term, condition and covenant of this Agreement.
- (k) This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.
- (I) The captions and headings used in this Agreement are for the purposes of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.
- (m) Except as Lessor may authorize in writing, Lessee shall have no authority, express or implied to act on behalf of Lessor in any capacity whatsoever as an agent. Lessee shall have no authority, express or implied, pursuant to this Agreement, to bind Lessor to any obligation whatsoever. The sole purpose and intent of this Agreement is to create a relationship of landlord and tenant.
- (n) All exhibits referred to herein are attached hereto and are by this reference incorporated herein.
- (o) Each party agrees to furnish to the other, within twenty (20) days after request, such truthful estoppel information as the other may reasonably request.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

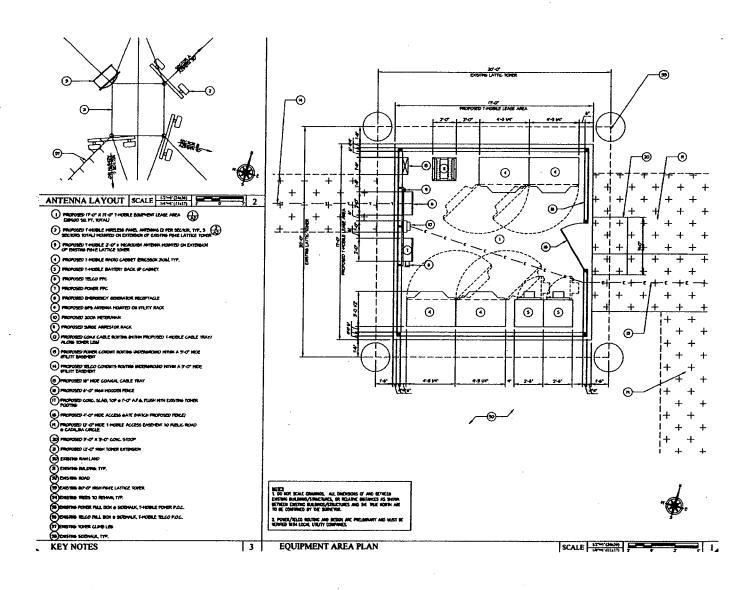
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Omnipoint Communications, Inc. a Delaware corporation	CITY OF VALLEJO a municipal corporation	
By: Jim Sullivan Its: Director of NorCal/SF Engineering and Operations	By:	
	Acting City Clerk APPROVED AS TO CONTENT:	
	Susan McCue Economic Development Program	Manager
	APPROVED AS TO INSURANCE REQUIREMENTS	
•	William R. Venski Risk Manager	
	APPROVED AS TO FORM: Frederick G. Soley City Attorney	

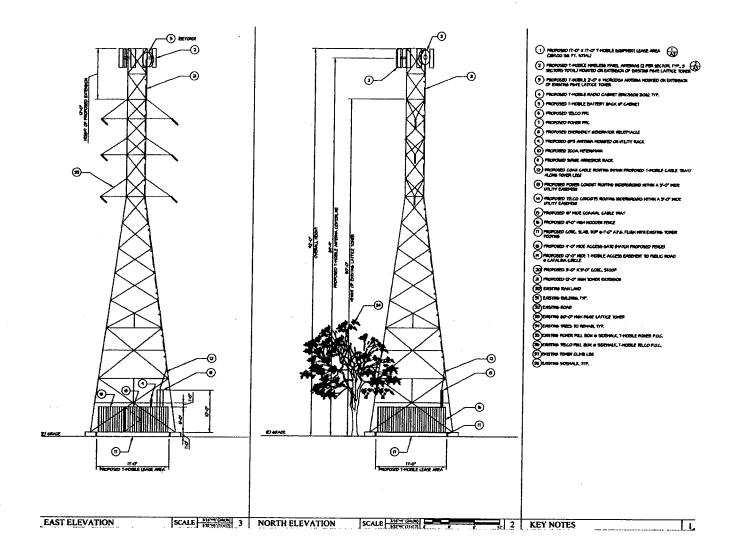
EXHIBIT A

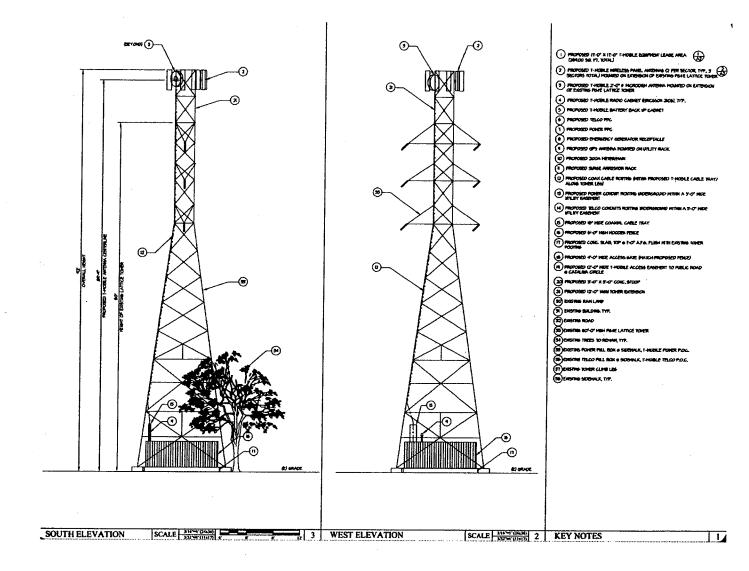
LEGAL DESCRIPTION

EXHIBIT B DESCRIPTION OF PREMISES AND ACCESS RIGHTS



WEY NOTES: O) PROPOSE THE PLANS AND A FACT OF THE PLA





ATTACHMENT F-REGENTS PARK AVE.

TELECOMMUNICATIONS LEASE AGREEMENT

This Lease A	Agreement ("/	Agreeme	ent") is enter	red inf	to, at ∖	/allej	o, Califo	rnia	, this day.
of _		2007	between	the	City	of	Vallejo,	а	municipal
corporation	("Lessor")	and (Omnipoint	Com	munic	ation	s, Inc	.,a	"Delaware
corporation"							·		

In consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1. <u>Premises</u>. Lessor is the owner of a parcel of land (the "Land") as described in Exhibit A attached hereto (APN: # 0182-060-430 and Lessor hereby leases to Lessee and Lessee hereby leases from Lessor a certain portion of the Land (the "Premises") described in Exhibit B :See Attached.
- 2. Encroachment Permit. Lessor grants an encroachment permit to Lessee for a vehicle and utility access to the Premises across real property in the City of Vallejo, County of Solano, described as Assessor's Parcel Number # 0182-060-430 (the "Parcel"). Said permit shall terminate with the termination of this Agreement. The location of the vehicle, personnel and utility access permitted under this permit shall be at the locations shown in Exhibit B attached hereto.
- 3. <u>Use.</u> The Premises may be used by Lessee for any lawful activity in connection with the provision of wireless communications services, including without limitation, the transmission and the reception of radio communication signals on various frequencies, and for the construction, maintenance and operation of necessary ground based equipment and facilities, foundation and an air conditioned equipment shelter. Lessor agrees to cooperate with Lessee, at Lessee's expense, in making application for and obtaining all licenses, permits and any and all other necessary approvals that may be required for Lessee's intended use of the Premises. Lessee shall apply for, and obtain all necessary permits required by all applicable governmental agencies for Lessee's use of the Premises and shall abide by all of the conditions thereof. Installation of an antenna tower, antennas or other antenna-related structure or facilities are not included in this Agreement.
- 4. <u>Term and Options</u>. The initial term of this Agreement shall be five (5) years commencing on the date that Lessee commences construction of the Lessee Facilities (defined below) on the Premises (the "Lease Commencement Date") and terminating on the fifth (5th) anniversary of the Lease Commencement Date (the "Term"). Lessee shall have the right to extend the Term for four (4) successive five (5) year periods (the "Renewal Terms") on the same terms and conditions as set forth herein. This Agreement shall automatically be extended for each successive Renewal Term unless Lessee notifies Lessor in writing not less than sixty (60) days prior to the respective expiration date of Lessee's intention not to extend such Term or Renewal Term.

If the Lessee continues to occupy the Premises following the expiration or termination of this Agreement with Lessor's consent, then such holding over shall eonstitute a renewal of this Agreement on a month to month basis, with the Rent during such holdover period to be five percent (5%) greater than the Rent in effect immediately prior to such expiration or termination. In such event, either party shall be entitled to terminate such holdover tenancy on thirty (30) days' prior written notice to the other party.

5. Rent; Consideration.

- (a) For the initial Term, Lessee shall pay, without demand, deduction, offset or abatement, to Lessor as Rent and One Thousand Three Hundred Fifty Dollars (\$1350.00.00) per month ("Rent"). Rent shall be payable in advance on the first day of each month to Lessor at: City of Vallejo, Economic Development Program Manager, 555 Santa Clara Street, Vallejo, CA 94590; Attention: Susan McCue
- (b) Rent shall be increased on each anniversary of the Lease Commencement Date annually by an amount equal up to FIVE percent (5%) of the Rent for the previous year with an absolute minimum adjustment of the THREE (3%) percent. The percentage change shall be determined by the changes that occurred in the Consumer Price Index for all Urban Consumers (All Terms) for the San Francisco, Oakland and San Jose (Bay Area CPI), as indicated in the Schedule on the following chart.

Rent Schedule over Term:

Period	Rental		
Year 1	\$1350.00 per month		
Year 2 – 10	\$1350.00 per month with annual adjustment based upon the Bay AREA CPI, 5% maximum cap with an absolute minimum of 3% increase allowed.		
Year 11	Market rate adjustment, but not less than the total rent due for the 10 th year (see Market Rate Adjustment methodology below).		
Year 12 – 19	Annual adjustment from the year end rent for the 11 th year based upon the Bay Area CPI, 5% maximum cap with an absolute minimum of 3% increase allowed.		
Year 20	Market rate adjustment, but not less than the total rent due for the 19 th year (see Market Rate Adjustment methodology below).		
Year 21-25	Annual rental adjustment based upon the year end rent for the 20 th year each year through the 25th year adjustment based upon the Bay Area CPI, 5% maximum cap with an absolute minimum of 3% increase allowed.		

- (c) If this Agreement is terminated prior to its expiration, Rent shall be prorated as of the date of termination, and any prepaid Rent shall be returned to Lessee.
- (d) Rent shall be payable upon the Commencement of construction on the Premises for which Lessee shall provide Lessor at least two (2) weeks prior written notice or 12 months from the time that T-Mobile executes the lease which ever occurs first.
- (e) Lessee acknowledges that in the event Lessee fails to deliver to Lessor Rent when due, such failure will cause Lessor to incur costs not contemplated in this Agreement, the exact dollar amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and personnel costs. Accordingly, if such payment is not received by Lessor when due, Lessee shall pay Lessor a late payment charge equal to five percent (5%) of the overdue payment. Lessee agrees that this late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of Lessee's late payment. Lessor's acceptance of such late charge shall not constitute a waiver by Lessor of Lessee's default with respect to the overdue payment, nor prevent Lessor from exercising any of the other rights or remedies granted Lessor under this Agreement, at law or in equity.

- (f) In addition to the late charges set forth above, any Rent due under this Agreement that is not paid to Lessor when due under this Agreement shall commence to bear interest at the rate of eight percent (8%) per annum, from the date due until fully paid. Neither the accrual nor Lessee's payment of interest to Lessor shall be deemed to cure any default by Lessee under this Agreement.
- (g) By written notice given by the Lessor to Omnipoint Communications. Inc.(Lessee) not less than one hundred and eighty (180) days prior to the expiration of the Year 10 and Year 19 Lessor shall be entitled to a readjustment of the rental rate (Market Rate Adjustment) to the greater of the Rent then payable, or the then current market rent ("Current Market Rent"). Current Market Rent shall be determined by the rent charged for comparable communications facilities at comparable properties in the Solano, Napa and Contra Costa Counties, California. If Lessee and Lessor cannot agree on the Current Market Rent within 30 (days) after the delivery of the referenced notice, each party, at its own expense, shall hire an appraiser licensed in the State of California holding a Certified General License, who is familiar with leasing of communications facilities in and around the Solano Napa and Contra Costa counties. The Current Market Rent agreed to by both appraisers shall be the Current Market Rent for the purposes stated herein. If, however, the appraisers hired by the Lessor and Lessee cannot agree on the Current Market Rent for the Premises, and if the differences between the determinations by such appraisers is less than (10%), the amount submitted by each appraiser shall be averaged and the average amount shall be the Current Market Rent for the purposes stated herein. Otherwise, the two appraisers shall select a similarly qualified and licensed third appraiser, who shall independently determine the Current Market Rate within the range set by the first two appraisers herein, and the parties shall divide equally the cost of the third appraiser. The Current Market Rent, as determined shall further adjust during futures years and shall be determined by the described process if agreement cannot be reached by the Lessor and Lessee on Current Market Rent. If Lessor fails to timely deliver a notice seeking an adjustment to Current Market Rent no rights to increase rental rates per the above schedule are waived. The Lessor however acknowledges that time is of the essence.

6. Improvements; Liability; subscription or service Utilities; Access.

(a) Lessee has the right to do all work necessary to prepare, maintain and alter the Premises for Lessee's business operations and to install transmission lines connecting the antennas to the transmitters and receivers. All of Lessee's construction and installation work ("Lessee's Work") shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner. Title to the Lessee Facilities shall be held by Lessee. All of Lessee Facilities shall remain Lessee's personal property and are not fixtures. Lessee shall remove all Lessee Facilities at its sole expense on or before the expiration or earlier termination of the Term or any Renewal Term, and Lessee shall repair any damage to the Premises caused by such removal. Upon the expiration or earlier termination of this Agreement, Lessee shall remove the foundation for such portion of the Facilities to a level of three feet

below grade level, and Lessee shall not be required to remove any foundation more than three feet below grade level. Notwithstanding the above, if at the expiration or earlier termination of this Agreement, Lessee does not desire to remove some portion or all of the Lessee Facilities, Lessor shall have the option to have such Facilities remain intact. Lessee shall remove any portion which Lessor does not desire to remain on the Premises in the manner provided herein above.

- (b) Lessee shall obtain, at its expense, a separate electrical service from Pacific Gas & Electric Company including the installation of a separate meter and main breaker. Lessee shall have the right to install, at its expense, utilities to service the Premises (including a standby power generator for Lessee's exclusive use at a location on the Premises acceptable to both parties). Lessee also has the right to bring utilities to and across the Land in order to service the Premises. Lessor shall have the right to approve the location of Lessee's proposed utilities across the Land, which approval shall not be unreasonably withheld, conditioned or delayed. Lessee shall have the right to install, at its sole expense, underground telephone and electrical conduits, lines, wires, pull boxes and related facilities in, under and across Lessor's existing utility easement which adjoins the Land. The location and route of such utility lines are depicted on Lessee's Site Plans, which are attached hereto as Exhibit C. Lessee shall pay for the electricity it consumes in its operations.
- (c) Lessor shall provide to Lessee, Lessee's employees, agents and subcontractors access over the Land to the Premises twenty-four (24) hours a day, seven (7) days a week, at no charge to Lessee. Lessee's access route over the Land to the Premises shall be from the street on Broadleigh Place, along the existing path to the cellular facility.
- (d) Lessor shall provide for the maintenance of the access road from Broadleigh Place to the Land (the "Access Road"). Except for damage directly caused by Lessee's construction or use of the Access Road, Lessee shall not be obligated to pay any additional amounts for the maintenance or repair of the Access Road.
- (e) to the extent consistent with Lessee's permitted use hereunder and taking into account the commercial reasonableness of such requirements, the telecommunications equipment, antenna transmission lines, antenna(s) and facilities shall be installed and textured to have the least visible impact and, subject to 6g, below, to match the native landscaping, transmission tower and to preserve to the greatest extent possible the natural appearance of the area.
- (f) Lessee's equipment, facilities and enclosure shall be provided with suitable locking provisions to assure that electrical and electronic equipment, service equipment and couplings/ connectors are not exposed or generally accessible to the public. The Lessee shall provide the Lessor with a contact name (s) and phone number (s) to report security and/or maintenance concerns reported by the public or the Lessor's maintenance staff.

- (g) Lessee shall not have any obligation to provide any landscaping on or around the Premises. Lessee's proportionate share of the cost of landscaping the Land shall be a component of its Rent obligation.
- (h) Lessee shall not permit any mechanics', materialman's or any other lien to be filed against the Land or against Lessee's leasehold interests in the Premises. Lessee further covenants and agrees that any lien filed against the Land for work claimed to have been done for, or materials claimed to have been furnished to Lessee will be discharged by Lessee, by bond or otherwise, within thirty (30) days after the filing of the lien, at the cost and expense of Lessee. If such liens are filed and not released within such thirty (30) days period, Lessor may, without waiving its rights and remedies based on such breach by Lessee and without releasing Lessee from any of its obligations, cause such liens to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such liens. Lessee shall pay Lessor, promptly upon notice to Lessee, any sum paid by Lessor to remove such liens, together with interest at the rate of eight percent (8%) per annum from the date of such payment by Lessor.

7. Interference.

- (a) Lessee shall operate the Lessee Facilities in a manner that will not cause interference to Lessor and other lessees of the communications site, provided that their installation or any modification thereto predates the Lessee Facilities. All operations by Lessee shall be lawful and in compliance with all Federal Communications Commission ("FCC") requirements.
- (b) Subsequent to the installation of the Lessee Facilities, Lessor shall not permit itself, its lessees or licensees to install new equipment on the Land if such equipment is likely to cause interference with Lessee's operations. Such interference shall be deemed a material breach by Lessor.
- (c) If Lessor breaches its obligations under this paragraph, Lessor, upon receiving notice from Lessee of any such breach, shall take all steps necessary to correct and eliminate such interference, including, without limitation, enforcing provisions in any license or other agreement between Lessor and the persons or entities causing such harmful interference, pursuant to which Lessor may compel such persons or entities to cease operation, modify their equipment and/or antennas, or remove their equipment and/or antennas from any facilities or towers owned or leased and/or managed by Lessor on the Land. If Lessor cannot correct such harmful interference within five (5) days, Lessee shall have the right, in addition to any other rights that it may have at law or in equity, to terminate this Agreement. Upon such termination, Lessor shall return any unearned Rent to Lessee.
- 8. <u>Taxes</u>. If any taxes are assessed as a direct result of the installation of the Lessee Facilities and Site Equipment, including without limitation ad valorem

property taxes or possessory interest taxes levied by reason of the possessory leasehold interest created hereunder, Lessee shall be responsible for and pay such taxes, provided Lessor gives Lessee reasonably acceptable documentation that such taxes result from the installation of the Lessee Facilities and Site Equipment.

9. Equipment.

- (a) Lessee shall provide all transmitters and receivers and all related electronic equipment ("Site Equipment") required for the installation and operation of Lessee's system. The Site Equipment is and shall remain the sole property of the Lessee and may be removed from the Premises at any time by the Lessee. Lessee shall remove all Site Equipment from the Premises at Lessee's expense upon the termination of this Agreement.
- (b) Lessee shall provide all of the equipment and labor necessary to the installation of Lessee's system including the antennas, associated feed lines, isolation equipment and electrical terminals. The equipment provided by Lessee shall remain the sole personal property of Lessee and shall not be deemed fixtures.
- (c) Lessee shall, at its sole cost and expense, maintain and repair its Site Equipment.

10. Waiver of Lessor's Lien.

- (a) Lessor waives any lien rights it may have concerning the Lessee Facilities which are and shall at all times remain deemed Lessee's personal property, and Lessee has the right to remove the same at any time without Lessor's consent.
- (b) Lessor acknowledges that Lessee may have financed the Lessee Facilities and Site Equipment (the "Collateral") and in connection therewith, Lessor (i) consents to the installation of the Collateral; (ii) disclaims any interest in the Collateral, as fixtures or otherwise; and (iii) agrees that the Collateral shall be exempt from execution, foreclosure, sale, levy, attachment, or distress for any Rent due or to become due and that such Collateral may be removed by Lessee at any time without recourse to legal proceedings.

11. Termination.

This Agreement may be terminated without further liability on thirty (30) days prior written notice as follows: (i) by either party upon a default of any covenant or term hereof by the other party, which default is not cured within sixty (60) days of receipt of written notice of default, provided that the grace period for any monetary default is ten (10) days from receipt of notice; or (ii) by either party if Lessee does not obtain or maintain any license, permit or other approval necessary for the construction and operation of Lessee Facilities; or (iii) by Lessee if Lessee is unable to occupy and utilize the Premises due to any action of the FCC, including without limitation, a take back of channels or change in frequencies; or (iv) by Lessee if

Lessee determines that the Premises are not appropriate for its operations for economic or technological reasons, including without limitation, signal interference.

12. <u>Termination in the Event of Casualty or Condemnation</u>.

- (a) In the event of any damage, destruction or condemnation of the Premises or any part thereof, Lessee shall have the right, but not the obligation, to terminate this Agreement and all of its duties and obligations herein by giving written notice to Lessor within thirty (30) days after such damage, destruction or condemnation, if by virtue of such casualty or condemnation the Premises are no longer adequate for Lessee to continue its operations or any repairs to the Premises have not been completed or cannot reasonably be completed within sixty (60) days from the date of the damage.
- (b) If Lessee does not terminate this Agreement: (1) the Rent payable herein shall be reduced or abated in proportion to the actual reduction or abatement of use of the Premises; and (2) within sixty (60) days from the date of such damage or destruction, Lessor shall make any necessary repairs to the Premises caused by any such damage or destruction.
- (c) In the event of condemnation, unless Lessee is allowed by the condemning authority to continue its operations on the Premises, this Agreement shall terminate as of the date title to the Land vests in the condemning authority or Lessee is required to cease its operations, whichever is earlier. Lessee shall be entitled to share in the proceeds of any condemnation, but only to the extent of the value of any Lessee Facilities and Site Equipment which are transferred to the condemning authority, moving expenses, prepaid Rent and business dislocation expenses.

13. Insurance.

- (a) Lessee shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased Premises. The cost of such insurance shall be borne by the Lessee.
 - (b) Minimum Scope of Insurance. Coverage shall be at least as broad as:
- 1. Insurance Services Office Commercial General Liability coverage ("occurrence" Form CG 0001).
- 2. Workers' Compensation insurance as required by the State of California and Employer's Liability insurance (for lessees with employees).
- 3. Property insurance against all risks of loss to any tenant improvements or betterments.

- (c) Minimum Limits of Insurance. Lessee shall maintain limits no less than:
- 1. General Liability: \$5,000,000.00 per occurrence for bodily injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
 - 2. Employer's Liability: \$1,000,000.00 per accident for bodily injury or disease.
- 3. Property Insurance Full replacement cost with no co-insurance penalty provision.
- (d) Other Insurance Provisions. The general liability policy is to contain, or be endorsed to contain, the following provisions:
- 1. Lessor, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of premises owned, occupied or used by the Lessee. The coverage shall contain no special limitations on the scope of protection afforded to Lessor, its officers, officials, employees or volunteers.
- 2. Lessee's insurance coverage shall be primary insurance as respects Lessor, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by Lessor, its officers, officials, employees or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.
- 3. Any failure to comply with reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided Lessor, its officers, officials, employees or volunteers.
- 4. Coverage shall state that the Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Lessor.
- (f) <u>Acceptability of Insurers</u>. Insurance is to be placed with insurers with a current A.M. less than A-:VII.
- (g) <u>Verification of Coverage</u>. Lessee shall furnish Lessor with original endorsements effecting coverage required by this clause in the form attached hereto as Exhibit D. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by Lessor before work commences.

- (h) Landlord insurance. Landlord shall maintain standard form property insurance ("All Risk" coverage) equal to at lease 90% of the replacement cost of its property.
- _14. <u>Waiver of Subrogation</u>. Lessor and Lessee each waives any and all rights of recovery against the other or against the directors, officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Lessor and Lessee shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

15. Assignment and Subletting.

- (a) Lessee may not assign or otherwise transfer all or any part of its interest in this Agreement or in the Premises without the prior written consent of Lessor, such consent not to be unreasonably withheld; provided, however, that Lessee may assign or transfer its interest in this Agreement or in the Premises without Lessor's prior written consent to its parent company, its member, any subsidiary or affiliate or to any successor-in-interest or entity merged or consolidated with Lessee or acquiring more than fifty percent (50%) of its stock or assets or more than fifty percent (50%) of its site agreements and communications facilities within the geographic market area defined by the Federal Communications Commission (FCC) in which the Premises are located.
- (b) Lessee shall not sublet all or any portion of the Premises without the prior written consent of Lessor. Lessor shall be entitled to share in the proceeds from any such subletting, and Lessor's share shall be agreed upon by the parties at the time Lessee seeks Lessor's consent.
- 16. <u>Premises</u>. Lessee shall maintain the Premises in good and sanitary condition and operate its facilities thereon in such manner as will best enable it to fulfill its service requirements, and in accordance with the specifications herein mentioned.

17. Warranty of Title and Quiet Enjoyment.

(a) Lessor warrants that: (i) Lessor owns the Land and has rights of access thereto adequate for Lessee's use; (ii) execution and performance of this Lease will not violate any laws, ordinances, covenant, or the provisions of any lease or other agreement binding on Lessee,; and (ii) Lessor covenants and agrees with Lessee that upon Lessee paying the Rent and observing and performing all the terms, covenants and conditions on Lessee's part to be observed and performed, Lessee may peacefully and quietly enjoy the Premises; subject, nevertheless, to the terms and conditions of this Agreement. Lessor is prepared to document its interests in the Land and Lessee's leasehold interest in the Premises.

- 18. <u>Repairs</u>. Lessee shall not be required to make any repairs to the Premises or Land unless such repairs shall be necessitated by reason of the default or neglect of Lessee, its agents, servants and employees as specified herein. Lessee expressly waives its right to make repairs at the expense of Lessor as provided under California Civil Code, Section 1942.
- 19. Indemnification/Liability. Lessee shall indemnify, hold harmless and defend Lessor, its officers, officials, directors, employees, agents and volunteers from and against all claims, damages, losses and expenses including attorney fees to the extent arising out of Lessee's use of the leased Premises described herein, caused in whole or in part by any negligent act or omission of the Lessee, any subleases, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the negligence or willful misconduct of Lessor. Lessor shall indemnify, hold harmless and defend Lessee, its officers, officials, directors, employees, agents and volunteers from and against all claims, damages, losses and expenses including attorney fees to the extent arising out of Lessor's use of the Property, caused in whole or in part by any negligent act or omission of the Lessor, any subleases, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the negligence or willful misconduct of Lessee. Notwithstanding the foregoing, a party's obligation under this section to indemnify the other party is contingent upon (i) its receiving prompt written notice of any event giving rise to an obligation to the other party and (ii) the indemnified party granting it the right to control the defense and settlement of the same. Lessee shall not be responsible to Lessor, or any third-party, for any claims, costs or damages (including, fines and penalties) attributable to any pre-existing violations of applicable codes, statutes or other regulations governing the Land, including the Premises.

The provisions of this section shall survive the expiration or termination of this Agreement.

- 20. <u>Limitation of Liability</u>. In no event shall a party be liable to the other party for indirect, incidental or consequential damages, and the indemnified party hereby waives any right of it or its assigns or successors to obtain consequential damages from the other party. The parties acknowledges that this waiver of consequential damages is a material term of this Agreement and that each party would not enter into this Agreement in the absence of such waiver.
- 21. Compliance with Laws. Lessor represents that it has no actual notice or knowledge that the Land (including the Premises), and all improvements located thereon, are not in substantial compliance with, life/safety, disability and other laws, codes and regulations of applicable governmental authorities. Lessor will substantially comply with all applicable laws directly relating to Lessee's operation of the Lessee Facilities and improvements constructed by Lessee on the Land.

22. Hazardous Substances. Without a duty of independent investigation or inquiry, Lessor represents that it has no actual knowledge of any substance, chemical or waste (collectively, "substance") on or under the Land or Premises that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation. Lessee will not introduce or use any such substance on the Land in violation of any applicable law. Lessor shall indemnify and hold Lessee harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance on, under or around the Land or Premises, unless said substance was actually brought onto the Land or Premises by Lessee. This obligation to indemnify Lessee shall include damages, costs and expenses incurred in connection with any investigation, cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement. Lessee shall indemnify and hold Lessor harmless from and against all claims, actions, damages, fines, liabilities, costs and expenses (including attorneys' and expert fees) arising, directly or indirectly, from the presence of any substance brought on or under or around the Land or Premises by Lessee. This obligation to indemnify Lessor shall include damages, costs and expenses incurred in connection with any investigation. cleanup, remediation, monitoring, removal or restoration related to the presence of any substance. This indemnity shall survive the expiration or termination of this Agreement.

23. Miscellaneous.

- (a) This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Agreement must be in writing and executed by both parties.
- (b) If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- (c) This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties.
- (d) The captions of this Agreement have been inserted for convenience only and are not to be construed as part of this Agreement or in any way limiting the scope or intent of its provision.
- (e) All notices, requests, demands and communications hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally

recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to parties as follows:

Lessor (Landlord)

City of Vallejo

555 Santa Clara Street Vallejo, CA 94590 Attn: Susan McCue

Economic Development Program

Manager

Lessee (Tenant)

T-Mobile USA, Inc., 12920 SE 38th St. Bellevue, WA 98006

Attn: Cell Site Leasing

Re: San Francisco Market (or

Sacramento)

With a copy to:

Omnipoint Communications, Inc. or TMO

CA/NV, LLC

d/b/a T-Mobile USA, Inc. 2380 A Bisso Lane

Concord, CA 94520

Lessor or Lessee may from time to time designate any other address for this purpose by written notice to the other party.

- (f) If requested by Lessee, Lessor agrees, within a reasonable length of time, to execute and deliver to Lessee a recordable Memorandum of this Agreement in the form of Exhibit E.
- (g) This Agreement shall be governed by the laws of the State of California. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- (h) Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.
- (i) The person signing this Agreement for Lessee hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Lessee.
- (j) Time is of the essence for the performance of each term, condition and covenant of this Agreement.

- (k) This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.
- The captions and headings used in this Agreement are for the purposes of convenience only and shall not be construed to limit or extend the meaning of any part of this Agreement.
- (m) Except as Lessor may authorize in writing, Lessee shall have no authority. express or implied to act on behalf of Lessor in any capacity whatsoever as an Lessee shall have no authority, express or implied, pursuant to this Agreement, to bind Lessor to any obligation whatsoever. The sole purpose and intent of this Agreement is to create a relationship of landlord and tenant.
- (n) All exhibits referred to herein are attached hereto and are by this reference incorporated herein.
- (o) Each party agrees to furnish to the other, within twenty (20) days after request, such truthful estoppel information as the other may reasonably request.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

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

Omnipoint Communications, Inc.	CITY OF VALLEJO a municipal corporation
By: David Gallacher Its: VP of West Region	By:
	Susan McCue Economic Development Program Manager
	APPROVED AS TO INSURANCE REQUIREMENTS
	William R. Venski Risk Manager APPROVED AS TO FORM:
	Frederick G. Soley City Attorney

WOMNIPOINT

CONCORD, CA 94520 1855 GATEWAY BLVD, 9TH FLOOR

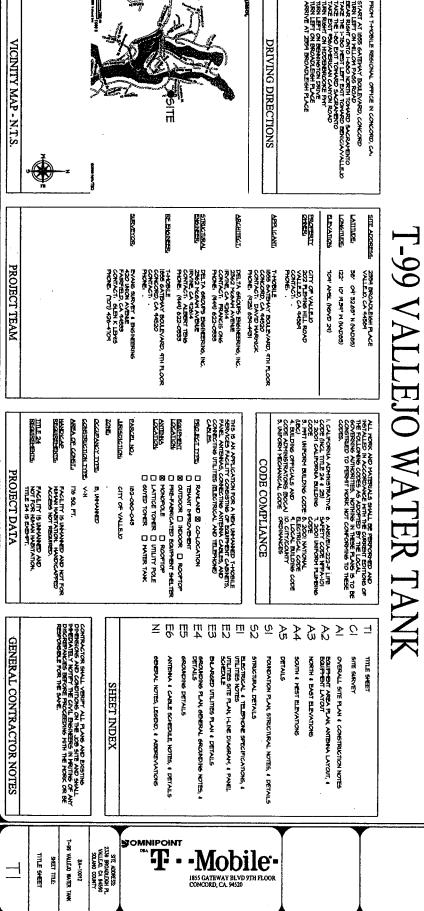
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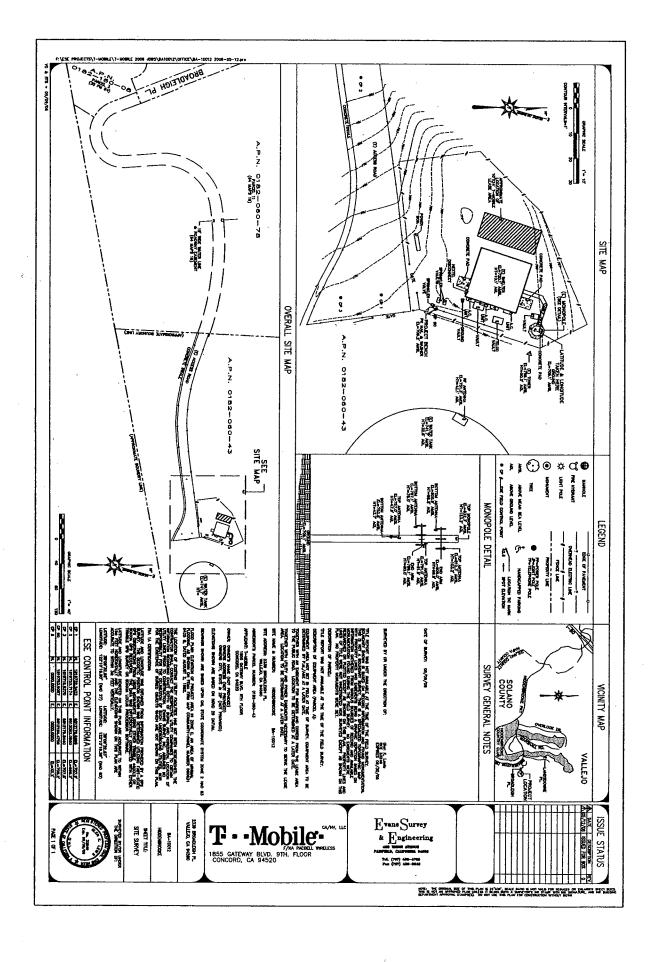
OFFICE: (RES) 448-0515
FAS: (RES) 448-0305
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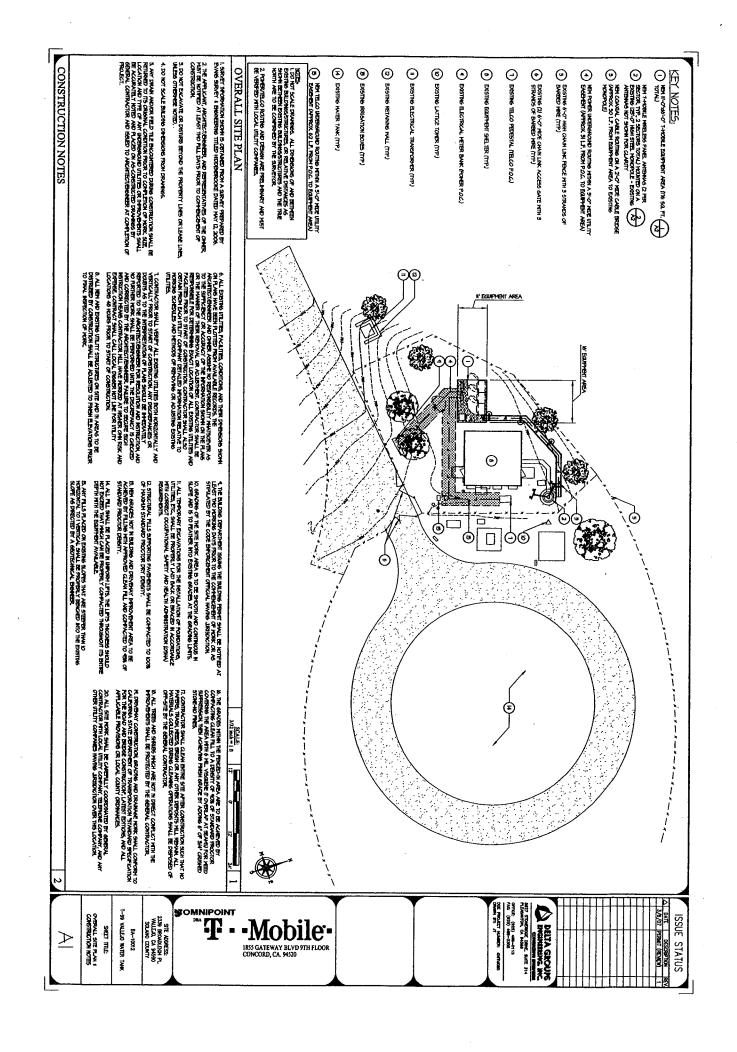
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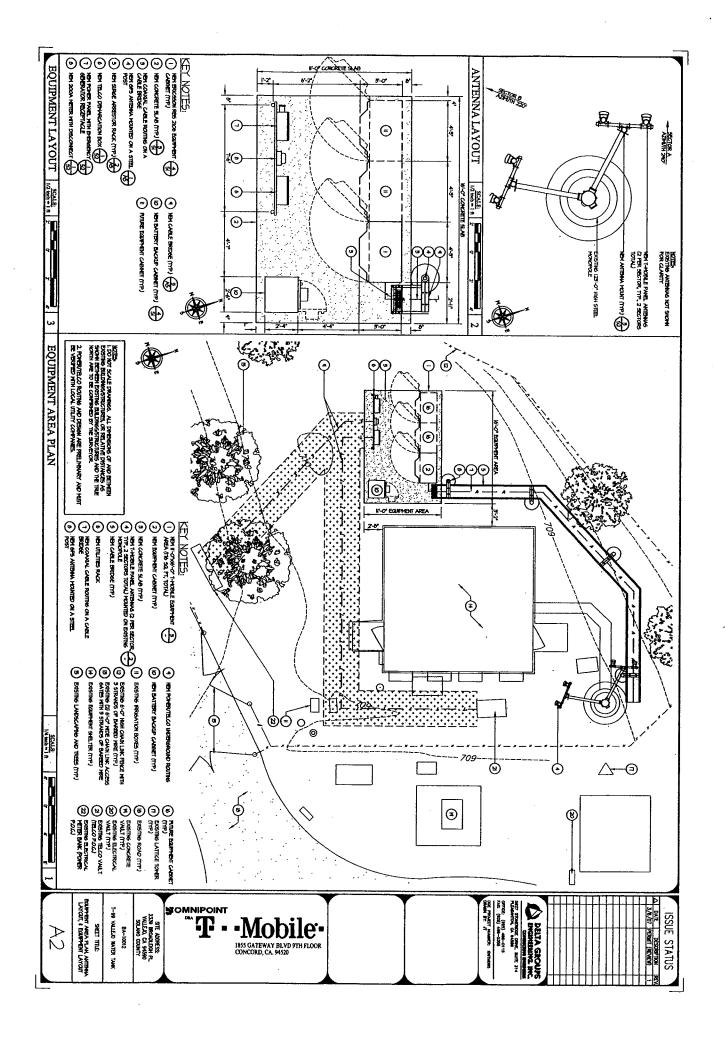
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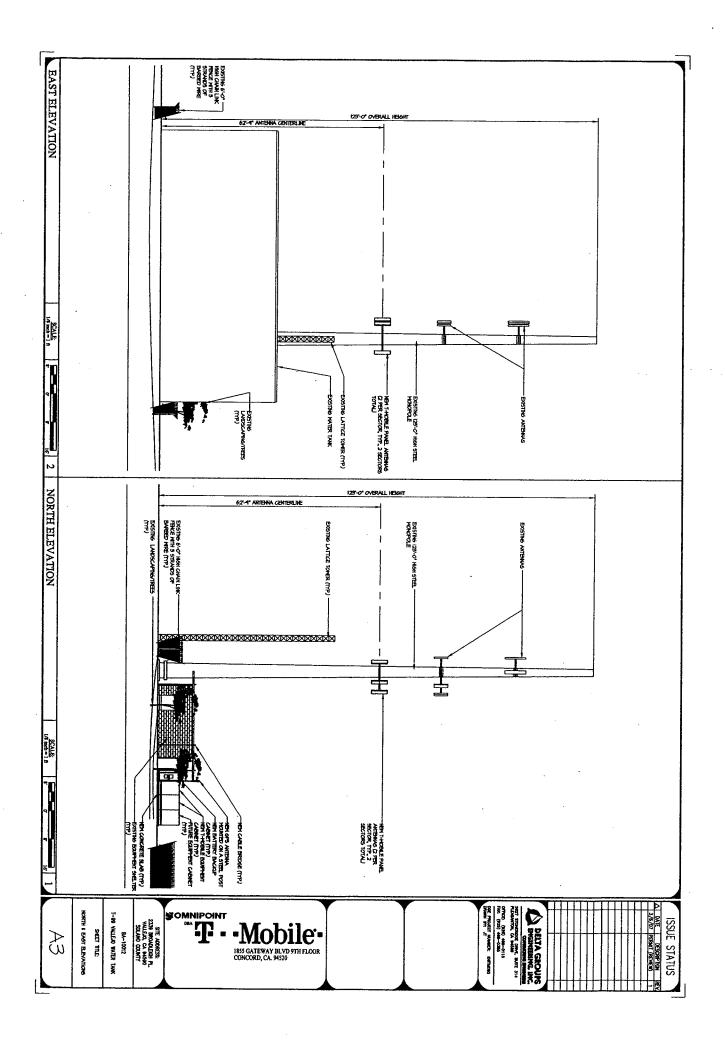
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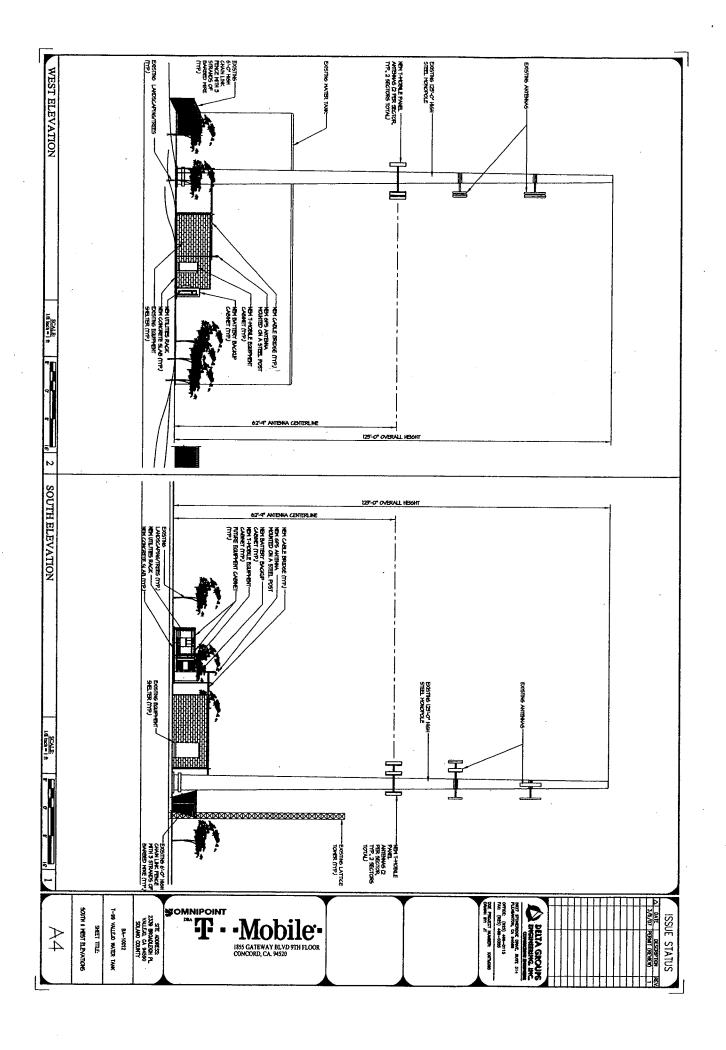


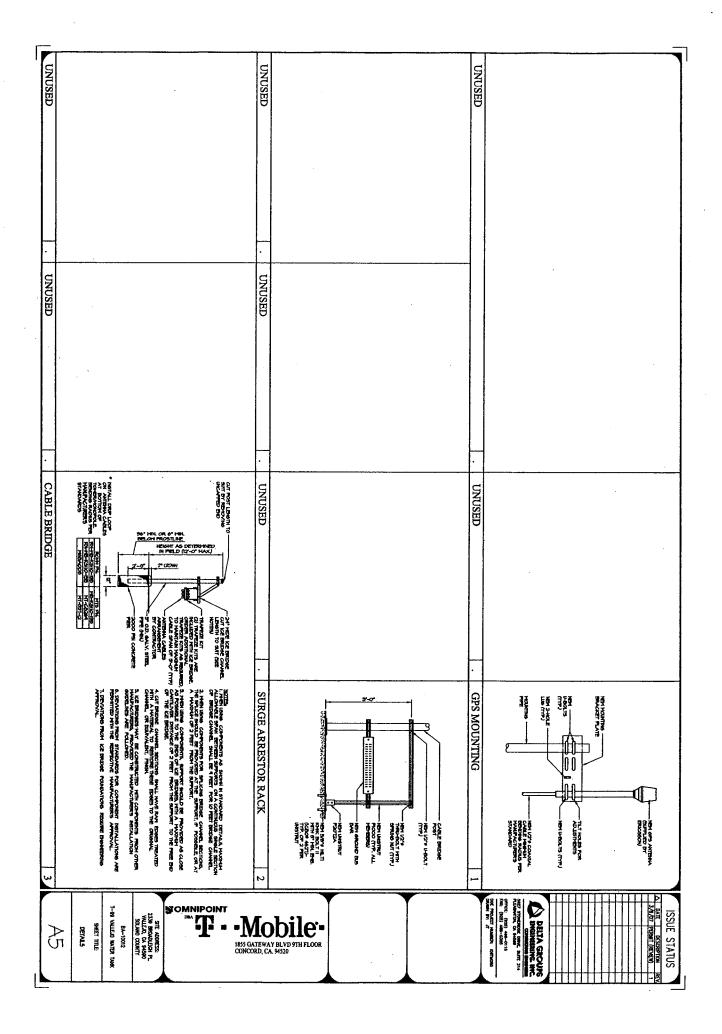


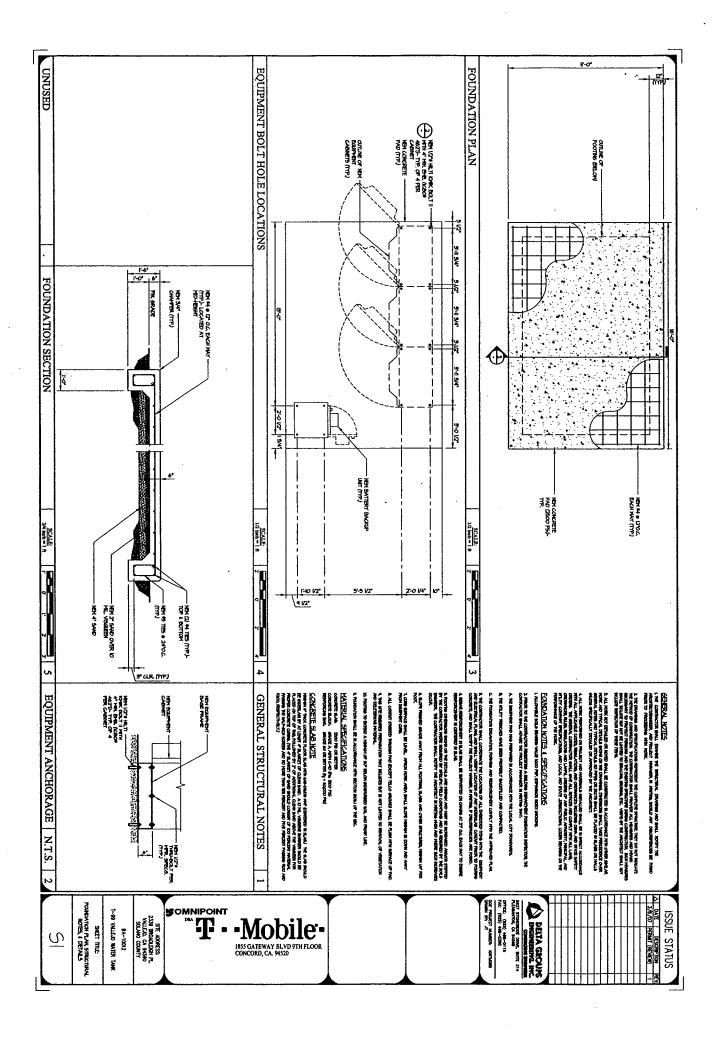


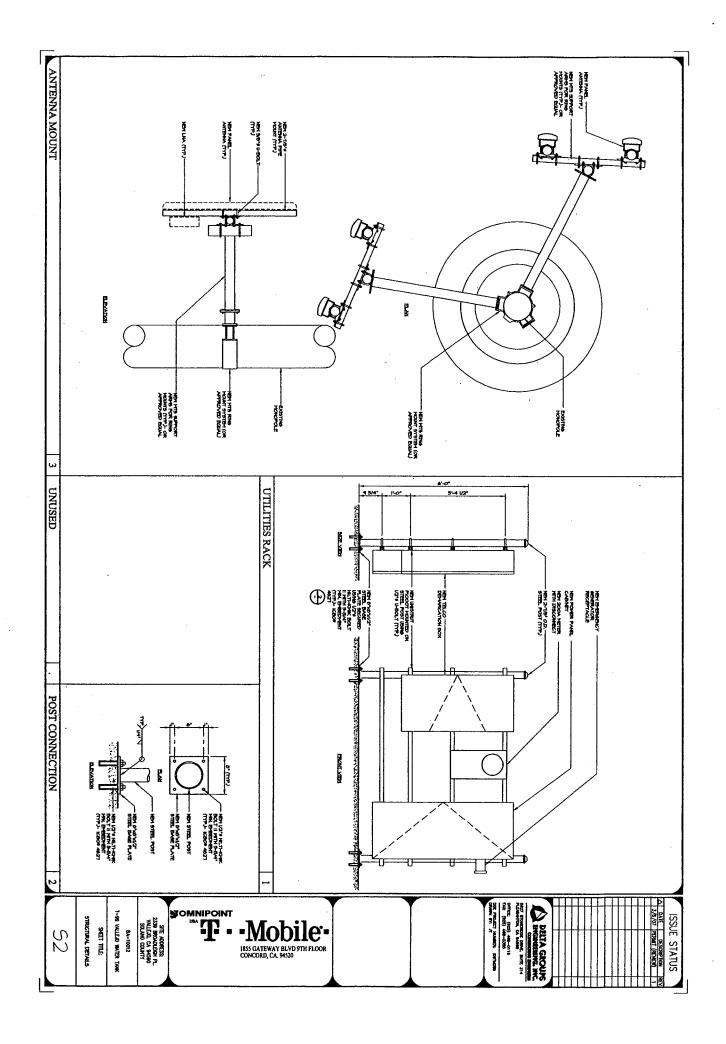












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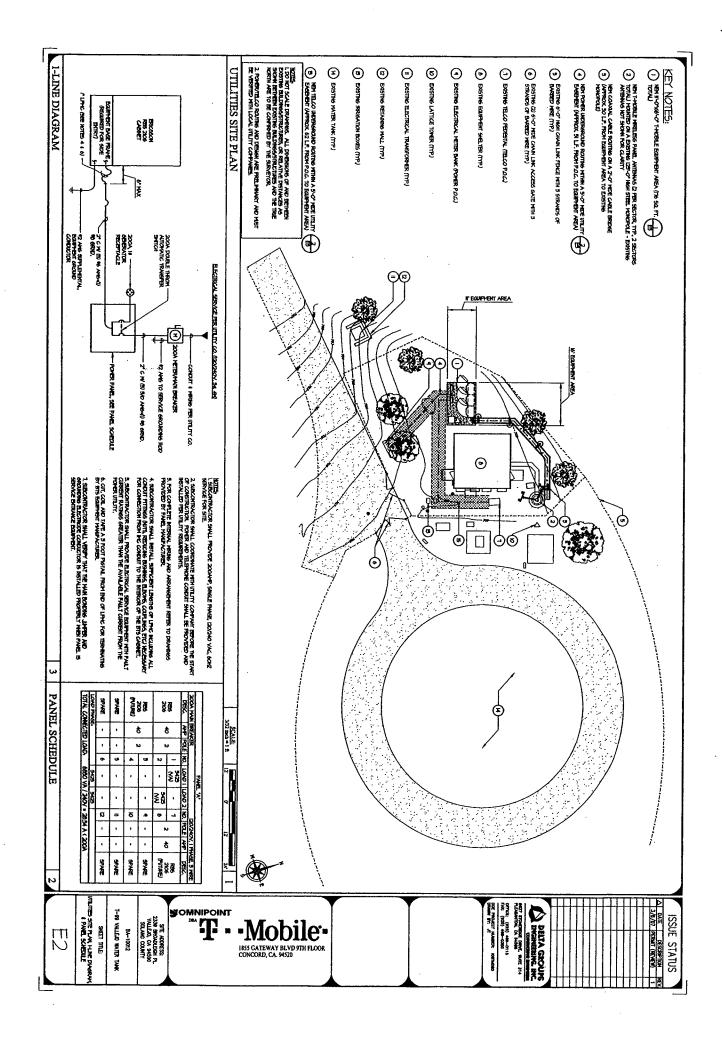
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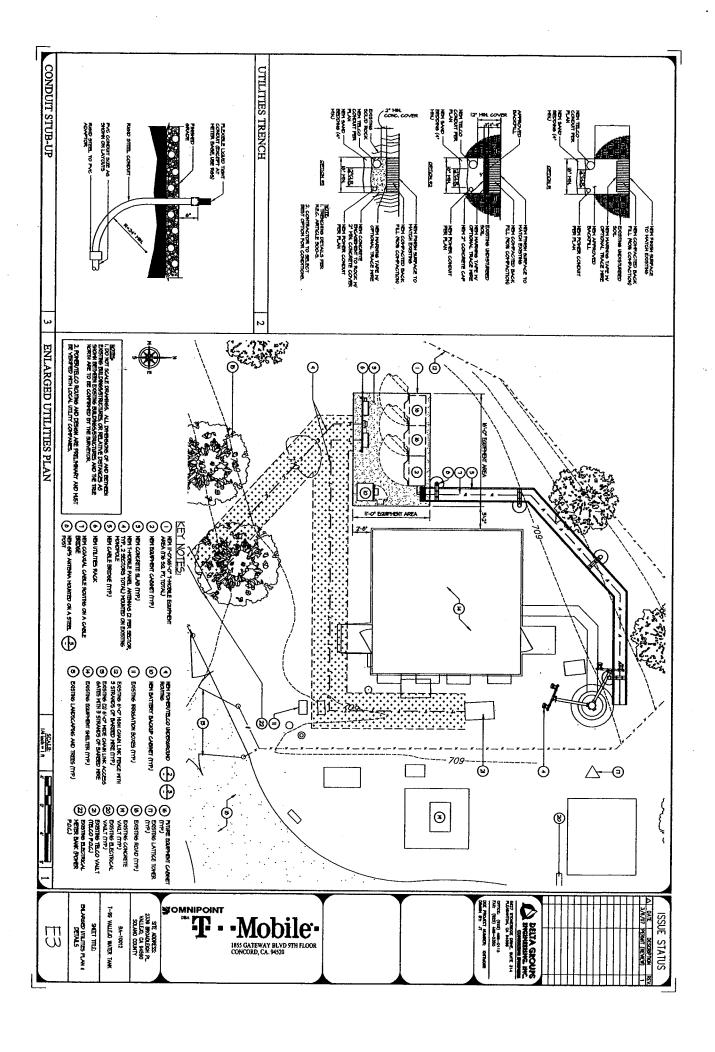
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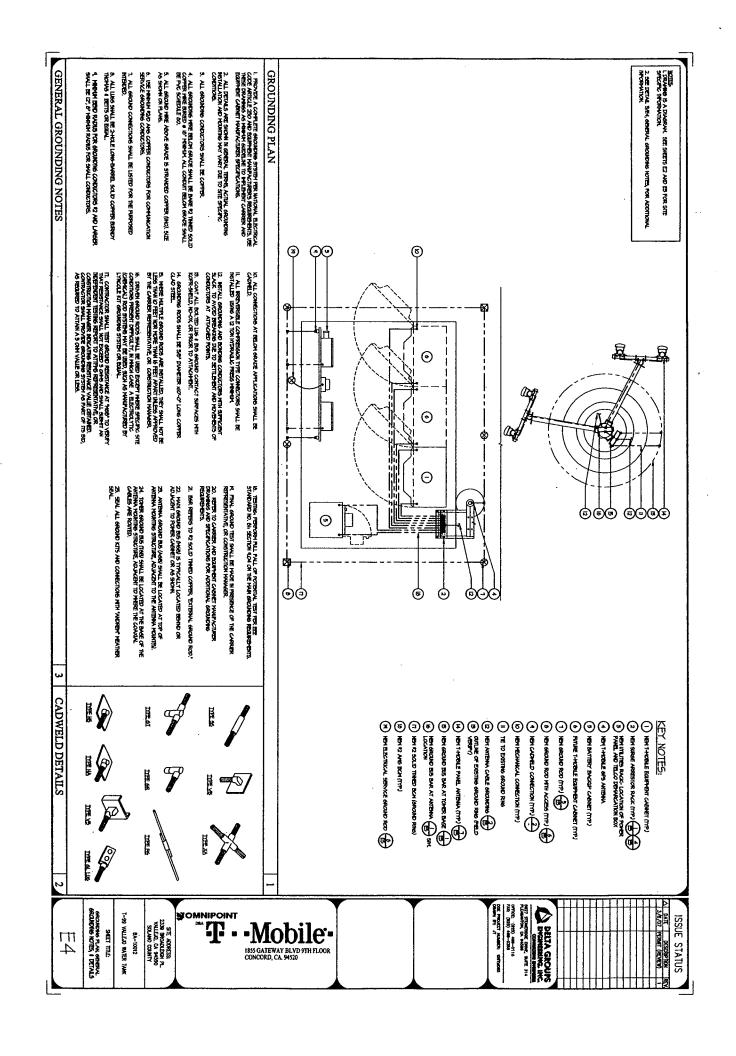
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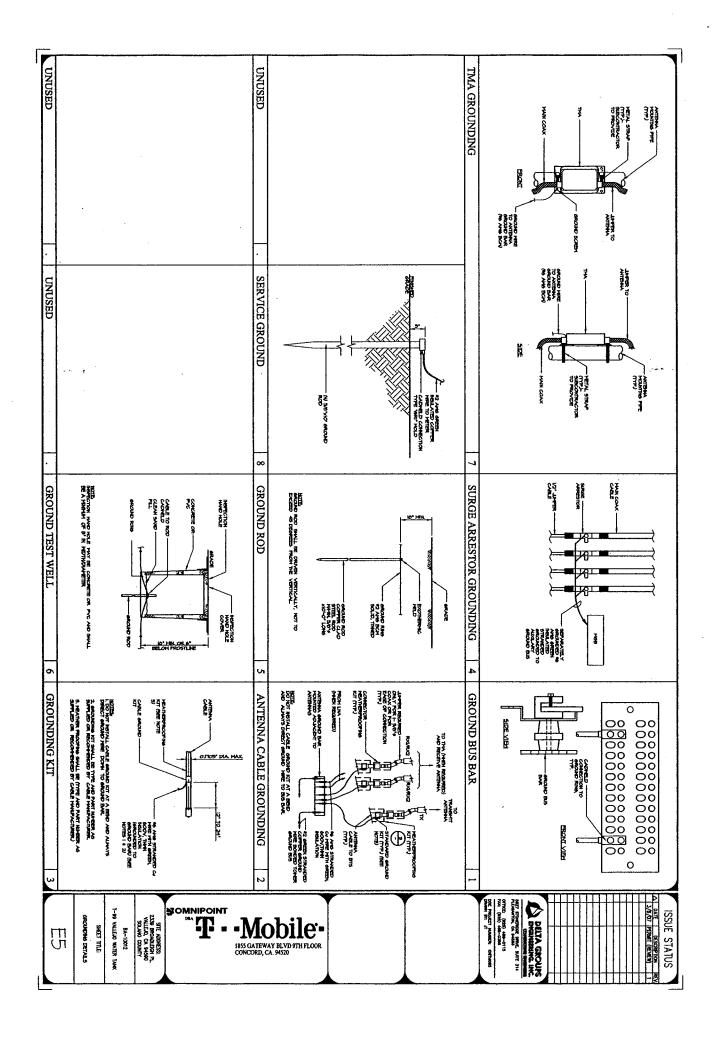
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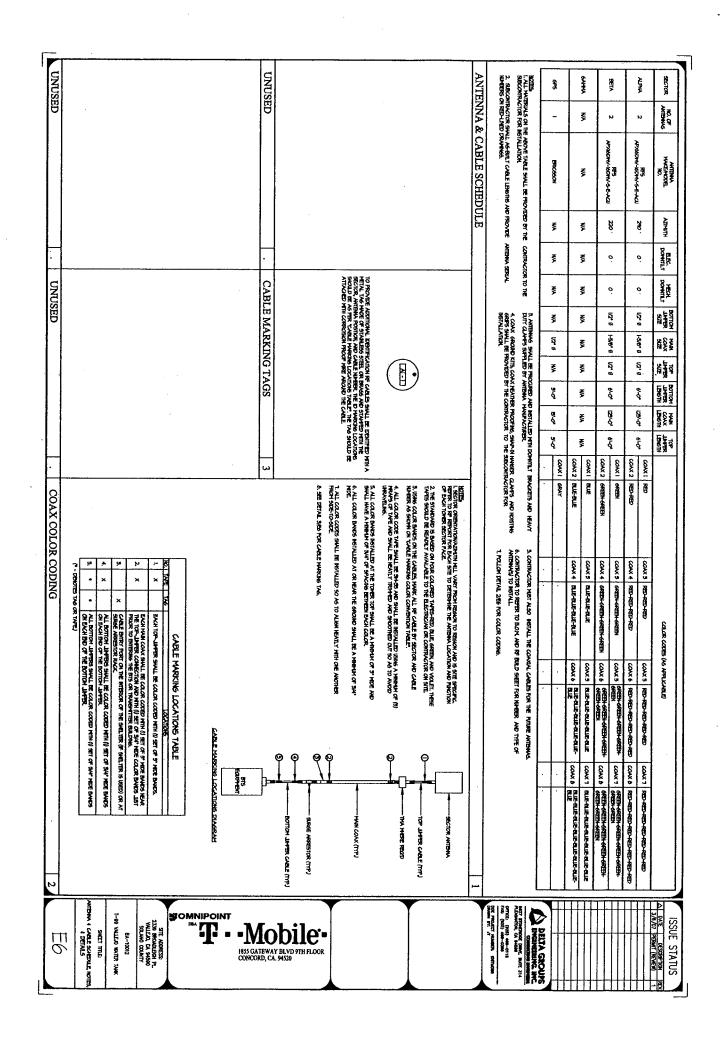
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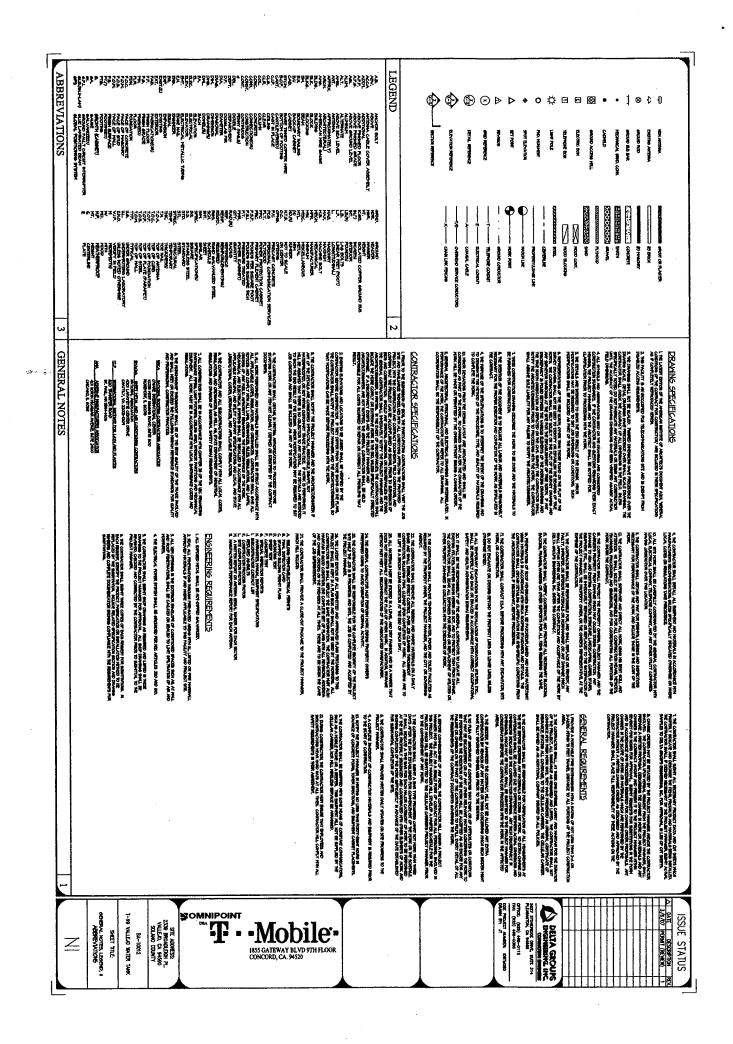
















Agenda Item No.

COUNCIL COMMUNICATION

Date: May 8, 2007

TO:

Honorable Mayor and Members of the City Council

FROM:

Gary A. Leach, Public Works Director

SUBJECT:

APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER OR HIS

DESIGNEE TO SUBMIT THE CITY OF VALLEJO'S FY 2007-2008

APPLICATION FOR BAYLINK FERRY OPERATING ASSISTANCE AND

CAPITALIZED MAINTENANCE TO THE METROPOLITAN TRANSPORTATION

COMMISSION IN THE AMOUNT OF \$1,727,183

BACKGROUND

Vallejo Baylink operates between Vallejo and San Francisco offering fast ferry service as well as supplemental express bus service. In FY 2007-2008, Vallejo Baylink is projected to provide over 944,000 passenger trips. In FY 2007-2008, Baylink operating expense projections are to total approximately \$12 million. These expenses are paid for by a variety of revenues sources which include fare revenue, lease income, State and Federal Funds and other miscellaneous income. Baylink Ferry operation relies on the Regional Measure 2 Funds and Bridge Toll Funds for the continued operation of the ferry system. The Bridge Toll Funds, that the Metropolitan Transportation Commission (MTC) administers, specifically provides assistance for ferry operations in the MTC region. These funds are essential in balancing the Ferry Budget. The City of Vallejo is applying for \$1,232,444 from the Five Percent Unrestricted State Funds for ferry operating assistance and \$494,739 from the Two Percent Bridge Toll Revenues for capitalized maintenance to overhaul the ferry engines currently under contract with Valley Power. The remaining funds, if any, would be applied to offset the cost of preventative maintenance through the Blue and Gold Contract.

The ferry operation has exceeded the required farebox recovery ratio of 40% for the past three years as shown below:

Year	Expenses	Fares	Farebox Ratio
2006	\$11,082,778	\$6,203,914	56%
2005	\$8,151,390	\$4,694,314	58%
2004	\$ 7,347,582	\$4,358,162	59%



Fiscal Impact

There is no impact to the General Fund.

RECOMMENDATION

Staff recommends the City Council approve a resolution authorizing the City Manager or his designee to submit the City of Vallejo's FY 2007-2008 application for Baylink Ferry operating assistance and capitalized maintenance to the Metropolitan Transportation Commission in the amount of \$1,727,183.

ENVIRONMENTAL REVIEW

This project is categorically exempt from the California Environmental Quality Act pursuant to California Public Resources Code Sec. 21080(b)(3) and CEQA Guidelines 15300 because it involves the continued operation of a long established ferry program with minor alternations in the operating schedule.

PROPOSED ACTION

Approve the resolution

DOCUMENTS AVAILABLE FOR REVIEW

- a. A resolution authorizing the City Manager or his designee to submit the City of Vallejo's FY 2007-2008 application for Baylink Ferry operating assistance and capitalized maintenance to the Metropolitan Transportation Commission in the amount of \$1,727,183.
- b. Bridge Toll application to MTC

CONTACT PERSON

Gary A. Leach, Public Works Director 648-4315 gleach@ci.vallejo.ca.us

Crystal Odum Ford, Transportation Superintendent 648-5241 codumford@ci.vallejo.ca.us

MAY 8, 2007
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RESOLUTION NO. <u>07-</u> N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, Street and Highway Code Section 30913 and 30914 have been amended to require that an additional two percent (2%) of those toll revenues be allocated by Metropolitan Transportation Commission for the planning, construction, operation, and acquisition of rapid water transit systems; and

WHEREAS, with the completion of the Regional Ferry Plan Update, Metropolitan Transportation Commission has adopted Resolution No. 3149, which established a Five Percent Bridge Toll Revenues programming and allocation policy for ferry transit operations and bicycle-related planning and operations in the vicinity of each of the bridge groups; and

WHEREAS, THE City of Vallejo is an eligible applicant for the Five Percent (5%) State General Fund Revenues and the Two Percent (2%) Bridge Toll Revenues from the Northern Bridge Group pursuant to Street and Highways Code Section 30892, as attested by the Opinion of Counsel.

NOW, THEREFORE, BE IT RESOLVED that the continued operations of the City of Vallejo ferry and accompanying capitalized maintenance program as described in the staff report is hereby approved for purposes of submitting the appropriate Bridge Toll application,

BE IT FURTHER RESOLVED that the City Manager or his designee is authorized to execute and file the appropriate Bridge Toll application for the Continued operation of the City of Vallejo Ferry and capitalized maintenance together with all necessary supporting documents, with the Metropolitan Transportation Commission for allocations of the Bridge Toll funds in FY 2007-2008.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the Metropolitan Transportation Commission in conjunction with the filing of the claims; and the Metropolitan Transportation Commission be requested to grant the allocations of funds as specified herein.

MAY 8, 2007
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Glen Tepke Metropolitan Transportation Commission 101 Eighth Street Oakland, CA 94607

SUBJECT: Eligibility of City of Vallejo for Allocation of Bridge Toll Revenues

This communication will serve as the requisite opinion of counsel in connection with the application of the City of Vallejo for an allocation of Bridge Toll Revenues, made available pursuant to Street and Highways Code Sections 30892, 30893, and 30914.

- 1. The City of Vallejo is authorized to carry out activities associated with the project (operating assistance and capitalized maintenance) for the Vallejo Baylink Ferry.
- 2. The City of Vallejo is an eligible applicant for Bridge Toll Revenues in accordance with the provision of Streets and Highways Code Sections 30892, 30893, 30913 and 30914.
- 3. I have reviewed the pertinent state and local laws and I am of the opinion that there is no legal impediment to the City of Vallejo making applications for Bridge Toll Revenues. Furthermore, as a result of my examinations, I have determined that there are no pending or threatened limitations which might in any way adversely affect the proposed projects, or the ability of the City of Vallejo to carry out such projects.

Sincerely,

FREDERICK G. SOLEY City Attorney

May 1, 2007

Mr. Glen Tepke Metropolitan Transportation Commission Programming and Allocations Section 101 Eighth Street Oakland, California 94607

SUBJECT:

Bridge Toll Program - Five Percent Unrestricted State Funds and Two Person

Bridge Toll Revenue Program

Dear Mr. Tepke:

Attached, please find the City of Vallejo's request for allocation of the 2006-2007 Bridge Toll Funds – Five Percent Unrestricted State Funds and Two Percent Bridge Toll Revenues.

Funding of \$1,232,444 for FY 2007-2008 is requested from the Five Percent Unrestricted State Funds for ongoing Vallejo Baylink ferry operations between Vallejo and San Francisco. A total of \$494,739 is requested from the Two Percent Bridge Toll Revenues for ferry system capitalized maintenance. These requests are consistent with MTC Resolution No. 3288. Please refer to the attached Bridge Toll application for detailed information regarding our claim.

The requested funds from both the Five Percent Unrestricted State Funds and Two Percent Bridge Toll Revenues are needed to continue operation of Baylink. Baylink is an integral part of Vallejo's Transportation Program and is included in the latest Short Range Transit Plan Update.

Thank you for the opportunity to submit this application for Bridge Toll funding. If you need additional information regarding this application please contact Liz Niedziela at (707) 648-5235, or e-mail her at eniedziela@ci.vallejo.ca.us.

Sincerely,

Cystral Odum Ford Transportation Superintendent

CO:en

Attachment

Cc: Gary Leach, Public Works Director

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City of Vallejo Ferry Project Description

The Vallejo Baylink ferry system operations four high-speed vessels, the 34-knot M/V Vallejo, M/V Intintoli, M/V Mare Island, and M/V Solano. Currently, three vessels are in service on weekdays and two on weekends. The M/V Vallejo serves primarily as Baylink's backup vessel. Each vessel carries up to 300 passengers.

Thirteen (13) round trips operate on weekdays, with service approximately every 30-60 minutes during the morning and evening peak periods. A total of thirteen (13) Baylink bus trips operate on weekdays to supplement the ferry service. Summer weekends and holidays (April through October) are served by nine (9) ferry trips and three (3) supplemental buses. During the winter months (November through March) weekend ferry service is scaled back to five (5) round trips per day with five (5) supplemental buses.

Baylink ferries are projected to carry 907,000 passengers and generate slightly less than \$6.7 million in fare revenue during FY 2006-2007. The average Baylink patronage is about 2,600 weekday passengers and about 1,000-2,000 passengers on weekends, depending on the season. About 944,000 ferry passengers and \$7.8 million in fares are projected for FY 2007-2008, a 64% farebox ratio.

Please refer to the attached timetable for current Baylink schedules and fares.

Discussion

Prior Year Trends Vallejo Baylink patronage and operating revenues peaked during FY 2000-2001, at a time when operating expenses were low due to very low fuel prices. Patronage peaked at 801,000 passengers that year, producing \$4,545,000 in operating revenues. By FY 2002-2003, Baylink patronage had declined to about 694,000 passengers. In FY 2004-2005, patronage began a recovery and increased to about 723,000 passengers, including ridership generated by startup of RM-2 funded third boat operations in April 2005. In FY 2005-2006, total ridership grew at a higher than expected rate of 18%, with total revenue up by 23% to \$6,003,000. For FY 2006-2007 (to date) we are seeing a 6.0% increase in ridership with fare revenues up 17% for the same period, fare box recovery will approach 64%. There was a system wide fare increase of about 15% on all tickets in September 2006.

FY 2007-2008 Projections Operating expenses are projected to decrease about 7% in FY 2007-2008 compared to FY 2006-2007 due to softening in the fuel cost markets, planned service reductions, fuel conservation measures, and optimized maintenance scheduling. Ridership could reach 944,000 for this period with farebox revenue of \$7.8 million including a 9% general fare increase; this would result in an improved farebox ratio of 64%.

FY 2007-2008 Proposed Budget For FY 2007-2008, we are requesting the full amount available, \$1,232,444 for Baylink Ferry operation from the 5% Unrestricted State Funds. We are also requesting \$\$494,739 in 2% Bridge Toll Revenues available for capitalized ferry vessel maintenance.

Overall operating expenses are expected to decrease slightly due to softening in the fuel cost markets, planned service reductions, fuel conservation measures, and optimized maintenance scheduling. The City's ferry fleet is aging and higher levels of maintenance will be required to maintain service reliability; however the City is continually looking to optimize maintenance costs and schedules. Insurance markets are still tight in the wake of Katrina, but costs should begin moderating soon in the passenger vessel insurance market.

Baylink Patronage is expected to increase by 4% to about 944,000 in FY 2007-2008 mainly due to continued overall economic growth in the region. Marketing efforts are also helping boost ridership across the board; along with new group sales efforts and other promotions aimed at filling off-peak seats. Projected revenue parallels estimated patronage growth, with a general fare increase of about 9% planned for FY 2007-2008.

<u>Capitalized Maintenance</u> The requested 2% Toll Revenue funds would be used for Baylink capitalized maintenance. Capitalized maintenance expense consists primarily of

preventative engine maintenance such as the midlife engine overhaul on the ferries and cost incurred through the Blue and Gold operating contract for engine maintenance.

<u>Project Programming Policies</u> The project is one of the existing ferry systems earmarked for Bridge Toll Revenue pursuant to MTC Resolution No. 3288.

The Vallejo Baylink ferry system also strongly supports regional plans and policies focusing on the I-80 corridor. Baylink ferries removes more than 800 auto trips during each peak commute period from the congested I-80 corridor, over the 30 mile distance between Vallejo and downtown San Francisco. Vallejo Baylink is a very cost effective transit service recovering about 64% of operating cost from fares.

Vallejo Baylink ferries are 100% accessible to the disabled with level ramping which does not require the use of mechanical aids such as lifts for wheelchair and other disable boarding. Each vessel is equipped with 10 spaces for bicycles. The City of Vallejo is also developing a downtown redevelopment plan that focuses on the Vallejo Ferry Terminal "Vallejo Station" project as a key component, transit friendly and consistent with "livable communities" policies.

The City of Vallejo had a site visit for the Triennial Performance Audit on February 15, 2006. The next triennial audit is expected to be performed February 2009.

CITY OF VALLEJO BRIDGE TOLL APPLICATION BUDGET

	FY 05-06 ACTUALS	FY 06-07 PROJECTED BUDGET	FY 07-08 PROPOSED BUDGET
REVENUES	71010/120		DODOLI
FERRY FARES	(6,203,914)	(6,686,940)	(7,747,957)
RM2 FARES (REG MEASURE 2)	-	-	-
FTA SECTION 5307 - OPERATING		-	_
FTA SECTION 5307 - PREVENTIVE MAINT	_	(808,299)	(614,574)
BRIDGE TOLLS 2% FERRY PREV MAINT		(431,855)	(284,085)
BRIDGE TOLLS 5% FERRY OPERATING	(1,307,515)	(1,326,776)	(1,232,444)
BRIDGE TOLL RM2	(1,580,518)	(2,100,000)	(2,200,000)
FERRY TERMINAL LEASES	(17,500)	(36,000)	(24,000)
TDA OPERATIONS	(1,389,527)	(1,362,811)	` ' '
TRANSFER IN FROM GENERAL FUND	(561,616)	(198,700)	
MISC. REVENUES	(22,188)	(11,396)	(10,000)
TOTAL, REVENUES	(11,082,778)	(12,962,777)	(12,113,060)
EXPENDITURES			
INDIRECT COST/ADMIN COSTS	219,191	359,058	331,657
SECURITY SERVICES	21,967	58,100	61,950
POSTAGE AND MAILING	89	96	
SPACE RENTAL CHARGES	31,108	21,000	30,000
LEASE EXP/DOCKAGE FEES	36,196	36,000	36,000
GENERAL R/M SUPPLIES	20.000	3,000	3,000
CLEANING & JANITORIAL	30,629	35,000	35,000
BUILDING R & M SERVICES	18,178	15,000	15,000
GROUNDS R/M SERVICES OTHER SERVICES	9,307	10,000	10,000
GAS & ELECTRICITY	12,701	25,000	25,000
PURCHASED TRANSPORTATION - FERRY	58,250	75,000	75,000
PREVENTIVE MAINT - DRY DOCKING	9,362,700	10,345,076	9,749,998
ROUTE 200	862,232	313,166 876,751	175,000
FERRY TICKET OFFICE	002,232	276,000	875,231
T:PW ADMINISTRATION		55,326	276,000
T:PERSONNEL COST DISTRIB	2,314	8,247	41,940
T:FINANCE COST DISTRIB	41,649	•	7,886
T:LEGAL & MGMT ADMIN	27,924	75,181	71,896
T: DATA PROCESSING	•	10,410	9,955
E:LEAVE LIAB DISTRIBUTION	9,245 12,927	8,925 14,124	8,535
T: SPACE RENTAL CHARGES	12,927 4,358	•	4E 000
INDIRECT COST/MATERIALS AND SRVCS	4,356 321,813	15,779	15,089
TOTAL, EXPENDITURES	11,082,778	326,538	258,923
TOTAL, EXPENDITURES	11,002,110	12,962,777	12,113,060

DEFICIT/(SURPLUS)

City of Vallejo Baylink Ferry Farebox Ratio According to NTD

Year	I	Expenses	Fare	Farebox Ratio
2006	\$	11,082,778	\$ 6,203,914	56%
2005	\$	8,151,390	\$ 4,694,314	58%
2004	\$	7,347,582	\$ 4,358,162	59%

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MOI	FISHERMAN'S WHARF PIER 41	ARRIVE											11:20 a#			3:00 p*								6:35 p*				
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Bld	SF FERRY BUILDING	DEPART	6,05 a	6:35 a	. e 9	7:20 a	7:35 a	7.50 a.	8:10 a	8:30a	8:55 a	9:55 a	11:10 a#	12:40 p	2:10 p	3:30 p*	d ₀	4:30 p	4:50 p	5:15 p	5.40 p	6:00 p	6.20 p	*d 5	7:30 p	8:00 p	d 00.6	0 D
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BUS	VALLEJO	SF FERRY	FISHERMAN'S WHARF
뜡	FERRY BLDG	BUILDING	PIER 41
 FERRY	DEPART	DEPART	ARRIVE DEPART
Bus	7,00'a	8:10 a	
Ferry	8:45 a	9:55 a	
 Ferry	10:00 a#	11:10 a#	11:20 a# 11:30 a#
 Ferry	11:30 a	12:40 p	
Ferry	1:00 p	2:10 p	
Bus	2.00 p	3:00 p	
Ferry	3:00 p*	4:30 p*	4:00 p* 4:10 p*
Ferry	4:05 p	5:15 p	
Ferry	5:35 p	6:45 p	
Ferry	6:35 p	7:45 p	
Ferry	8:20 p*	*d 05:6	9:20 p* 9:30 p*
* Bus	9:30.p	,10:30 p	

Group Rates: Apply to advance groups of 15 or more, Independence Day-Wed., July 4th; Labor Day-Mon., Sept. 3rd. Weekend Service: Memorial Day-Mon., May 28th; see website for details and request form. Ferry crossing time is approximately 50-60 min in each direction Arrival times at Pier 41 (Fisherman's Wharf) are approximate.

* Serves Fisherman's Wharf prior to arrival at SF Ferry Building. # Serves SF Ferry Building prior to arrival at Fisherman's Wharf.

Route 200 Baylink Bus - Pickup Locations
The Baylink bus picks up in front of the Vallejo Ferry Terminal in
Vallejo. The Baylink bus picks up near the Taqueria Pancho Villa
(corner of Embarcadero & Washington St.) in San Francisco.

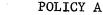
Ticket Verification Policy

Tickets are required to board Baylink ferries and buses. Please plan ahead and purchase tickets from our ticket outlets well in advance of your desired departure. In the event that the ticket offices are closed, full fare one way tickets may be purchased onboard (cash only). However, passengers holding tickets will be boarded first, up to the capacity of the ferry or bus. Please have your ticket out and available for verification as you approach the ferry or bus.

- IN THE EVENT OF A FERRY OR BUS BREAKDOWN, AFFECTED PASSENGERS · FERRIES AND BUSES ARE FILLED TO CAPACITY ON A FIRST-COME, FIRST-SERVED BASIS FOR PASSENGERS HOLDING TICKETS, TICKETS ARE NON-REFUNDABLE, PURCHASING A TICKET DOES NOT GUARANTEE A SEAT
 - PETS ALLOWED IN APPROVED CARRIERS, SERVICE ANIMALS WELCOME CHILDREN UNDER THE AGE OF 13 MUST BE ACCOMPANIED BY A FARE WILL BE ALLOWED TO PROCEED TO THE HEAD OF THE LINE FOR THE PAYING ADULT & SUPERVISED AT ALL TIMES **NEXT FERRY OR BUS**

Seasonal Service Provided from AT&T Park following San Francisco Giants night games fettim service to Vallejo after the ball game, see the websi Pier 39 Shopping and Six Flags Discovery Kingdor For information on services and packages visit our w

877.64. FERRY or baylinkferry.com Schedules and fares are subject to change.





Agenda No.

COUNCIL COMMUNICATION

Date: May 8, 2007

TO:

Honorable Mayor and Members of the City Council

FROM:

Frederick G. Soley, City Attorney

Claudia Quintana, Assistant City Attorney

Craig Whittom, Assistant City Manager/Community Development

Brian Dolan, Development Services Director BO

Don Hazen, Planning Manager

SUBJECT:

Consideration of an urgency ordinance pursuant to California Government Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related

products or paraphernalia.

BACKGROUND AND DISCUSSION

On March 27, 2007, City Council adopted an urgency ordinance prohibiting new retailers of tobacco and tobacco related products based on documented health, safety and general welfare concerns. A number of legal findings regarding the urgency of the situation were made at that time.

Notice regarding this public hearing for extension of the moratorium was duly published pursuant to Cal. Gov. Code § 65858 and Vallejo Municipal Code § 16.86.080.

Since adoption of the urgency ordinance imposing the 45 day moratorium, staff has coordinated with the Solano County District Attorney's Office to arrange for a Community Prosecutor position to work on this and other quality-of-life issues within City of Vallejo boundaries.

Additionally, the City Attorney's Office, working with the Vallejo Police Department has sent out a Voluntary Compliance Letter to each smoke shop owner asking each of them to voluntarily refrain from selling items on a list. (See attached.). Lt. Garcia will report to City Council on May 8, 2007 as to the amount of success obtained through voluntary compliance.

A number of meetings have been set up and will continue to be arranged in the future with staff and community members to voice their thoughts on how this issue may best be addressed.

The following is a time line for action to address this issue.

June 2007:

Phase 1:

Meeting with stake holders. Meet with Tobacco Coalition. Meet with Solano County.

Meet with Planning staff re best way to implement regulation of shops.

Meet with property owners/shop owners.

September 2007 to December 2007:

Phase 2:

Initial Drafting and Circulation.

[Drafting by September 30, 2007; incorporate feedback by December 2007]

Draft changes to the Zoning ordinance. Circulate proposed changes to staff.

Receive feedback from staff.

Circulate proposed changes to community members/stake holders.

Receive feedback from community members/stake holders.

March 2008:

City Council Review of work so far including draft/possible extension of Moratorium. (Resolution of Intent to Amend Zoning Ordinance)

April 2008:

Phase 3:

Gathering facts and figures regarding the fee.

Obtaining evidence to support a Regulatory Fee component for a "Deemed

Approved" ordinance/Fee study.

Organizing evidence into a fee structure and setting a figure.

June 2008-July 2008:

Phase 4:

Final Draft and Circulation.

Final Draft of Ordinance/Planning Commission Staff Report.

Circulate among staff/receive final comments.

August 2008-September 2008:

Phase 5:

Legislative process.

Planning Commission Review. City Council Consideration.

First Reading. Second Reading.

Ordinance becomes effective.

As the Council may remember, evidence presented at the study session on March 13, 2007, showed that certain local retailers selling tobacco and tobacco related products offer to the general public a variety of illegal items, such as a shurikens, nitrous oxide canisters, and paraphernalia for smoking prohibited substances, as well as items that are ostensibly sold for legal purposes – such as the consumption of tobacco – but are actually used for the consumption of illegal substances. The ease with which minors, and the general public may access illegal items, or items that promote the consumption of illegal drugs threaten the health and welfare of Vallejo residents. The sale of candy and t-shirts alongside tobacco related products increases the likelihood that minors will be attracted by tobacco related paraphernalia.

Staff proposes to amend the Zoning ordinance of the City of Vallejo in at least two number of ways:

- 1. Limit the areas where new retailers of tobacco and tobacco related products may operate (i.e. prohibit them within 500 feet of schools, parks or places where children may frequent).
- 2. Create or modify the current "deemed approved" ordinance affecting liquor establishments to articulate standards for smoke shops, including a funding mechanism to sustain the regulatory compliance with the standards.

RECOMMENDATION

It is recommended that the attached urgency ordinance be adopted.

ALTERNATIVES CONSIDERED

There is a "no-action" alternative, which would result in the expiration of the 45 day moratorium on May 8, 2007. If no action is taken, it would mean that the smoke shops would continue to be not specifically regulated, and no restrictions would be placed on zoning.

ENVIRONMENTAL REVIEW

The adoption of this urgency ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.

PROPOSED ACTION

Adoption of an urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.

DOCUMENTS ATTACHED

- a. An urgency ordinance pursuant to Cal. Gov. Code § 65858, extending until March 27, 2008, a moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.
- b. Sample Voluntary Compliance letter with list.

AVAILABLE FOR REVIEW

- a. An interim ordinance of the City of Vallejo adopted as an urgency measure pursuant to California Government Code section 65858 making findings and establishing a 45 day temporary moratorium on the Establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia.
- b. Materials from the March 13, 2007 study session.
- c. Letters from supporters.
- d. Powerpoint presentation from Vallejo Police Department given on March 13, 2007.

CONTACT PERSON

Claudia Quintana Assistant City Attorney (707) 648-4545 cquintana@ci.vallejo.ca.us

May 8, 2007
J:\CLAUDIA\smokeshops\Staff Report Moratorium2.doc

ATTACHMENT

1

(Urgency Ordinance)

OF	RDII	NAN	CE	NO.	

AN URGENCY ORDINANCE, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858, EXTENDING UNTIL MARCH 27, 2008, A MORATORIUM ON THE ESTABLISHMENT OF ANY NEW ACTIVITY OR FACILITY SELLING TOBACCO OR TOBACCO RELATED PRODUCTS OR PARAPHERNALIA.

WHEREAS, on March 27, 2007, the City Council adopted Urgency Ordinance No. 1585 N.C.(2d) establishing an emergency 45-day moratorium on the establishment of any new activity or facility selling tobacco or tobacco related products or paraphernalia; and

WHEREAS, the current 45-day moratorium will expire on May 11, 2007; and

WHEREAS, the legislative process by which any proposed permanent amendment to the City's Zoning ordinance requires public input, study for consistency with the general plan, public hearings before the Planning Commission, as well as two readings before the City Council; and

WHEREAS, various local organizations, including Fighting-Back Partnership and the Solano County Tobacco Education Coalition, among others have expressed an interest in being involved in the process of drafting regulations which will be effective; and

WHEREAS, due notice of the hearing requesting this extension of the moratorium has been given as required by law; and

WHEREAS, the City of Vallejo has an overriding interest in planning and regulating the use of property within the City and implicit in any plan or regulation is the City's interest in maintaining the quality of urban life and the character of the City's neighborhoods. Without stable, well-planned neighborhoods, sections of the City can quickly deteriorate, with tragic consequences to social, environmental and economic values; and

WHEREAS, the proliferation of establishments that sell or display smoking, drug/and or tobacco paraphernalia, and other items promoting the use of tobacco products or promoting the use of illegal drugs or controlled substances and characterizing such paraphernalia as intended for use with tobacco products, may adversely affect the City's ability to attract and retain businesses and shoppers to the City; and

WHEREAS, the Council of the City of Vallejo has heard evidence that nitrous oxide products are commonly being sold at these establishments, and the ingestion of this gas may result in loss of consciousness and death for minors and adults alike; and

WHEREAS, permitting the sale of smoking, drug and/or tobacco paraphernalia may adversely affect the City's economic vitality, may promote the illegal consumption and purchase of illegal drugs by children and minors by increasing their exposure to drug paraphernalia, may result in high concentration of illegal drug-related uses in certain neighborhoods, may result in a threat to public health, safety and welfare and may not be compatible with existing and potential uses of similarly zoned businesses; and

WHEREAS, it is the City's intent, in consideration of other existing and potential uses within the City, to assure a degree of compatibility between the location of establishments selling and displaying smoking, drug and/or tobacco paraphernalia and surrounding commercial properties. This intent will be effectuated by a period of community input, and staff study possibly resulting in additional revisions to the Zoning Ordinance; and

WHEREAS, proper consideration of the appropriate zoning designation for these establishments will help effectuate Vallejo General Plan Urban Design Goal 2, "To have within each neighborhood an image, sense of purpose and means of orientation" and Urban Design Goal 3, "To have attractive, exciting shopping areas"; and

WHEREAS, the continued indiscriminate establishment of certain tobacco retailers who sell and display smoking, drug and tobacco paraphernalia may result in potential conflict with some of the policies and objectives of the Urban Design Element of the General Plan; and

WHEREAS, the City Council hereby requests that the Planning Division, together with the City Attorney's Office, initiate and follow the process as outlined in the staff report to amend the Zoning Ordinance to regulate the location and manner of use concerning facilities selling and displaying tobacco and tobacco related products and paraphernalia with the goal of adopting needed changes to the current regulations, including changes to the Zoning Ordinance to protect the public health, safety, and welfare from the negative effects of smoke shops; and

WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the imposition of new controls necessary for the protection of public health and welfare; and

WHEREAS, during the period of time that staff undertakes this task, the City is concerned that absent the adoption of an emergency moratorium, activities and facilities that conflict with contemplated changes to the City's regulatory schemes could be established in the city thereby frustrating the realization of the City goals; and

WHEREAS, until such time that the City concludes its review and adopts new land use controls over such activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the community is in jeopardy that such businesses could be instituted, modified, or expanded prior to the imposition of new controls necessary for the protection of public health and welfare; and

WHEREAS, issuance or approval of any building, planning or other permit for activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia prior to the City's completion of such investigation and amendment process would result in a current and immediate threat to the public health, safety or welfare; and

WHEREAS, pursuant to California Government Code section 65858, a city, including a charter city, may adopt an interim ordinance prohibiting any uses that may be in conflict with a contemplated general plan or a zoning proposal that the legislative body is considering or intends to study within a reasonable time; and

WHEREAS, for the reasons set forth above and in Ordinance No.1585 N.C.(2d), this Ordinance is declared by the City of Vallejo to be necessary for preserving the public peace, health, or safety and to avoid a current, immediate and direct threat to the health, safety, or welfare of the community, and those reasons, together with the "Whereas" clauses above, constitute the City Council's statement of the reasons constituting such necessity and urgency.

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

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this ordinance.

SECTION 2. The City Council finds and determines, for the reasons stated in the recitals, the adoption of this Ordinance is exempt from CEQA under Sections 15060 (c)(3), 15061(b)(3), 15301, 15303, and 15307 of the State CEQA Guidelines.

SECTION 3. Until such time as the City concludes the review described above, and adopts new land use controls pertaining to activities or facilities selling and displaying tobacco and tobacco related products and paraphernalia, the City of Vallejo hereby declares a moratorium on the permitting or approval of any new, modified, or expanded establishments selling and displaying tobacco or tobacco related products and paraphernalia as defined in Section 4 below.

SECTION 4. For purposes of this Ordinance, the following definitions shall apply:

Tobacco related products are defined as:

- a) any substance containing tobacco including but not limited to cigarettes, cigars, chewing tobacco, flavored tobacco and dipping tobacco,
- b) any implement or object that is or may be used in conjunction with the consumption, inhalation or ingestion of tobacco, or other dried plant material or like substance including but not limited to cigarette papers; or any other instruments or paraphernalia for the smoking or ingestion of tobacco and products prepared from tobacco.

For the purposes of this Ordinance, the following activities shall be exempt:

- (1) Any activity using more than 7500 square feet.
- (2) Any activity that sells tobacco or tobacco related products in conjunction with any the following principal uses:
 - a. Gasoline Sales as defined in Vallejo Municipal Code section 16.06.390.
 - b. Convenience Sales and Personal Services as defined in Vallejo Municipal Code section 16.06.330.
 - c. Convenience Market as defined in Vallejo Municipal Code section 16.04.131.

SECTION 5. In accordance with California Government Code section 65858, this Ordinance shall be in full force and effect for a period of ten months and forty-two days until March 27, 2008.

SECTION 6. During the term of this ordinance as set forth in Section 5 hereof, no license, use permit, building, zoning or other permit that has been issued for any activity or facility selling anything as set forth in Section 4 above for which rights to proceed with the permit have not vested pursuant to the provisions of State law shall proceed, and no license, use permit, building, zoning or other permit shall be issued by any department, agency, employee or agent of the City of Vallejo to allow for any activities or facilities selling items as set forth in Section 4 above.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Ordinance causing it to be posted, as required by law, and it shall thereafter be in full force and effect. This Ordinance shall become effective immediately as an interim urgency ordinance, in order to protect the public health, safety and welfare.

SECTION 8. For the term of this Ordinance, as set forth in Section 5 hereof, the provisions of this Ordinance shall govern, to the extent there is any conflict

between the provisions of this Ordinance and the provisions of any other City code, ordinance, resolution or policy, and all such conflicting provisions shall be suspended.

SECTION 9. This Ordinance is enacted pursuant to the City of Vallejo's general police powers, Section 200 of the Charter of the City of Vallejo, Article XI of the California Constitution and Government Code section 65858.

SECTION 10. Petition for Relief from Moratorium. Any person who has applied to license, construct, modify, or establish an activity selling tobacco or tobacco related products which would be affected by this Moratorium, and who contends that the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation, may submit a written application to the Planning Director requesting relief from the Moratorium. The request for relief from moratorium shall identify the name and address of the applicant, the affected application number, and shall state how the Moratorium as applied to him or her would be unlawful under Federal, State, or local law or regulation. Within fourteen (14) calendar days of receipt of the completed request for relief, the City Manager, or his designee, shall mail to the applicant a written determination accepting or rejecting the request for relief from Moratorium.

SECTION 11. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

May 8, 2007 K:\PUBLIC\AI\CA\07-04.ORD.doc

ATTACHMENT

2

(Sample Voluntary Compliance letter with list)

April 12, 2007

NAME ADDRESS

RE: VOLUNTARY COMPLIANCE PROGRAM/TOBACCO RETAILERS

Dear Mr/Mrs. NAME,

As you may be aware, the City of Vallejo is embarking on an effort to deal with certain nuisance conditions found in and around smoke shops within City limits. The Vallejo City Council will hold a public hearing to consider an extension of the moratorium applicable to new tobacco retailers on May 8, 2007, in the Council Chambers at City Hall at 7:00 p.m.

I am writing to you because our records show that you are the proprietor of one of these establishments. I am asking you to consider voluntarily removing certain noxious or illegal items from your store. Please find enclosed a list of items that the City of Vallejo would like to ask you to voluntarily remove from your site and refrain from selling.

Additionally, we are asking you and your staff to adhere to all local and state laws, including the laws regulating the display of advertising posters, which are limited to 15% of the window area per the City of Vallejo Zoning Ordinance, and the manner of sale of tobacco within your establishment. This is not an item of voluntary compliance. This is a requirement.

As to voluntary compliance regarding the items listed in the attached compliance list, if voluntary compliance is achieved by May 3, 2007, your favorable participation will be reported to the City Council and considered. Your participation, or lack thereof, will be taken into account as recommendations for legal action to abate the nuisance conditions are studied.

RE: Voluntary Compliance Program/Tobacco Retailers

April 23, 2007

Page 2

You are not being compelled to participate in this voluntary compliance program, and you are encouraged to seek your own independent legal counsel on this issue. However, if you would like to participate in this voluntary compliance program, or if you have any questions as to how to achieve compliance, please do not hesitate to call Lt. Reggie Garcia of the Vallejo Police Department at (707) 648-5297.

You are encouraged to participate in this process, and if you have any other questions, please feel free to contact me.

Very truly yours,

FREDERICK G. SOLEY City Attorney

CLAUDIA M. QUINTANA Assistant City Attorney

Enclosure

cc: Lt. Reggie Garcia, Vallejo Police Department

SMOKING, DRUG AND/OR TOBACCO PARAPHERNALIA INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

- 1. Kits intended for use or designed for use in planting, propagating, cultivating, growing or harvesting of any species of tobacco plant or any plant which is a controlled substance or from which a controlled substance can be derived.
- 2. Kits intended for use or designed for use in manufacturing, compounding, converting, producing, processing, or preparing tobacco or controlled substances.
- 3. Isomerization devices intended for use or designed for use in increasing the potency of any species of tobacco plant or plant which is a controlled substance.
- 4. Testing equipment intended for use or designed for use in identifying or in analyzing the strength, effectiveness or purity of tobacco or controlled substances.
- 5. Scales and balances intended for use or designed for use in weighing or measuring tobacco or controlled substances.
- 6. Separation gins (grinders) and sifters intended for use or designed for use in removing twigs, stems, seeds, or other foreign material from or in otherwise cleaning or refining, tobacco or marijuana.
- 7. Blenders, bowls, containers, spoons, and mixing devices intended for use or designed for use in compounding tobacco substances or substances containing marijuana.
- 8. Envelopes, pouches, capsules, balloons, and other containers intended for use or designed for use in packaging small quantities of tobacco or controlled substances.
- 9. Containers and other objects intended for use or designed for use in storing or concealing tobacco or controlled substances.
- 10. Objects intended for use or designed for use in ingesting, inhaling or otherwise introducing tobacco or controlled substances into the human body, such as the following:
 - a) Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes with or without screens, permanent screens, or punctured metal bowls.
 - b) Water pipes.
 - c) Carburetion tubes and devices.
 - d) Smoking and carburetion masks.
 - e) Clips or other devices intended to hold burning material, such as a marijuana cigarette, that has become too small or too short to be held in the hand.
 - f) Miniature cocaine spoons and cocaine vials.
 - g) Chamber pipes.
 - h) Carburetion pipes.
 - i) Electric pipes.
 - j) Air driven pipes.
 - k) Chillums.
 - 1) Bongs.
 - m) Ice pipes or chillers.
 - n) Grinders.
 - o) Crackers/Whippits/Nitrous Oxide containers as described in Penal Code § 381(b).
 - p) Balloons.
 - q) Shurikens/Throwing stars and any object as described in Penal Code § 12020(a).
 - r) Switchblade knives as described in Penal Code § 653(k).

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COUNCIL COMMUNICATION

Date: May 8, 2007

TO:

Honorable Mayor and Members of the City Council

FROM:

Frederick G. Soley, City Attorney L. R. Claudia Quintana, Assistant City Attorney

SUBJECT: Consideration of a Resolution authorizing a collaborative effort between the

City of Vallejo and the Solano County District Attorney's Office to retain a

Community Prosecutor.

BACKGROUND AND DISCUSSION

Recent community efforts and communication through Front Porch meetings have drawn attention to the need to better address certain quality-of-life issues within the City of Vallejo. Specifically, the nuisance conditions brought about by smoke shops, illegal dumping, code enforcement violations and unfair/illegal business practices need to be addressed on a more focused and consistent basis. Current staffing at the City Attorney's Office and increasing demand for legal services prevents the City Attorney's Office from having one attorney exclusively assigned to a community prosecution function. The City Attorney's interaction with Code Enforcement and the Beat Health unit of the Vallejo Police Department has recently been in an advisory capacity only, as the same attorney also staffs the Planning Commission, Planning Department, Transportation Department, advises the Police Department and monitors and participates in certain open litigation cases, among other assignments.

Additionally, Community Development staff needs to be trained in developing and documenting the necessary elements of a case in preparation for legal actions.

With these purposes in mind, staff has opened a dialogue with the Solano District Attorney's Office to bring a Community Prosecutor to work with City staff and to focus on prosecuting cases against nuisance offenders, illegal dumping and unlawful businesses within the city of Vallejo.

This Community Prosecutor position would be funded collaboratively by the City of Vallejo as well as the Solano District Attorney's Office. The position would be staffed by a Deputy District Attorney II or higher, employed by the Solano County District Attorney's Office. This person would be assigned exclusively to deal with Vallejo quality-of-life legal actions as described above. The City of Vallejo would contribute \$50K towards this Attorney's salary, and the Solano County District Attorney would contribute the remaining part estimated at \$50K plus any additional benefits and costs.

The City Attorney is willing to contribute the City's portion of \$50K from his Outside Counsel budget for FY 06-07 to immediately fund this effort.

As indicated in the March 13, 2007 study session, it is expected that actions brought about by the Community Prosecutor will be brought jointly in the name of the People of the State of California as well as the City of Vallejo whenever that is appropriate and authorized by law. The expectation is that the Community Prosecutor will structure each settlement demand and proposed judgment against violators to include the costs incurred by the City of Vallejo in investigating and prosecuting the violations. Any fines or penalties received by virtue of the prosecution would go to the Solano County District Attorney's Office.

It should be noted that such settlements or judgments in civil cases are notoriously slow in coming due to the length of court proceedings. Council should reasonably expect to see resolutions of any civil cases one or two years after instituting a particular action.

RECOMMENDATION

It is recommended that the attached resolution authorizing a collaborative effort between the City of Vallejo and the Solano County District Attorney's Office to retain a Community Prosecutor be approved.

ALTERNATIVES CONSIDERED

There is a "no-action" alternative, which would allow the status quo to remain.

ENVIRONMENTAL REVIEW

The collaborative effort to bring about a Community Prosecutor to the City of Vallejo is not a "project" within the meaning of the California Environmental Quality Act Guidelines § 15378.

PROPOSED ACTION

Approve the resolution authorizing a collaborative effort between the City of Vallejo and the Solano County District Attorney's Office to retain a Community Prosecutor.

DOCUMENTS ATTACHED

a. A resolution authorizing a collaborative effort between the City of Vallejo and the Solano County District Attorney's Office to retain a Community Prosecutor.

CONTACT PERSON

Claudia Quintana Assistant City Attorney (707) 648-4545 cquintana@ci.vallejo.ca.us

May 8, 2007
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RESULUTION NO. N.C	RESOL	UTION NO.	N.C
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BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the Solano County District Attorney's Office and the City of Vallejo would like to engage into a cooperative agreement to fund a "Community Prosecutor" position for the benefit of the City of Vallejo; and

WHEREAS, the Vallejo Community Prosecutor would be an employee of the Solano County District Attorney's Office, and would be dedicated to pursue legal action regarding public nuisances, unfair or illegal business practices, illegal dumping and other 'quality of life' prosecutions and actions within the City of Vallejo; and

WHEREAS, the City Attorney has indicated that he will contribute \$50,000 from his budget for outside counsel from Fiscal Year 06/07 to this collaborative effort.

NOW, THEREFORE, BE IT RESOLVED, that the Vallejo City Council hereby authorizes the payment of \$50,000 to the Solano County District Attorney's Office, as the City of Vallejo's share in the collaborative effort to employ a Vallejo Community Prosecutor, as described in the staff report; and

BE IT FURTHER RESOLVED, that the City Attorney and the City Manager are hereby authorized to participate in a collaborative effort with the Solano County District Attorney to designate a Vallejo Community Prosecutor dedicated to pursue legal action regarding public nuisances, unfair or illegal business practices, illegal dumping and other 'quality of life' prosecutions and actions within the City of Vallejo.

May 8, 2007 K:\PUBLIC\A\\CA\\07-05.RES.doc





Agenda Item No. Date: May 8, 2007

COUNCIL COMMUNICATION

TO: Honorable Mayor and Members of the City Council

FROM: Mary Ellsworth, Acting City Clerk

SUBJECT: CONSIDERATION OF RESOLUTION SETTING THE FEE FOR

THE COST OF THE CANDIDATES' STATEMENT OF QUALIFICATIONS AND THE COST FOR THE OPTIONAL

SPANISH TRANSLATION OF THE CANDIDATES' STATEMENT OF QUALIFICATIONS FOR THE NOVEMBER 6, 2007 GENERAL

MUNICIPAL ELECTION.

BACKGROUND

Vallejo Municipal Code section 2.56.060, Printing of Candidates' Statement of Qualifications states the City Council shall by resolution set a charge for the cost of the Candidates' Statement of Qualifications. Section 2.56.060 states, in part, ":...pursuant to the authority set forth in this section, the Council, in its discretion, may charge all, none, or only a portion of the cost of printing, handling, translating and mailing the candidates' statement." This section further requires that fees for the cost of printing, handling, translating and mailing the Candidates' Statement of Qualifications be set by resolution prior to each election. The nomination period for the November 6, 2007 election begins on Monday, July 16, 2007.

Historically, the City has incurred the cost for the basic English version of the Candidates' Statement of Qualifications. The fee for the English version for the November 6, 2007 election as set by the Registrar of Voters is \$729.00 per candidate. The fee for the Spanish translation is \$944.00 per candidate.

In those cases where candidates can not pay the fee, California Election Code section 13309 allows for a declaration of indigence which requires the filing of a Statement of Financial Worth accompanied by documentation required by the City Clerk, and if upon review, the determination is made that the candidate is indigent, then no fee would be assessed at the time of filing and the statement would be printed and mailed. Regardless of this determination, the City Clerk may bill the candidate for the cost associated with printing the Statement of Qualifications after the election.



Cities in the local area were contacted to determine how many charged candidates for the Statement of Qualifications. The Cities of American Canyon, Dixon, Vacaville, and Fairfield, charge the full amount; the City of Napa charges a flat \$200.00 and the City of Benicia does not charge. All the cities contacted charge for the translation.

RECOMMENDATION

In contrast to past elections, Staff is recommending that candidates be required to pay for the pro rata share of the cost of printing and mailing the English version of a candidates' Statement of Qualifications. This recommendation is being made in light of the City's present budget deficit.

ENVIRONMENTAL REVIEW

The adoption of the Resolution is not a project under the California Environmental Quality Act.

PROPOSED ACTION:

Adopt the resolution setting the fee for the publication of the Candidates' Statement of Qualifications and for the optional Spanish translation of the Statement for the November 6, 2007 General Municipal Election.

DOCUMENTS ATTACHED

1. Resolution setting the fee for the Candidates' Statement of Qualification and the optional Spanish translation of the Candidates' Statement of Qualifications for the November 6, 2007 General Municipal Election.

PREPARED BY

RESOLUTION NO. 07- N. C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, California Elections Code section 13307 provides that the governing body of any local agency shall adopt regulations pertaining to materials prepared by any candidate for a municipal election, including the costs of the candidates' statement; and

WHEREAS, the Solano County Board of Supervisors adopted a fee schedule which establishes the costs related to candidates' statements.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Vallejo declares, determines and orders as follows:

- 1. GENERAL PROVISIONS. Pursuant to California Elections Code section 13307, each candidate for elective office to be voted for at an election to be held in the City of Vallejo on November 6, 2007, may prepare a candidates' statement on an appropriate form provided by the City Clerk. The statement may include the name, age and occupation of the candidate and a brief description, of no more than 200 words, of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.
- 2. SPANISH LANGUAGE TRANSLATION. The City Clerk shall have translated and printed the candidates' statements of those candidates who request translation and printing at the candidate's expense.
- 3. ADDITIONAL MATERIALS. No candidate shall be permitted to include additional materials in the sample ballot package.

4. PAYMENT.

- a. The candidate at the time of filing their candidate statement is required to pay \$729.00 for the cost of printing, handling, and mailing his or her candidate's statement of qualifications in English.
- b. If the candidate chooses to have their candidate statement of qualifications translated and printed in Spanish, the candidate at the time of filing their candidate statement is required to pay an additional \$944.00 for the cost of translation, printing, handling, and mailing his or her candidate's statement of qualifications.

- 5. INDIGENT CANDIDATE. Any candidates unable to pay in advance the requisite fee for submitting a candidates' statement shall file a Statement of Financial Worth with the City Clerk pursuant to California Elections Code Section 13309.
- 6. PROVISION OF COPY OF RESOLUTION. The City Clerk is directed to provide each candidate or the candidates' representative a copy of this Resolution.
- 7. PREVIOUS RESOLUTIONS. All previous resolutions establishing City Council policy on payment for candidate statements are repealed.
- 8. APPLICABILITY. This Resolution shall apply only to the election to be held on November 6, 2007 and shall then be without further effect.